

**A REGULAR MEETING  
OF THE WESLACO CITY COMMISSION  
TUESDAY, OCTOBER 3, 2017**

NOTICE IS HEREBY GIVEN THAT the City Commission of the City of Weslaco, Texas will hold a Regular Meeting in the Legislative Chamber of City Hall, located at 255 South Kansas Avenue, on Tuesday, October 3, 2017 at 5:30 PM for the purpose of discussing the following items:

**NOTE:** If during the course of the meeting, any discussion of any item on the agenda should be held in executive or closed session, the Weslaco City Commission will convene in such executive or closed session whether or not such item is posted as an executive session item at any time during the meeting when authorized by the provisions of the Texas Open Meetings Act.

**I. CALL TO ORDER**

- A. Certification of Public Notice.
- B. Invocation.
- C. Pledge of Allegiance.
- D. Mayoral recognition.
- E. Roll Call.

**II. PUBLIC COMMENTS**

The Public Comments portion of the meeting promotes a fair and open process for the governance of the City. This portion of the meeting is not intended to be an extended discussion or a debate and is limited to three minutes for each presenter. Due to the Texas Open Meetings Act, the Mayor and City Commissioners do not reply; they listen. Matters under litigation are not to be addressed and comments regarding specific City employees and elected officials may be prohibited.

If you are discussing something not included on the agenda, the Commission cannot take any formal action until it is placed on an agenda and notice of the meeting is properly posted. Registration for Public Comments must be submitted to the City Secretary before the City Commission meeting is called to order. As the Mayor calls upon those who submitted a registration form with the City Secretary, please step to the podium and state your name and address before beginning your presentation.

**III. PUBLIC HEARING**

- A. To solicit input in compliance with the Consolidated Plan for Community Planning and Development (CDBG) Urban County Program Fiscal Year 31 (2018) Needs Assessment Plan. Attachment

#### **IV. CONSENT AGENDA**

The following items are of a routine or administrative nature. The City Commission has been furnished with background and support material on each item, and/or it had been discussed at a previous meeting. All items will be acted upon by one vote without being discussed separately unless requested by one commission member, in which event the item or items will immediately be withdrawn for individual consideration in its normal sequence after the items not requiring separate discussion have been acted upon. The remaining items will be adopted by one vote. Possible action.

##### **A. Approval on second and final reading of the following:**

- 1) Ordinance 2017-40 rezoning 400 N Republic Street also being Lots 12, 13, and 14, STAATS Addition Subdivision, Weslaco, Hidalgo County, Texas, from R-2 Duplex and Apartments District to B-4 Neighborhood Office District and authorize the Mayor to execute any related documents. (First reading was held September 19, 2017; Staffed by Planning and Code Enforcement.) Attachment
- 2) Ordinance 2017-41 rezoning 1210 Valley View also being Lot 6, Ashmelmont Subdivision, Weslaco, Hidalgo County, Texas, from R-1 One Family Dwelling District to B-4 Neighborhood Office District and authorize the Mayor to execute any related documents. (First reading was held on September 19, 2017; Staffed by Planning and Code Enforcement.) Attachment
- 3) Ordinance 2017-42 rezoning 1319 E. 18th Street also being Lot 24, Margo Terrace Estates Subdivision, Weslaco, Hidalgo County, Texas, from R-1 One Family Dwelling District to B-1 Neighborhood Business District and authorize the Mayor to execute any related documents. (First reading was held on September 19, 2017; Staffed by Planning and Code Enforcement.) Attachment
- 4) Ordinance 2017-43 authorizing a budget amendment as appropriate for the Solid Waste Account in the amount of \$27,000.00 and authorize the Mayor to execute any related documents. (First reading was held on September 19, 2017; Staffed by Public Works.) Attachment

##### **B. Approval of the renewals of the Professional Services Agreements as recommended by the Weslaco Hotel Occupancy Tax Advisory Committee:**

1. Frontera Audubon Society - \$30,800.00;
2. Lower Rio Grande Valley Nature Center - \$32,500.00;
3. Weslaco Area Chamber of Commerce - \$191,740.00;

and authorize the Mayor to execute any related documents. Attachment

##### **C. Approval of Ordinance 2017-50 authorizing a negotiated resolution with Texas Gas**



Service regarding the company's 2017 cost of service adjustment ("COSA") filing; declaring existing rates to be unreasonable; adopting tariffs that reflect rate adjustments consistent with the negotiated settlement and finding the rates to be set by the attached tariffs to be just and reasonable; providing for the recovery of the City's reasonable and necessary rate case expenses; adopting a savings clause and other matters as ordained. First Reading of Ordinance 2017-50. (Staffed by Finance Department.) Attachment

- D. Approval of a request by the Weslaco Bikearoos to utilize Harlon Block Park on October 14, 2017 from 8 a.m. – 12 p.m. for a Bike Rodeo, and authorize the Mayor to execute any related documents as may be required and waive any fees that may be associated with the event. (Requested by Weslaco Bikearoos.) Attachment
- E. Approval of a renewal of a Public Purpose Service Contract with the Weslaco Bicultural Museum d.b.a Weslaco Museum of Local History and Cultural Art in an amount not to exceed \$63,100.00 effective October 1, 2017 through September 30, 2018 and authorize the Mayor to execute any related documents. (Staffed by Parks and Recreation Department.) Attachment
- F. Approval of the renewal of a Public Purposes Services Contract with the Boys & Girls Club of Weslaco in an amount not to exceed \$50,000.00 for the public purpose services and activities in this contract, effective October 1, 2017 through September 30, 2018, and authorize the Mayor to execute any related documents. (Staffed by Parks and Recreation Department.) Attachment
- G. Approval of a renewal of a Mutual Lease Agreement with the Boys and Girls Club of Weslaco for the use of the facility located at 300 N. Airport, Suite B and authorize the Mayor to execute any related documents. (Staffed by Parks and Recreation Department.) Attachment
- H. Approval of renewal yearly agreement with UT-RGV for Stormwater Task Force in an amount not to exceed \$15,876.00 and authorize the Mayor to execute any related documents. (Staffed by Planning and Code Enforcement Department.) Attachment
- I. Approval of the purchase of one (1) new city unit for Animal Care Services in an amount not to exceed \$58,367.00 from the Capital Outlay funds Fiscal Year 2017-2018 and authorize the Mayor to execute any related documents. (Staffed by Planning & Code Enforcement Department.) Attachment
- J. Authorization to use the Court Technology Fund to pay the yearly fee for Incode Services, which include the Court Case Management, Police (non-Incode Interface to

Court), and AcuCorp Run Time in the amount not to exceed \$10,136.79. (Staffed by Municipal Court.) Attachment

- K. Approval of the renewal of payment to Smartcom Telephone, LLC for annual internet services and city facility network connectivity and authorize the Mayor to execute any related documents. (Staffed by IT Department). Attachment
- L. Approval of the renewal of payment to PTS Solutions, Inc for yearly software maintenance fee and authorize the Mayor to execute any related documents. (Staffed by IT Department). Attachment
- M. Approval of the renewal of payment to Tyler Technologies for yearly software maintenance fee and authorize the Mayor to execute any related documents. (Staffed by IT Department). Attachment

**V. NEW BUSINESS**

- A. Discussion and consideration to approve the following:
  - 1) Minutes of Regular Meeting on September 19, 2017; and
  - 2) Record of Workshop on September 27, 2017. Possible action.(Pulled from consent agenda on request by Commissioners Kerr and Munoz; Staffed by City Secretary's Office.) Attachment
- B. Discussion and consideration to approve an Interlocal Agreement with Hidalgo County Precinct No. 1 on Midway Road improvements and authorize the Mayor to execute any related documents. Possible action. (Requested by Precinct 1.) Attachment
- C. Discussion and consideration to award Request For Bids 2016-17-27 Rehabilitation of Lift Station No. 37 to the lowest most advantageous bidder and authorize Mayor to execute any related documents. Possible action. (Staffed by Planning and Code Enforcement Department.) Attachment
- D. Discussion and consideration to approve Ordinance 2017-48 amending Ordinance 1998-27, the City Telecommunication Ordinance, codified as Chapter 130, and adding uniform, nondiscriminatory requirements for users of City right-of-way and authorize the Mayor to execute any related documents. First reading of Ordinance 2017-48. Possible action. (Staffed by Planning and Code Enforcement Department). Attachment

- E. Discussion and consideration to approve Ordinance 2017-49 amending Ordinance 320, the City Zoning Ordinance, codified as Chapter 150, adding a new Division 10 (“Overlay Design District”) to section 150-3 (“Districts”), and adding section 150-11.1 Design District and authorize the Mayor to execute any related documents. First reading of Ordinance 2017-49. Possible action. (Staffed by Planning and Code Enforcement Department). Attachment
- F. Discussion and consideration to adopt the City of Weslaco Design Manual for the Installation of Network Nodes and Node Support Poles Pursuant to Tex. Loc. Gov. Code Chapter 284. Possible action. (Staffed by Planning and Code Enforcement Department.) Attachment

## **VI. EXECUTIVE SESSION**

*Texas Government Code, Section 551 Open Meetings:*

*§551.145. Closed Meeting Without Certified Agenda or Tape Recording; Offense; Penalty*

(a) A member of a government body commits an offense if the member participates in a closed meeting of the governmental body knowing that a certified agenda of the closed meeting is not being kept or that a tape recording of the closed meeting is not being made.

(b) An offense under Subsection (a) is a Class C misdemeanor.

*§551.146. Disclosure of Certified Agenda or Tape Recording of Closed Meeting; Offense; Penalty; Civil Liability*

(a) An individual, corporation, or partnership that without lawful authority knowingly discloses to a member of the public the certified agenda or tape recording of a meeting that was lawfully closed to the public under this chapter:

(1) commits an offense; and

(2) is liable to a person injured or damaged by the disclosure for:

(A) actual damages, including damages for personal injury or damage, lost wages, defamation, or mental or other emotional distress;

(B) reasonable attorney fees and court costs; and

(C) at the discretion of the trier of fact, exemplary damages.

(b) An offense under Subsection (a)(1) is a Class B misdemeanor.

(c) It is a defense to prosecution under Subsection (a)(1) and an affirmative defense to a civil action under Subsection (a)(2) that:

(1) the defendant had good reason to believe the disclosure was lawful; or

(2) the disclosure was the result of a mistake of fact concerning the nature or content of the certified agenda or tape recording. (Added by Acts 1993, 73rd Leg., ch 268, § 1, eff. Sept. 1, 1993.)

NOTE: Any documentation related to the following items will be maintained as part of the certified agenda.

- A. Personnel - Discussion regarding the goals, objectives, and evaluation of the City Manager for the City of Weslaco as authorized by §551.074 of the Texas Government Code.
- B. Pending Litigation - Consultation with City Attorney regarding *City of Weslaco v. Briones Consulting and Engineering* as authorized by §551.071 of the Texas Government Code.
- C. Economic Development – Consultation with City Attorney regarding Economic

Development opportunities and incentive programs related to Project Saddle as authorized by §551.087 of the Texas Government Code.

**VII. POSSIBLE ACTION ON WHAT IS DISCUSSED IN EXECUTIVE SESSION**

**VIII. ADJOURNMENT**

I hereby certify this **Notice of a Regular Meeting of the Weslaco City Commission** was posted in accordance with the Open Meetings Act on the outside bulletin board at City Hall of the City of Weslaco, located at the 255 South Kansas Avenue entrance, visible and accessible to the general public during and after regular working hours. This notice was posted on this 29th day of September, 2017 at 4:45 p.m. and will remain so posted continuously for at least 72-hours preceding the scheduled time of this meeting in accordance with Chapter 551 of the Texas Government Code.

/s/ Elizabeth M. Walker, City Secretary

**NOTE:** If any accommodation for a disability is required, please notify the City Secretary's Office at (956) 968-3181, Ext. 3100 prior to the meeting date.

*Regular Meetings of the Weslaco City Commission stream live online at <http://www.weslacotx.gov/Agendas.html>. Archived video of some meetings are also available.*

**Removed from Bulletin Board**

Date:

Initials:



# Standardized Agenda Request Form

|                                                                                                                                                                                                                                                                                                                                                                                                                  |                   |                                                              |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------|--------------------------------------------------------------|
| <b>Date of Meeting:</b><br>October 3, 2017                                                                                                                                                                                                                                                                                                                                                                       |                   | <b>Agenda Item No.</b> (to be assigned by CSO):<br>2017-1239 |
| <b>From:</b>                                                                                                                                                                                                                                                                                                                                                                                                     |                   |                                                              |
| <b>Subject:</b><br>Certification of Public Notice.                                                                                                                                                                                                                                                                                                                                                               |                   |                                                              |
| <b>Background:</b><br>Call to Order, includes the following:<br>A. Certification of Public Notice.<br>B. Invocation.<br>C. Pledge of Allegiance.<br>D. Mayoral recognition.<br>E. Roll Call.                                                                                                                                                                                                                     |                   |                                                              |
| <b>Funding Source</b> (budget code, if applicable):                                                                                                                                                                                                                                                                                                                                                              |                   |                                                              |
| Amount:                                                                                                                                                                                                                                                                                                                                                                                                          | Term of Impact:   | Identified in Current Budget:                                |
| <b>Additional Action Prompted:</b>                                                                                                                                                                                                                                                                                                                                                                               |                   |                                                              |
| <b>If item previously considered, provide date and action by Commission:</b>                                                                                                                                                                                                                                                                                                                                     |                   |                                                              |
| <b>If item requires Publication Notice, provide date and periodical of publication; indicate if comments received from letters mailed to property owners:</b>                                                                                                                                                                                                                                                    |                   |                                                              |
| <b>Advisory Review, if any</b> (name of board/committee, date of action, recommendation):                                                                                                                                                                                                                                                                                                                        |                   |                                                              |
| Elizabeth Walker                                                                                                                                                                                                                                                                                                                                                                                                 | Created/Initiated |                                                              |
| Elizabeth Walker                                                                                                                                                                                                                                                                                                                                                                                                 | Approved          |                                                              |
| Mike Perez                                                                                                                                                                                                                                                                                                                                                                                                       | Final Approval    |                                                              |
| <b>City Manager Comments:</b><br>Approve.                                                                                                                                                                                                                                                                                                                                                                        |                   |                                                              |
| <b>Staff Recommendation:</b><br>A. Mayor will Call to Order and certify Public Notice.<br>B. Pastor Thomas Murray, Grace Episcopal Church will lead the invocation.<br>C. Mayor will lead Pledge of Allegiance; Mayor Pro-Tem may lead Texas Flag.<br>D. Mayoral recognition.<br>E. City Secretary will call roll.<br>Four or more Commissioners present constitute a Quorum; otherwise, no action may be taken. |                   |                                                              |
| <b>Attachments, if any:</b><br>Pledge & Mission                                                                                                                                                                                                                                                                                                                                                                  |                   |                                                              |
| <b>Responsibilities upon Approval:</b>                                                                                                                                                                                                                                                                                                                                                                           |                   |                                                              |



# City of Weslaco

*"The City on the Grow"*



David Suarez, Mayor  
Gerardo "Jerry" Tafolla, Mayor Pro-Tem, District 4  
Leo Muñoz, Commissioner, District 1  
Greg Kerr, Commissioner, District 2  
Olga M. Noriega, Commissioner, District 3  
Letty Lopez, Commissioner, District 5  
Josh Pedraza, Commissioner, District 6

Mike R. Perez, City Manager

## The Pledge of Allegiance to the Flag

"I PLEDGE ALLEGIANCE TO THE FLAG OF THE UNITED STATES OF AMERICA AND TO THE REPUBLIC FOR WHICH IT STANDS, ONE NATION UNDER GOD, INDIVISIBLE, WITH LIBERTY AND JUSTICE FOR ALL."

## The Pledge of Allegiance to the State Flag

"Honor the Texas flag; I pledge allegiance to thee, Texas, one state under God, one and indivisible."

*\*The pledge was amended by House Bill 1034 during the 80th Legislature with the addition of "one state under God." The revised wording became effective on June 15, 2007.*

## Preamble to the Constitution of the United States of America

We the people of the United States, in order to form a more perfect union, establish justice, insure domestic tranquility, provide for the common defense, promote the general welfare, and secure the blessings of liberty to ourselves and our posterity, do ordain and establish this Constitution for the United States of America.

## STATEMENT OF VISION: AN INTERNATIONAL CENTER OF GROWTH

Friendly people with vision, courage and integrity

## STATEMENT OF MISSION: COMMITMENT TO EXCELLENCE IN PUBLIC SERVICE

- \*Positive Attitude of Courtesy & Concern
- \*Doing it Right the First Time
- \*Sensitive to the citizens' needs
- \*Friendly Respect for All
- \*Service without Hassle



# Standardized Agenda Request Form

|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |                 |                                                              |  |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------|--------------------------------------------------------------|--|
| <b>Date of Meeting:</b><br>October 3, 2017                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |                 | <b>Agenda Item No.</b> (to be assigned by CSO):<br>2017-1247 |  |
| <b>From:</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |                 |                                                              |  |
| <b>Subject:</b><br>To solicit input in compliance with the Consolidated Plan for Community Planning and Development (CDBG) Urban County Program Fiscal Year 31 (2018) Needs Assessment Plan.                                                                                                                                                                                                                                                                                                               |                 |                                                              |  |
| <b>Background:</b><br>In compliance with the Consolidated Plan for Community Planning & Development (CDBG), City of Weslaco is conducting a Public Hearing to solicit input from interested parties on the City's needs under the Urban County Program Fiscal Year 31 (2018).<br><br>Primary goals are to enable the City to provide decent housing, to establish and maintain a suitable living environment, and to expand economic opportunities for every citizen, particularly for low income persons. |                 |                                                              |  |
| <b>Funding Source</b> (budget code, if applicable):                                                                                                                                                                                                                                                                                                                                                                                                                                                        |                 |                                                              |  |
| Amount:                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | Term of Impact: | Identified in Current Budget:                                |  |
| <b>Additional Action Prompted:</b><br>Public Hearing                                                                                                                                                                                                                                                                                                                                                                                                                                                       |                 |                                                              |  |
| <b>If item previously considered, provide date and action by Commission:</b>                                                                                                                                                                                                                                                                                                                                                                                                                               |                 |                                                              |  |
| <b>If item requires Publication Notice, provide date and periodical of publication; indicate if comments received from letters mailed to property owners:</b><br>Urban County will issue notice for all UC recipients concurrently.                                                                                                                                                                                                                                                                        |                 |                                                              |  |
| <b>Advisory Review, if any</b> (name of board/committee, date of action, recommendation):                                                                                                                                                                                                                                                                                                                                                                                                                  |                 |                                                              |  |
| Mary Barrera                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |                 | Created/Initiated                                            |  |
| Mary Barrera                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |                 | Approved                                                     |  |
| Mike Perez                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |                 | Final Approval                                               |  |
| <b>City Manager Comments:</b><br>Approve solicitation of public comments.                                                                                                                                                                                                                                                                                                                                                                                                                                  |                 |                                                              |  |
| <b>Staff Recommendation:</b><br>Open Public Hearing and accept comments.                                                                                                                                                                                                                                                                                                                                                                                                                                   |                 |                                                              |  |
| <b>Attachments, if any:</b><br>2018 Urban County Calendar, PH Notice                                                                                                                                                                                                                                                                                                                                                                                                                                       |                 |                                                              |  |
| <b>Responsibilities upon Approval:</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |                 |                                                              |  |



# Urban County Program CDBG Year 31 (2018) Calendar

|                           |                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
|---------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>September 13, 2017</b> | Send out Memorandum to cities on New Year Calendar & schedule one-on-one training if necessary and requested. <b><i>Cities/Precincts contact your coordinator VIA email with the hearing date, time and location, no later than Friday, September 15, 2017 before 5:00 p.m.</i></b>                                                                                                                                                                                      |
| <b>October 1-31, 2017</b> | <b><u>Cities and Precincts must hold a Needs Assessment Public Hearing</u></b><br>Emphasize public attendance and input. Keep attendance log and minutes for meeting. Provide public with information about how past years funding/spending. Obtain input about public needs and provide answers to questions. If suggestions from the public are not included in plan, the city/precinct must explain why.                                                              |
| <b>November 17, 2017</b>  | <b><u>Preliminary Work Plans due at the Urban County Program Office</u></b><br><i>Cities must submit preliminary work plans or forfeit their funds.</i> Coordinator will schedule one-on-one meetings with city staff to review the work plans. Each activity should be well documented and must include photos, base maps, flood zone maps, census tracts, beneficiaries, engineering cost estimates and estimated length of time to complete and estimated start date. |
| <b>January 5, 2018</b>    | Preliminary Work Plans returned to City/Precinct with comments and/or corrections.                                                                                                                                                                                                                                                                                                                                                                                       |
| <b>February 16, 2018</b>  | <b><u>Final Work Plan due at UCP Offices.</u></b><br>Work plan submissions should include a copy of City Council approved resolution, minutes and sign in sheet.                                                                                                                                                                                                                                                                                                         |
| <b>February 19, 2018</b>  | <b><u>UCP Staff begins preparation of the 1-Yr. Action Plan</u></b><br>1-Yr. Action Plan (drafted from Year 31 (2018) Work Plans, to include narratives, maps, environmental documents, etc.).                                                                                                                                                                                                                                                                           |
| <b>March 15, 2018</b>     | Public Notice advertising the proposed 1-Yr. Action Plan<br>(30 Day Comment Period begins)                                                                                                                                                                                                                                                                                                                                                                               |
| <b>April 16, 2018</b>     | 30 Day Comment Period ends.                                                                                                                                                                                                                                                                                                                                                                                                                                              |
| <b>April 20, 2018*</b>    | UCP staff publishes public hearing notice for 1-Yr. Action plan. Public hearing will be held in Hidalgo County Commissioners' Court (HCCC).                                                                                                                                                                                                                                                                                                                              |
| <b>May 1, 2018*</b>       | Public hearing held before HCCC requesting approval of 1-YR Action Plan.                                                                                                                                                                                                                                                                                                                                                                                                 |
| <b>May 10, 2018*</b>      | UCP staff submits 1-Yr. Action Plan to HUD office in San Antonio, Texas                                                                                                                                                                                                                                                                                                                                                                                                  |
| <b>June 30, 2018</b>      | <b>Cities: Audits are due in UCP Office before 5:00 p.m.</b>                                                                                                                                                                                                                                                                                                                                                                                                             |

*\*Dates are subject to change, based on HCCC date availability.*

*Revised on 9/13/17*

**HIDALGO COUNTY - PRECINCT NO. 1 RESIDENTS**  
**PUBLIC HEARING NOTICE**  
**HIDALGO COUNTY - URBAN COUNTY PROGRAM**

**Publication Date: Friday, September 22, 2017**

In compliance with the Consolidated Plan for Community Planning & Development (CDBG), the **Cities listed below** will conduct a public hearing to solicit input from interested parties on the **Cities** needs under the **Urban County Program Fiscal Year 31 (2018)**.

The overall goals for the Consolidated Plan are to strengthen partnerships with jurisdiction, to extend and strengthen partnerships among all levels of government and the private sector, including profit and nonprofit organizations, to enable them to provide decent housing, to establish and maintain a suitable living environment, and to expand economic opportunities for every citizen, particularly for very low income persons.

The public hearing for the **City of Alamo** will be held on **Tuesday, October 17, 2017 at 7:00 P.M.** at the following location: **Alamo City Hall located at 420 N. Tower Road, Alamo, Texas 78516**. For more information, please come by our city office or call **(956) 787-0006**. Written comments can be forwarded to: **Mayor Diana Martinez - City of Alamo, 420 N. Tower Road, Alamo, Texas 78516**. Expected allocation is **\$248,834.00**.

The public hearing for the **City of Edcouch** will be held on **Tuesday, October 10, 2017 at 6:00 P.M.** at the following location: **Edcouch City Hall located at 211 West Southern Avenue, Edcouch, Texas 78538**. For more information, please come by our city office or call **(956) 262-2140**. Written comments can be forwarded to: **Mayor Virgíño Gonzalez - City of Edcouch, P.O. Box 100, Edcouch, Texas 78538**. Expected allocation is **\$248,834.00**.

The public hearing for the **City of Elsa** will be held on **Monday, October 16, 2017 at 6:00 P.M.** at the following location: **Elsa City Hall located at 102 S. Diana Street, Elsa, Texas 78543**. For more information, please come by our city office or call **(956) 262-2127**. Written comments can be forwarded to: **Mayor Alonzo Perez - City of Elsa, P.O. Box 427, Elsa, Texas 78543**. Expected allocation is **\$248,834.00**.

The public hearing for the **City of La Villa** will be held on **Wednesday, October 11, 2017 at 6:15 P.M.** at the following location: **La Villa City Hall located at 916 S. Mike Chapa, La Villa, Texas 78562**. For more information, please come by our city office or call **(956) 262-2122**. Written comments can be forwarded to: **Mayor Alma Moron - City of La Villa, P.O. Box 60, La Villa, Texas 78562**. Expected allocation is **\$248,834.00**.

The public hearing for the **City of Mercedes** will be held on **Tuesday, October 17, 2017 at 6:00 P.M.** at the following location: **Mercedes City Hall located at 400 South Ohio Avenue., Mercedes, Texas 78570**. For more information, please come by our city office or call **(956) 565-3114**. Written comments can be forwarded to: **Mayor Henry Hinojosa - City of Mercedes, 400 South Ohio Ave., Mercedes, TX 78570**. Expected allocation is **\$248,834.00**.

The public hearing for the **City of Progreso** will be held on **Wednesday, October 04, 2017 at 6:00 P.M.** at the following location: **Progreso City Hall located at 300 N. FM 1015, Progreso, Texas 78579**. For more information, please come by our city office or call **(956) 565-0241**. Written comments can be forwarded to: **Mayor Arturo Aleman - City of Progreso, P.O. Box 699, Progreso, TX 78579**. Expected allocation is **\$248,834.00**.

The public hearing for the **City of Weslaco** will be held on **Tuesday, October 03, 2017 at 6:00 P.M.** at the following location: **Weslaco City Hall Legislative Chambers located at 255 S. Kansas Ave., Weslaco, Texas 78596**. For more information, please come by our city office or call **(956) 968-3181**. Written comments can be forwarded to: **Mayor David Suarez, City of Weslaco - 255 S. Kansas Ave., Weslaco, Texas 78596**. Expected allocation is **\$276,051.00**.

Listed below is a partial listing of eligible activities.

|                                  |                                   |
|----------------------------------|-----------------------------------|
| Public Facilities Needs          | Child Care Services               |
| Senior Centers                   |                                   |
| Youth Centers                    | Accessibility                     |
| Neighborhood Facilities          |                                   |
| Parks and Recreation Facilities  | Economic Development Needs        |
| Health Facilities                | Technical Assistance              |
| Child Care Facilities            |                                   |
| Parking Facilities               | Lead-Based Paint/Hazard Abatement |
| Infrastructure Improvement Needs | Code Enforcement                  |
| Flood Drain Improvements         |                                   |
| Water Improvements               | Emergency Shelter Needs           |
| Sewer Improvements               |                                   |
| Street Improvements              | Housing Needs                     |
| Public Service Needs             | Community Planning                |
| Senior Services                  |                                   |
| Handicapped Services             | Program Administration            |
| Youth Services                   |                                   |

Accommodations for individuals with handicaps shall be provided upon request. Language translation services are available upon request.

**Diana R. Serna, Director**  
**Hidalgo County – Urban County Program**  
**427 E. Duranta Avenue, Suite 107**  
**Alamo, Texas 78516**

RESIDENTES DEL CONDADO DE HIDALGO PRECINTO NO. 1  
AVISO DE AUDENCIA PUBLICA  
PROGRAMA URBANO DEL CONDADO DE HIDALGO

Fecha de publicación: viernes día 22 de septiembre 2017

En cumplimiento con el Plan Consolidado para la Planificación y Desarrollo Comunitario (CDBG), las ciudades mencionadas debajo llevarán a cabo una audiencias públicas para solicitar la opinión de las partes interesadas en las necesidades de la ciudades bajo el Programa Urbano del Condado de Hidalgo, del año fiscal 31 (2018).

Los objetivos generales del Plan Consolidado son el fortalecimiento de las asociaciones con jurisdicciones a fin de ampliar y fortalecer las alianzas entre todos los niveles del gobierno y el sector privado, incluidas las organizaciones sin fines de lucro y, a fin de que puedan proporcionar una vivienda digna, para establecer y mantener una vida adecuada en el medio ambiente, y para ampliar las oportunidades económicas para todos los ciudadanos, en particular para las personas con ingresos muy bajos.

La audiencia pública para la Ciudad de Alamo se llevará a cabo el **Martes 17 de octubre 2017 a las 7:00 P.M.** en la siguiente ubicación: **Municipalidad de la Ciudad de Alamo ubicado en el 420 N. Tower Road, Alamo, Texas 78516.** Para obtener más información, por favor venga a nuestra oficina de la ciudad o llame al **(956) 787-0006.** Los comentarios escritos pueden hacer enviados a: **Alcalde Diana Martinez de la Ciudad de Alamo al 420 N. Tower Road, Alamo, Texas 78516.** Asignación esperada de **\$248,834.00.**

La audiencia pública para la Ciudad de Edcouch se llevará a cabo el **Martes 10 de octubre 2017 a las 6:00 P.M.** en la siguiente ubicación: **Municipalidad de la Ciudad de Edcouch ubicado en el 211 West Southern Avenue, Edcouch, Texas 78538.** Para obtener más información, por favor venga a nuestra oficina de la ciudad o llame al **(956) 262-2140.** Los comentarios escritos pueden hacer enviados a: **El Alcalde Virginio Gonzalez de la Ciudad de Edcouch al P.O. Box 100, Edcouch, Texas 78538.** Asignación esperada de **\$248,834.00.**

La audiencia pública para la Ciudad de Elsa se llevará a cabo el **Monday 16 de octubre 2017 a las 6:00 P.M.** en la siguiente ubicación: **Municipalidad de la Ciudad de Elsa ubicado en el 102 S. Diana Street, Elsa, Texas 78543.** Para obtener más información, por favor venga a nuestra oficina de la ciudad o llame al **(956) 262-2127.** Los comentarios escritos pueden hacer enviados a: **El Alcalde Alonzo Perez de la Ciudad de Elsa al P.O. Box 427, Elsa, Texas 78543.** Asignación esperada de **\$248,834.00.**

La audiencia pública para la Ciudad de La Villa se llevará a cabo el **Miércoles 11 de octubre 2017 a las 6:15 P.M.** en la siguiente ubicación: **Municipalidad de la Ciudad de La Villa ubicado en el 916 S. Mike Chapa, La Villa, Texas 78562.** Para obtener más información, por favor venga a nuestra oficina de la ciudad o llame al **(956) 262-2122.** Los comentarios escritos pueden hacer enviados a: **El Alcalde Alma Moron de la Ciudad de La Villa al P.O. Box 60, La Villa, Texas 78562.** Asignación esperada de **\$248,834.00.**

La audiencia pública para la Ciudad de Mercedes se llevará a cabo el **Martes 17 de octubre 2017 a las 6:00 P.M.** en la siguiente ubicación: **Municipalidad de la Ciudad de Mercedes ubicado en el 400 South Ohio Ave., Mercedes, Texas 78570.** Para obtener más información, por favor venga a nuestra oficina de la ciudad o llame al **(956) 565-3114.** Los comentarios escritos pueden hacer enviados a: **El Alcalde Henry Hinojosa de la Ciudad de Mercedes al 400 South Ohio Ave., Mercedes, Texas 78570.** Asignación esperada de **\$248,834.00.**

La audiencia pública para la Ciudad de Progreso se llevará a cabo el **Miércoles 04 de octubre 2017 a las 6:00 P.M.** en la siguiente ubicación: **Municipalidad de la Ciudad de Progreso ubicado en el 300 N. FM 1015, Progreso, Texas 78579.** Para obtener más información, por favor venga a nuestra oficina de la ciudad o llame al **(956) 565-0241.** Los comentarios escritos pueden hacer enviados a: **El Alcalde Arturo Aleman de la Ciudad de Progreso al P.O. Box 699, Progreso, Texas 78579.** Asignación esperada de **\$248,834.00.**

La audiencia pública para la Ciudad de Weslaco se llevará a cabo el **Martes 3 de octubre 2017 a las 6:00 P.M.** en la siguiente ubicación: **Municipalidad de la Ciudad de Weslaco Cámara de Legislatura ubicado en el 255 S. Kansas Ave., Weslaco, Texas 78596.** Para obtener más información, por favor venga a nuestra oficina de la ciudad o llame al **(956) 968-3181.** Los comentarios escritos pueden hacer enviados a: **El Alcalde David Suarez de la Ciudad de Weslaco al 255 S. Kansas Ave., Weslaco, Texas 78596.** Asignación esperada de **\$276,051.00.**

A continuación se muestra una lista parcial de las actividades elegibles.

|                                                  |                                       |
|--------------------------------------------------|---------------------------------------|
| Necesidades de establecimientos públicos         | Servicios para discapacitados         |
| Centros para personas de la tercera edad         | Servicios para jóvenes                |
| Centros para jóvenes                             | Servicios de cuidado infantil         |
| Instalaciones del vecindario                     |                                       |
| Instalaciones de parques y recreación            | Aplicación del código                 |
| Instalaciones de salud                           |                                       |
| Instalaciones para el cuidado de niños           | Necesidades de vivienda de emergencia |
| Instalaciones de estacionamiento                 |                                       |
|                                                  | Necesidades de vivienda               |
| Necesidades de mejoras de infraestructura        |                                       |
| Mejoras de drenaje de inundaciones               | Planificación de la Comunidad         |
| Mejoras de agua                                  |                                       |
| Mejoras de alcantarillado                        | Administración del Programa           |
| Mejoras de calles                                |                                       |
|                                                  | Necesidades de desarrollo económico   |
| Necesidades de Servicios Públicos                | Asistencia Técnica                    |
| Servicios para personas de tercera edad          |                                       |
| Pintura con base de plomo / Reducción de Riesgos |                                       |

Aloiamiento para las personas con discapacidad se puede proporcionar a petición. Ayuda de servicios de traducción serán disponible a petición.

Diana R. Serna, Directora  
Programa Urbano del Condado de Hidalgo  
427 E. Duranta Avenue, Suite 107  
Alamo, Texas 78516





# Standardized Agenda Request Form

|                                                                                                                                                                                                                                                                                                                                                                                               |                 |                                                              |  |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------|--------------------------------------------------------------|--|
| <b>Date of Meeting:</b><br>October 3, 2017                                                                                                                                                                                                                                                                                                                                                    |                 | <b>Agenda Item No.</b> (to be assigned by CSO):<br>2017-1219 |  |
| <b>From:</b><br>Mardoqueo Hinojosa                                                                                                                                                                                                                                                                                                                                                            |                 |                                                              |  |
| <b>Subject:</b><br>Ordinance 2017-40 rezoning 400 N Republic Street also being Lots 12, 13, and 14, STAATS Addition Subdivision, Weslaco, Hidalgo County, Texas, from R-2 Duplex and Apartments District to B-4 Neighborhood Office District and authorize the Mayor to execute any related documents. (First reading was held September 19, 2017; Staffed by Planning and Code Enforcement.) |                 |                                                              |  |
| <b>Background:</b><br>The applicant is requesting to rezone property from R-2 Duplex and Apartments to B-4 Neighborhood Office District. Thirty-six (36) property owners within 200 feet of the applicant's property were notified by letter on August 25, 2017. Six (6) owners within the 200-ft radius signed a petition against this rezone (under 20%).                                   |                 |                                                              |  |
| <b>Funding Source</b> (budget code, if applicable):                                                                                                                                                                                                                                                                                                                                           |                 |                                                              |  |
| Amount:                                                                                                                                                                                                                                                                                                                                                                                       | Term of Impact: | Identified in Current Budget:                                |  |
| <b>Additional Action Prompted:</b><br>Mayor's Signature<br>Public Hearing<br>Ordinance - First Reading<br>Ordinance - Final Reading                                                                                                                                                                                                                                                           |                 |                                                              |  |
| <b>If item previously considered, provide date and action by Commission:</b>                                                                                                                                                                                                                                                                                                                  |                 |                                                              |  |
| <b>If item requires Publication Notice, provide date and periodical of publication; indicate if comments received from letters mailed to property owners:</b><br>Notice of the application and the public hearing for the Planning and Zoning Commission and the City Commission appeared in The Monitor on August 21, 2017.                                                                  |                 |                                                              |  |
| <b>Advisory Review, if any</b> (name of board/committee, date of action, recommendation):<br>Planning & Zoning recommended approval on September 6, 2017.                                                                                                                                                                                                                                     |                 |                                                              |  |
| Aida Vega<br>Mardoqueo Hinojosa<br>Mike Perez                                                                                                                                                                                                                                                                                                                                                 |                 | Created/Initiated<br>Approved<br>Final Approval              |  |
| <b>City Manager Comments:</b><br>Approve.                                                                                                                                                                                                                                                                                                                                                     |                 |                                                              |  |
| <b>Staff Recommendation:</b><br>Staff recommends approval.                                                                                                                                                                                                                                                                                                                                    |                 |                                                              |  |
| <b>Attachments, if any:</b><br>Rezone Application, Aerial, Ordinance 2017-40                                                                                                                                                                                                                                                                                                                  |                 |                                                              |  |

**Responsibilities upon Approval:**

Planning staff will advise applicant.



**STAFF USE ONLY**

Accepted By Virginia Payment Received By Virginia Date Paid 8/1/17

Notice of Public Hearing Sent to Property Owners within 200' of Proposed Site Date \_\_\_\_\_

P & Z Notice of Public Hearing Published in Newspaper Date \_\_\_\_\_

City Commission Notice of Public Hearing Published Date \_\_\_\_\_

Presented to P & Z Commission  
Approved \_\_\_\_\_ Disapproved \_\_\_\_\_ Tabled \_\_\_\_\_ Date \_\_\_\_\_

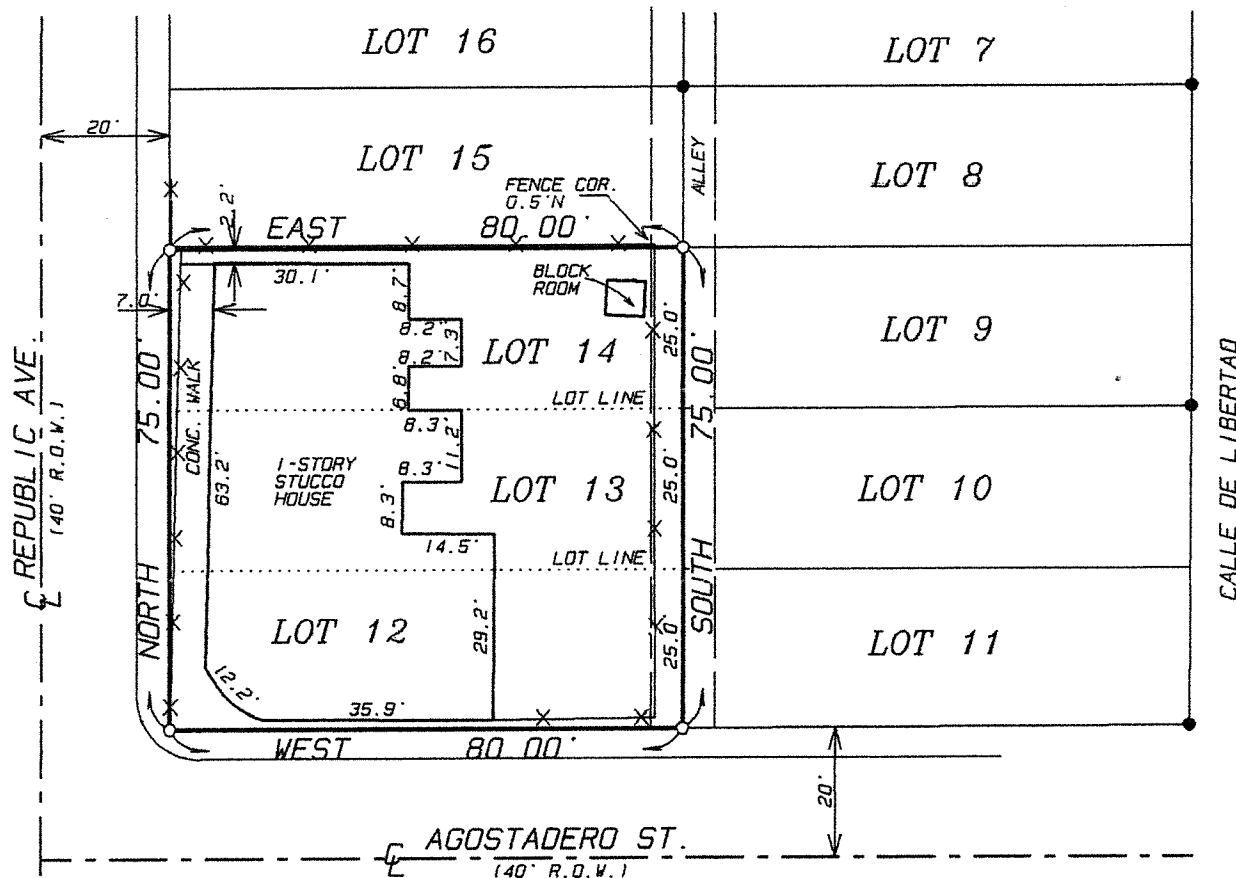
Presented to City Commission  
Approved \_\_\_\_\_ Disapproved \_\_\_\_\_ Tabled \_\_\_\_\_ Date \_\_\_\_\_

Ordinance No. \_\_\_\_\_



- Found 1/2" iron rod
- Set 1/2" iron rod with a plastic cap stamped "R&A"
- ~~✱~~ Chainlink fence

BASIS OF BEARINGS:  
1/2" I.R. FND. AT  
N.E. COR. BLK. 2  
& AT S.E. COR. LOT



SURVEY PLAT OF  
LOTS 12, 13 AND 14, BLOCK 2  
STAATS ADDITION  
AN ADDITION TO THE CITY OF WESLACO  
HIDALGO COUNTY, TEXAS

PER MAP RECORDED IN VOLUME 6, PAGE 57, H.C.M.R.

PROPERTY ADDRESS: 400 N REPUBLIC ST.  
WESLACO, TX 78596

I, REYNALDO ROBLES, REGISTERED PROFESSIONAL LAND SURVEYOR OF THE STATE OF TEXAS, DO HEREBY CERTIFY THAT THE ABOVE PLAT REPRESENTS A SURVEY AS MADE ON THE GROUND UNDER MY SUPERVISION, THAT THERE ARE NO VISIBLE ENCROACHMENTS, NOR VISIBLE AND APPARENT EASEMENTS AT THE TIME OF SURVEY EXCEPT AS SHOWN AND BY GRAPHIC PLOTTING ONLY THIS PROPERTY LIES IN FLOOD ZONE "C" (AREAS OF MINIMAL FLOODING) OF FIRM COMMUNITY PANEL No. 480349 0005 B, DATED MARCH 4, 1980.

PREPARED FOR: ARMANDO ALANIZ

**RA** ROBLES AND  
ASSOCIATES, PLLC

PROFESSIONAL LAND SURVEYORS

P.O BOX 476  
107 W. HUISACHE ST.  
WESLACO. TEXAS 78596

PHONE (956) 968-2422  
FAX (956) 969-2011  
FIRM No. 10096700

SURVEYED: 7-07-17

DRAWN BY: PG/7-11-17

SCALE: 1"=30'

JOB No. 19655

TITLE  
COMMITMENT No.

REVISED:

SURVEY IS VALID ONLY IF PRINT HAS ORIGINAL  
EMBOSSSED SEAL OF SURVEYOR OF RECORD.

© COPYRIGHT 2017

REYNALDO ROBLES, RPLS. #4032

**CITY OF WESLACO LEGAL NOTICE THE WESLACO PLANNING**

CITY OF WESLACO LEGAL NOTICE The Weslaco Planning and Zoning Commission will hold a public hearing on Wednesday, September 6, 2017 at 5:30 p.m. and the City Commission will also hold a Public Hearing on Tuesday, September 19, 2017 at 5:30 p.m. at the City Hall Legislative Chambers located at 255 South Kansas Avenue to consider the following requests: Si desea informacion en español, llame al departamento de Planeación de la Ciudad de Weslaco, (956) 447-3403. Armando Alaniz is requesting to rezone 400 N Republic Street also being Lots 12, 13, and 14, Block 2, STAATS Addition Subdivision, Weslaco, Hidalgo County, Texas, from R-2 Duplex and Apartments District to B-4 Neighborhood Office District. Possible Action. Francisco Perez is requesting to rezone 1319 E. 18th Street also being Lot 24, Margo Terrace Estates Subdivision, Weslaco, Hidalgo County, Texas, from R-1 One Family Dwelling District to B-1 Neighborhood Business District. Possible Action. Bill Carlson is requesting to rezone 1210 Valley View also being Lot 6, Ashmelmont Subdivision, Weslaco, Hidalgo County, Texas, from R-1 One Family Dwelling to B-4 Neighborhood Office District. Possible Action. The public is invited to attend and express support for or opposition to these applications. You may also file written support or opposition on or before September 6, 2017, for the Planning and Zoning Commission and on or before September 19, 2017, for the City Commission. For additional information, contact the Planning Department at (956) 447-3403 /S/ MARDOQUEO HINOJOSA, P.E., CFM Planning Director/City Engineer



[Click here](#) to view the public notice as it appeared in print.

**Attachment 1**

No Attachment Uploaded

[+ADD](#) [?HELP](#)**Attachment 2**

No Attachment Uploaded

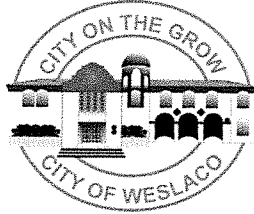
[+ADD](#) [?HELP](#)

Appeared in: **The Monitor** on Monday, 08/21/2017

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# City of Weslaco

*"The City on the Grow"*



David Suarez, Mayor  
Gerardo "Jerry" Tafolla, Mayor Pro-Tem, District 4  
Leo Muñoz, Commissioner, District 1  
Greg Kerr, Commissioner, District 2  
Olga M. Noriega, Commissioner, District 3  
Letty Lopez, Commissioner, District 5  
Josh Pedraza, Commissioner, District 6

Mike R. Perez, City Manager

## PLANNING DEPARTMENT

August 25, 2017

### Legal Notice

Dear Occupant:

The Weslaco Planning and Zoning Commission will hold a public hearing on Wednesday, September 6, 2017 at 5:30 p.m. and the City Commission will also hold a public hearing on Tuesday, September 19, 2017 at 5:30 p.m. at the City Hall Legislative Chambers located at 255 South Kansas Avenue to consider the following requests:

### **REZONE REQUEST:**

Armando Alaniz is requesting to rezone 400 N. Republic Street also being Lots 12, 13, and 14, Block 2, STAATS Addition Subdivision, Weslaco, Hidalgo County, Texas, from R-2 Duplex and Apartments District to B-4 Neighborhood Office District.

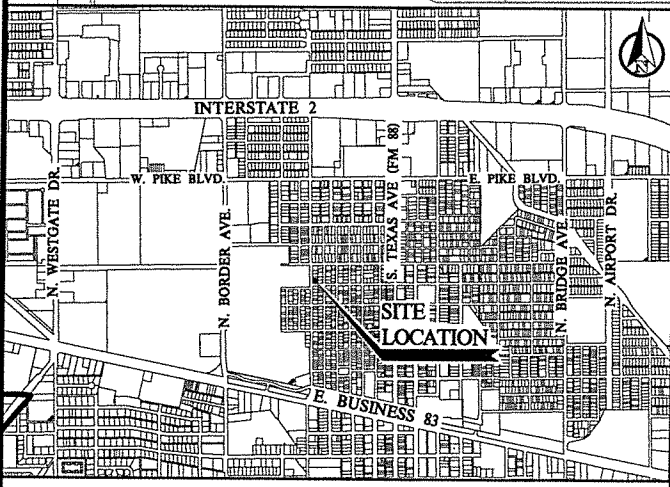
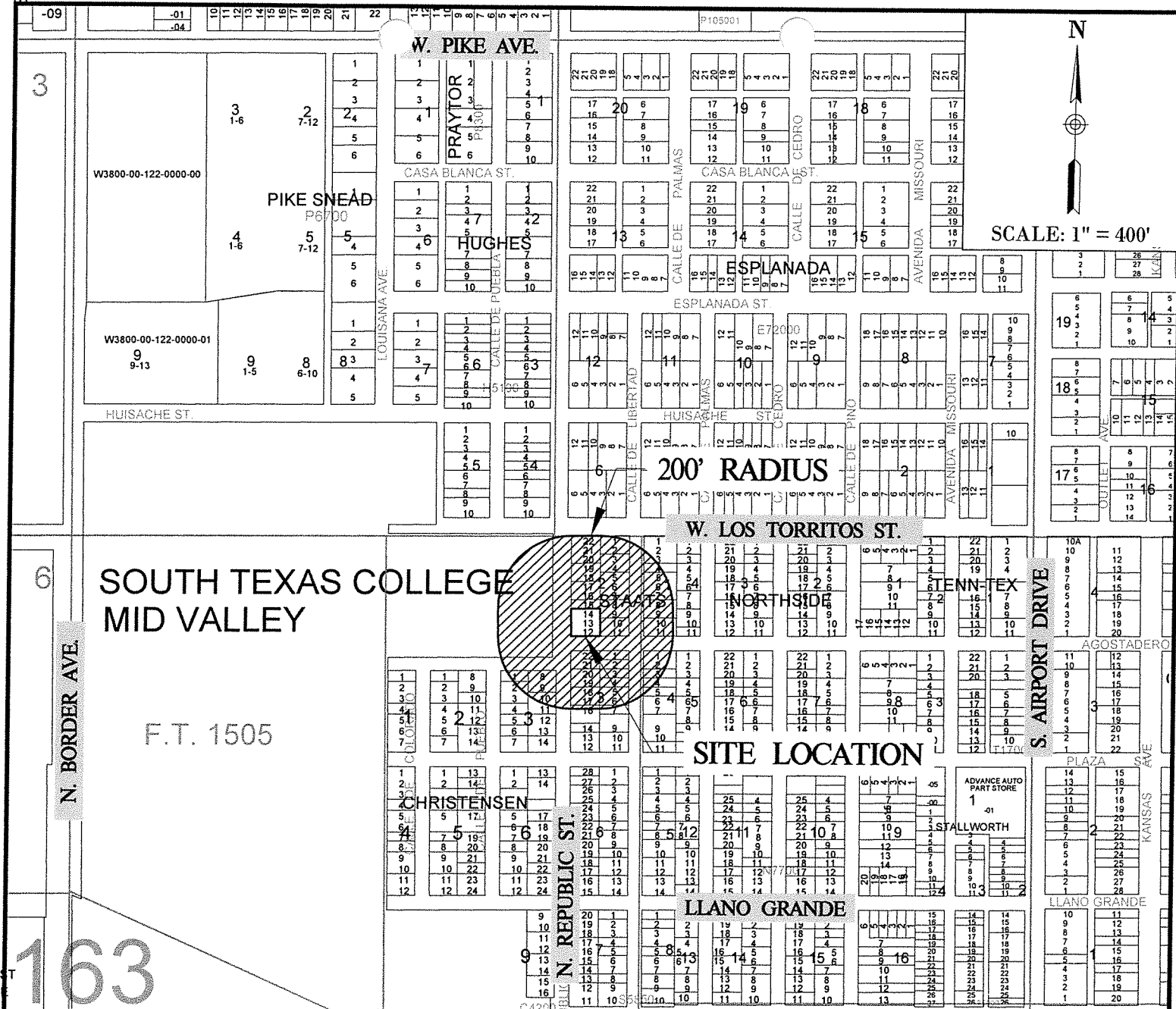
The public is hereby invited to attend and express their support or opposition to the request. You may also file a written notice supporting or protesting this action. For more information please call the Planning Department at (956) 447-3403.

Si desea información en español, por favor llame al departamento de Planeación de la ciudad de Weslaco, (956) 447-3403.

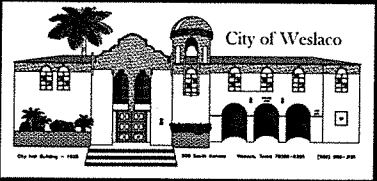
Sincerely,

Mardoqueo Hinojosa, P.E., CFM  
Planning Director/City Engineer

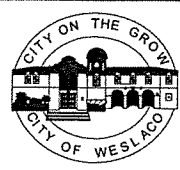
MH/mh



VICINITY MAP



ARMANDO ALANIZ  
 400 N. REPUBLIC ST.  
 LOT 12, 13, 14 BLOCK 2  
 STAATS ADDITION  
 EXIST. ZONING: R-2 PROP. ZONING: B-4



## City of Weslaco Code Enforcement Dept.

AUG 21, 2017

|                                                                                           |                                                                             |                      |
|-------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------|----------------------|
| BENAVIDES DEISY<br>3409 E PIKE BLVD<br>WESLACO TX 78599-0400                              | C4200-00-003-0001-00<br>CHRISTENSEN LOT 1 BLK 3<br>312 N PUEBLO ST          | L: 5700<br>B: 5037   |
| BENAVIDES DEISY<br>3409 E PIKE BLVD<br>WESLACO TX 78599                                   | C4200-00-003-0002-00<br>CHRISTENSEN BLK 3 LTS 2 3<br>310 N PUEBLO ST        | L: 11400<br>B: 13285 |
| DE LEON RAUL JR<br>MANUEL DE LA TORRE<br>315 N REPUBLIC<br>WESLACO TX 78596               | C4200-00-003-0008-00<br>CHRISTENSEN BLK 3 LTS 8 9<br>322 N REPUBLIC ST      | L: 11400<br>B: 13296 |
| HERNANDEZ JOSE & MARIA TERESA<br>313 N REPUBLIC ST<br>WESLACO TX 78596                    | C4200-00-003-0010-00<br>CHRISTENSEN LOTS 10 & 11 BLK 3<br>313 N REPUBLIC ST | L: 11400<br>B: 13887 |
| RODRIGUEZ JULIA<br>417 N LIBERTY ST<br>WESLACO TX 78596                                   | S5850-00-001-0001-00<br>STAATS BLK 1 LTS 1 2 3<br>417 N LIBERTY ST          | L: 23625<br>B: 11343 |
| THOMPSON EDELMIRO<br>1117 STONE ST<br>WESLACO TX 78596                                    | S5850-00-001-0004-00<br>STAATS LOT 4 BLK 1<br>413 N LIBERTY ST              | L: 7875<br>B: 8133   |
| POMPA MARGARITO III & ANGELA Y<br>411 N LIBERTY ST<br>WESLACO TX 78596                    | S5850-00-001-0005-00<br>STAATS BLK 1 LTS 5-7<br>411 N LIBERTY ST            | L: 23625<br>B: 10307 |
| LOPEZ FRANCISCO DE JESUS<br>407 N LIBERTY ST<br>WESLACO, TX 78596                         | S5850-00-001-0008-00<br>STAATS BLK 1 LTS 8 9<br>407 N LIBERTY ST            | L: 15750<br>B: 12873 |
| GOMEZ DOLORES PENA<br>4102 COUNTRY WAY DR<br>WESLACO TX 78599                             | S5850-00-001-0010-00<br>STAATS BLK 1 LTS 10 11<br>401 N LIBERTY ST          | L: 15750<br>B: 8730  |
| RODRIGUEZ YOLANDA<br>307 TC JONES RD<br>RAEFORD NC 28376                                  | S5850-00-002-0001-00<br>STAATS BLK 2 LTS 1 2<br>418 N LIBERTY ST            | L: 14000<br>B: 13650 |
| GONZALES JOSE D<br>414 N LIBERTY ST<br>WESLACO TX 78596                                   | S5850-00-002-0003-00<br>STAATS BLK 2 LTS 3 4<br>414 N LIBERTY ST            | L: 14000<br>B: 7487  |
| THOMPSON ARTURO & JUDY<br>ATTN: SOUTH TEXAS DEVELOPERS<br>PO BOX 5848<br>MCALLEN TX 78502 | S5850-00-002-0005-00<br>STAATS BLK 2 LTS 5-6 & 7<br>412 N LIBERTY ST        | L: 21000<br>B: 34272 |

## City of Weslaco Code Enforcement Dept.

AUG 21, 2017

|                                                                                       |                                                                            |                      |
|---------------------------------------------------------------------------------------|----------------------------------------------------------------------------|----------------------|
| THOMPSON, ARTURO<br>C/O SOUTH TEXAS DEVELOPERS<br>PO BOX 5848<br>MCALLEN TX 78502-584 | S5850-00-002-0006-00<br>STAATS BLK 2 LT 6<br><br>408 N LIBERTY ST          | L: 3900<br>B: 0      |
| THOMPSON, ARTURO<br>C/O SOUTH TEXAS DEVELOPERS<br>PO BOX 5848<br>MCALLEN TX 78502-584 | S5850-00-002-0007-00<br>STAATS BLK 2 LT 7<br><br>406 N LIBERTY ST          | L: 3900<br>B: 0      |
| SAMBRANO ERNESTO & MERARE<br><br>404 N LIBERTY ST<br>WESLACO TX 78596                 | S5850-00-002-0008-00<br>STAATS LOT 8 & 9 BLK 2<br><br>404 N LIBERTY ST     | L: 14000<br>B: 23869 |
| GOMEZ DOLORES PENA<br><br>4102 COUNTRY WAY DR<br>WESLACO TX 78599                     | S5850-00-002-0010-00<br>STAATS BLK 2 LTS 10 11<br><br>402 N LIBERTY ST     | L: 14000<br>B: 0     |
| CANTU JULIAN<br>C/O JOSE LUIS<br>4311 R J JOHNS AVE<br>WESLACO TX 78599               | S5850-00-002-0012-00<br>STAATS BLK 2 LTS 12 13 14<br><br>400 N REPUBLIC ST | L: 21000<br>B: 18910 |
| ESPINOZA MARIA OLGA<br><br>410 N REPUBLIC ST<br>WESLACO TX 78596                      | S5850-00-002-0015-00<br>STAATS BLK 2 LT 15<br><br>408 N REPUBLIC ST        | L: 7000<br>B: 4648   |
| SALINAS ELISA T<br><br>412 W REPUBLIC ST<br>WESLACO TX 78596                          | S5850-00-002-0016-00<br>STAATS BLK 2 LTS 16 17<br><br>410 N REPUBLIC ST    | L: 14000<br>B: 11632 |
| SALINAS ELISA T<br><br>412 W REPUBLIC ST<br>WESLACO TX 78596                          | S5850-00-002-0018-00<br>STAATS BLK 2 LTS 18 19<br><br>412 N REPUBLIC ST    | L: 14000<br>B: 15542 |
| VALENZUELA ROSA G<br><br>418 N REPUBLIC ST<br>WESLACO TX 78596                        | S5850-00-002-0020-00<br>STAATS BLK 2 LTS 20 21 22<br><br>418 N REPUBLIC ST | L: 21000<br>B: 20172 |
| WESLACO ISD TRUSTEE<br><br>PO BOX 178<br>EDINBURG TX 78540                            | S5850-00-003-0001-00<br>STAATS BLK 3 LT 1<br><br>318 N LIBERTY ST          | L: 7000<br>B: 0      |
| MORALES MARIA POLANCO<br><br>316 N LIBERTY ST<br>WESLACO TX 78596                     | S5850-00-003-0002-00<br>STAATS BLK 3 LT 2<br><br>316 N LIBERTY ST          | L: 7000<br>B: 9933   |
| ACEVEDO BERNICE<br><br>314 N LIBERTY<br>WESLACO TX 78596                              | S5850-00-003-0003-00<br>STAATS BLK 3 LT 3<br><br>314 N LIBERTY ST          | L: 7000<br>B: 8625   |

## City of Weslaco Code Enforcement Dept.

AUG 21, 2017

|                                                                                               |                                                                         |                           |
|-----------------------------------------------------------------------------------------------|-------------------------------------------------------------------------|---------------------------|
| ESTRADA MARIA<br>312 N LIBERTY ST<br>WESLACO TX 78596                                         | S5850-00-003-0004-00<br>STAATS BLK 3 LT 4<br><br>312 N LIBERTY ST       | L: 7000<br>B: 6961        |
| LOPEZ ILDEFONSO G & OFELIA C<br>RUBEN IZAGUIRRE ET AL<br>310 N LIBERTY ST<br>WESLACO TX 78596 | S5850-00-003-0005-00<br>STAATS LOTS 5 & 6 BLK 3<br><br>310 N LIBERTY ST | L: 14000<br>B: 14611      |
| CABRERA BENITO<br>4941 BLACK ST<br>WESLACO TX 78599                                           | S5850-00-003-0007-00<br>STAATS LOT 7 BLK 3<br><br>308 N LIBERTY ST      | L: 7000<br>B: 6870        |
| SIFUENTES MARIA ESTELA<br>316 N REPUBLIC ST<br>WESLACO TX 78596                               | S5850-00-003-0017-00<br>STAATS BLK 3 LOT 17 & 18<br><br>0 N REPUBLIC ST | L: 14000<br>B: 8687       |
| SANCHEZ ELIZA VILLA<br>320 N REPUBLIC ST<br>WESLACO TX 78596                                  | S5850-00-003-0019-00<br>STAATS BLK 3 LTS 19 20<br><br>320 N REPUBLIC ST | L: 14000<br>B: 19198      |
| ROMAN CECILIO<br>322 N REPUBLIC ST<br>WESLACO TX 78596                                        | S5850-00-003-0021-00<br>STAATS BLK 3 LTS 21 22<br><br>322 N REPUBLIC ST | L: 14000<br>B: 9368       |
| GUTIERREZ FRANCISCA<br>319 N LIBERTY ST<br>WESLACO TX 78596                                   | S5850-00-004-0001-00<br>STAATS BLK 4 LTS 1 2<br><br>319 N LIBERTY ST    | L: 15750<br>B: 9995       |
| GARZA, OLGA<br>9131 GRANADA HILLS DR<br>AUSTIN TX 78737-2523                                  | S5850-00-004-0003-00<br>STAATS BLK 4 LT 3<br><br>317 N LIBERTY ST       | L: 7875<br>B: 8270        |
| HERNANDEZ LEONARDA H<br>315 N LIBERTY ST<br>WESLACO TX 78596                                  | S5850-00-004-0004-00<br>STAATS BLK 4 LT 4<br><br>315 N LIBERTY ST       | L: 7875<br>B: 6058        |
| HERNANDEZ LEONARDA H<br>315 N LIBERTY ST<br>WESLACO TX 78596                                  | S5850-00-004-0005-00<br>STAATS BLK 4 LT 5<br><br>313 N LIBERTY ST       | L: 7875<br>B: 5553        |
| ZUNIGA JOSE ANGEL SR & SAN<br>309 N LIBERTY ST<br>WESLACO TX 78596                            | S5850-00-004-0006-00<br>STAATS BLK 4 LTS 6 7<br><br>309 N LIBERTY ST    | L: 15750<br>B: 9659       |
| SOUTH TEXAS COLLEGE<br>3201 PECAN BLVD<br>MCALLEN TX 78501                                    | S4722-00-000-0001-00<br>SOUTH TEXAS COLLEGE MID VALLEY L<br>OT 1<br>0   | L: 1669041<br>B: 12838405 |

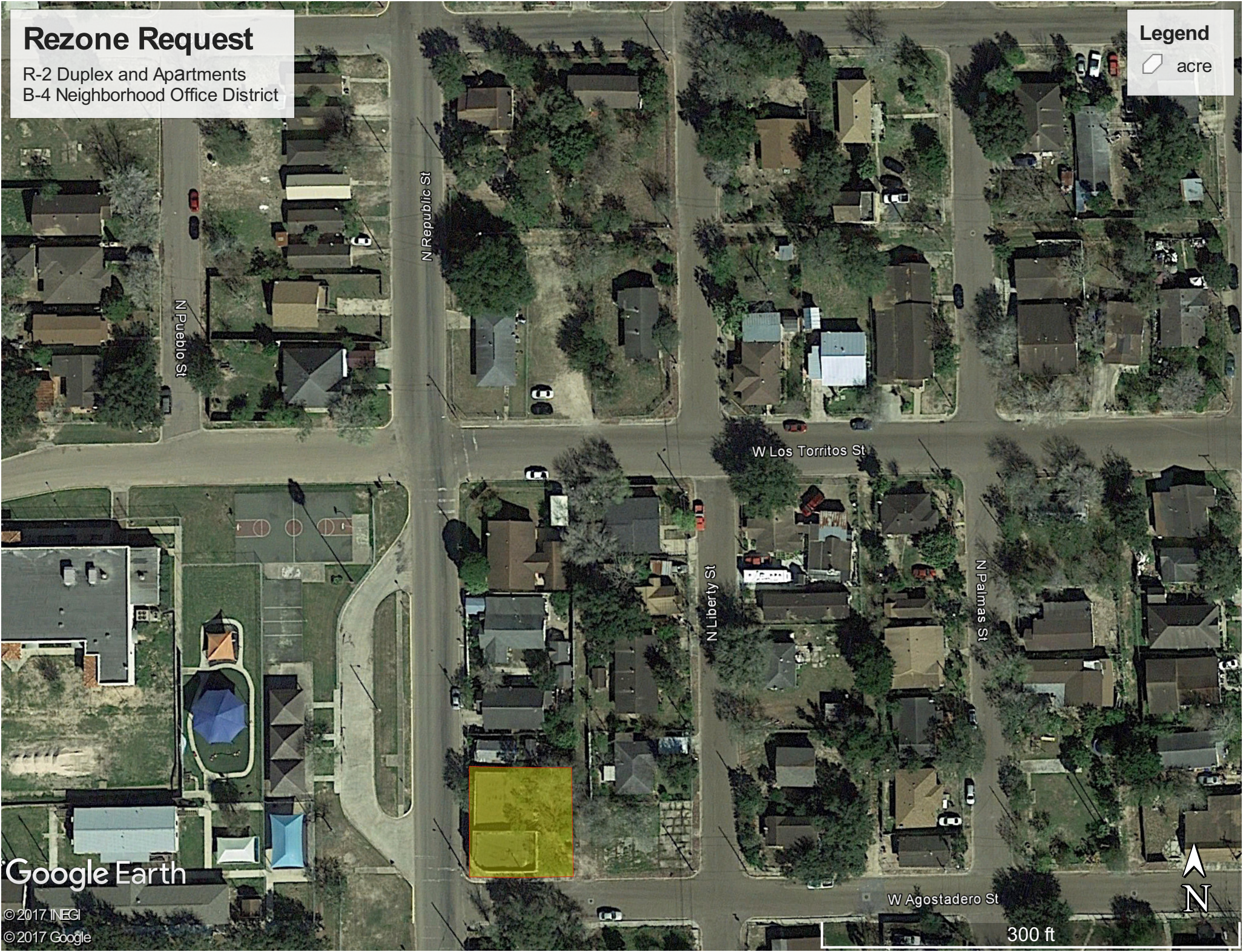


# Rezone Request

R-2 Duplex and Apartments  
B-4 Neighborhood Office District

Legend

 acre



Google Earth

© 2017 INEGI  
© 2017 Google

W Agostadero St

300 ft





**ORDINANCE NO. 2017-40**

**AN ORDINANCE AMENDING ZONING ORDINANCE NO. 320 AND AMENDING THE ZONING MAP OF THE CITY OF WESLACO TO CHANGE THE ZONING OF 400 N REPUBLIC STREET ALSO BEING LOTS 12, 13, AND 14, STAATS ADDITION SUBDIVISION, WESLACO, HIDALGO COUNTY, TEXAS, FROM R-2 DUPLEX AND APARTMENTS DISTRICT TO B-4 NEIGHBORHOOD OFFICE DISTRICT**

**BE IT ORDAINED BY THE CITY COMMISSION OF THE CITY OF WESLACO, TEXAS:**

**SECTION I:** R-2 Duplex and Apartments District to B-4 Neighborhood Office District being Lots 12, 13, and 14, STAATS Addition Subdivision, also being 400 N Republic Street, Weslaco, Hidalgo County, Texas.

**SECTION II:** That this ordinance shall become effective upon its passage.

**PASSED AND APPROVED** on first reading at a regular meeting of the City Commission this 19<sup>th</sup> day of September, 2017.

**PASSED AND APPROVED** on second reading at a regular meeting of the City Commission this 3<sup>rd</sup> day of October 2017.

**CITY OF WESLACO**

\_\_\_\_\_  
David Suarez, **MAYOR**

**ATTEST:**

\_\_\_\_\_  
Elizabeth M. Walker, **CITY SECRETARY**

**APPROVED AS TO FORM:**

\_\_\_\_\_  
Juan E. Gonzalez, **CITY ATTORNEY**

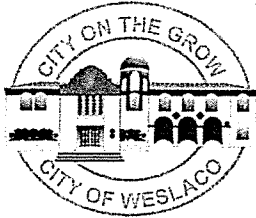


## Standardized Agenda Request Form

|                                                                                                                                                                                                                                                                                                                                                                        |                 |                                                              |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------|--------------------------------------------------------------|
| <b>Date of Meeting:</b><br>October 3, 2017                                                                                                                                                                                                                                                                                                                             |                 | <b>Agenda Item No.</b> (to be assigned by CSO):<br>2017-1220 |
| <b>From:</b><br>Mardoqueo Hinojosa                                                                                                                                                                                                                                                                                                                                     |                 |                                                              |
| <b>Subject:</b><br>Ordinance 2017-41 rezoning 1210 Valley View also being Lot 6, Ashmelmont Subdivision, Weslaco, Hidalgo County, Texas, from R-1 One Family Dwelling District to B-4 Neighborhood Office District and authorize the Mayor to execute any related documents. (First reading was held on September 19, 2017; Staffed by Planning and Code Enforcement.) |                 |                                                              |
| <b>Background:</b><br>The applicant is requesting to rezone property from R-1 One Family Dwelling District to B-4 Neighborhood Office District. Eighteen (18) property owners within 200 feet of the applicant's property were notified by letter on August 25, 2017. One (1) petition against rezoning was received for this rezoning request.                        |                 |                                                              |
| <b>Funding Source</b> (budget code, if applicable):                                                                                                                                                                                                                                                                                                                    |                 |                                                              |
| Amount:                                                                                                                                                                                                                                                                                                                                                                | Term of Impact: | Identified in Current Budget:                                |
| <b>Additional Action Prompted:</b><br>Mayor's Signature<br>Public Hearing<br>Ordinance - First Reading<br>Ordinance - Final Reading                                                                                                                                                                                                                                    |                 |                                                              |
| <b>If item previously considered, provide date and action by Commission:</b>                                                                                                                                                                                                                                                                                           |                 |                                                              |
| <b>If item requires Publication Notice, provide date and periodical of publication; indicate if comments received from letters mailed to property owners:</b><br>Notice of the application and the public hearing for the Planning and Zoning Commission appeared in The Monitor on August 21, 2017.                                                                   |                 |                                                              |
| <b>Advisory Review, if any</b> (name of board/committee, date of action, recommendation):<br>Planning & Zoning recommended approval on September 6, 2017.                                                                                                                                                                                                              |                 |                                                              |
| Aida Vega<br>Mardoqueo Hinojosa<br>Mike Perez                                                                                                                                                                                                                                                                                                                          |                 | Created/Initiated<br>Approved<br>Final Approval              |
| <b>City Manager Comments:</b><br>Approve.                                                                                                                                                                                                                                                                                                                              |                 |                                                              |
| <b>Staff Recommendation:</b><br>Staff recommends approval.                                                                                                                                                                                                                                                                                                             |                 |                                                              |
| <b>Attachments, if any:</b><br>Rezone Application, Aerial, Ordinance 2017-41                                                                                                                                                                                                                                                                                           |                 |                                                              |

**Responsibilities upon Approval:**

Staff will advise applicant.



## APPLICATION FOR REZONING

The Planning & Zoning Commission meets every 1st Wednesday of each month at 5:30 pm.

The City Commission meets every 1st and 3rd Tuesday of each month at 5:30 pm

FILE NO. REZ17-00014

### PROPOSED PROJECT

Legal Description of Property to be rezoned:

Lot 6 Block \_\_\_\_\_

Subdivision Name ASHMELMONT

Street Address 1210 VALLEY VIEW (CORNER of Westgate + Valley View)

Existing Zoning R1 Existing Land Use R-1

Proposed Zoning B4 Proposed Land Use B-4

☒ \$300.00 non-refundable filing fee.

☐ Detailed dimensioned site plan/map must be submitted with this request.

☐ Survey and metes and bounds if the legal description is a portion of a lot.

☒ City and school tax receipts attached.

☒ I have received a copy of "The Intent of Zoning Application Instructions".

### APPLICANT

Name BILL CARLSON Phone 956-464-9111

Address 623-A S. TEXAS BLVD Fax: 956-464-6611

City Weslaco State Tx Zip Code 78596 E-Mail: BILL@IMSHH.com

### OWNER

Name Betty GARDNER Phone 956-789-7012

Address 245 AUSTIN BLVD Fax: —

City Edinburg State Tx Zip Code 78539 E-Mail: betgard31@gmail.com

I certify that I am the actual owner of the property described above and this application is being submitted with my consent (include corporate name if applicable); or I am authorized by the actual owner to submit this application and have attached written evidence of such authorization.

Signature Betty J. Gardner Date 8-16-17

Signature Bill Carlson Date 8-16-17  
Owner  
Applicant

Signature \_\_\_\_\_ Date \_\_\_\_\_  
Authorized Agent

**STAFF USE ONLY**

Accepted By \_\_\_\_\_ Payment Received By \_\_\_\_\_ Date Paid \_\_\_\_\_

Notice of Public Hearing Sent to Property Owners within  
200' of Proposed Site

Date \_\_\_\_\_

P & Z Notice of Public Hearing Published in Newspaper

Date \_\_\_\_\_

City Commission Notice of Public Hearing Published

Date \_\_\_\_\_

Presented to P & Z Commission

Date \_\_\_\_\_

Approved \_\_\_\_\_ Disapproved \_\_\_\_\_ Tabled \_\_\_\_\_

Presented to City Commission

Date \_\_\_\_\_

Approved \_\_\_\_\_ Disapproved \_\_\_\_\_ Tabled \_\_\_\_\_

Ordinance No. \_\_\_\_\_

Date: August 16,2017

To: City of Weslaco Planning and Zoning Commission

Re: Change of zoning for 1210 Valley View

I, Betty J. Gardner, am requesting a zoning change for above referenced property on the northwest corner of Valley View and Westgate from R-1 zoning to a proposed B-4 zoning for office space. The re-zoned house will be leased by my daughter and son-in-law, Linda Gardner and Bill Carlson, to be used as office space for a home health agency they own and operate here in Weslaco. The nuisance traffic exposure to neighbors will be minimal due to the administrative and billing activities involving fewer than six employees approximately 90% of the time. They support 6-8 traveling nurses who see patients in their homes. Modest signage will be directed at Westgate traffic. Parking will be kept to the Westgate and alley side of the building.

I hope that you will allow this change so that I can pay property taxes and utilities and keep my investment.

Respectfully,

Betty J. Gardner

Betty J. Gardner, Owner

Property Identification #: 453372

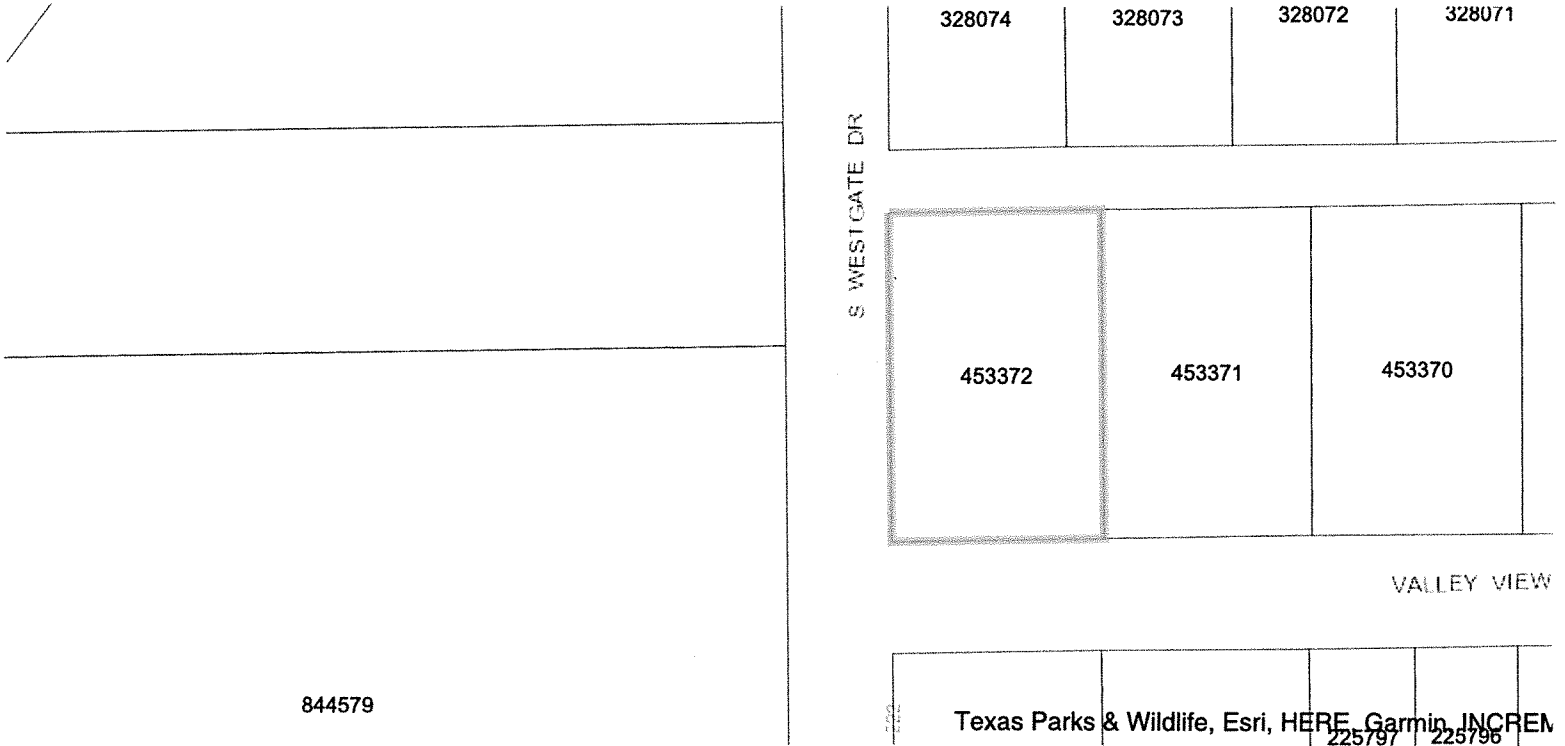
Property Information: 2018

Owner Identification #: 1029901

Geo ID: A6100-00-000-0006-00  
 Situs 1210 W VALLEY VIEW DR  
 Address: WESLACO, TX  
 Property Type: Real  
 State Code: A1

Legal Description: ASHMELMONT LOT 6  
 Abstract: A610000  
 Neighborhood: Null  
 Appraised Value: N/A  
 Jurisdictions: CAD, CWL, GHD, SST, DR1, SWL, JCC, R02

Name: GARDNER BETTY JANE  
 Exemptions: HS, OTHER  
 DBA: Null



Hidalgo CAD Map Search

This product is for informational purposes only and may not have been prepared for or be suitable for legal, engineering, or surveying purposes. It does not represent an on-the-ground survey and represents only the approximate relative location of property boundaries. The Hidalgo County Appraisal District expressly disclaims any and all liability in connection herewith.





**S**

00004533720000000000

**CITY OF WESLACO LEGAL NOTICE THE WESLACO PLANNING**

CITY OF WESLACO LEGAL NOTICE The Weslaco Planning and Zoning Commission will hold a public hearing on Wednesday, September 6, 2017 at 5:30 p.m. and the City Commission will also hold a Public Hearing on Tuesday, September 19, 2017 at 5:30 p.m. at the City Hall Legislative Chambers located at 255 South Kansas Avenue to consider the following requests: Si desea informacion en español, llame al departamento de Planeación de la Ciudad de Weslaco, (956) 447-3403. Armando Alaniz is requesting to rezone 400 N Republic Street also being Lots 12, 13, and 14, Block 2, STAATS Addition Subdivision, Weslaco, Hidalgo County, Texas, from R-2 Duplex and Apartments District to B-4 Neighborhood Office District. Possible Action. Francisco Perez is requesting to rezone 1319 E. 18th Street also being Lot 24, Margo Terrace Estates Subdivision, Weslaco, Hidalgo County, Texas, from R-1 One Family Dwelling District to B-1 Neighborhood Business District. Possible Action. Bill Carlson is requesting to rezone 1210 Valley View also being Lot 6, Ashmelmont Subdivision, Weslaco, Hidalgo County, Texas, from R-1 One Family Dwelling to B-4 Neighborhood Office District. Possible Action. The public is invited to attend and express support for or opposition to these applications. You may also file written support or opposition on or before September 6, 2017, for the Planning and Zoning Commission and on or before September 19, 2017, for the City Commission. For additional information, contact the Planning Department at (956) 447-3403 /S/ MARDOQUEO HINOJOSA, P.E., CFM Planning Director/City Engineer



[Click here](#) to view the public notice as it appeared in print.

**Attachment 1**

No Attachment Uploaded

[+ADD](#) [?HELP](#)**Attachment 2**

No Attachment Uploaded

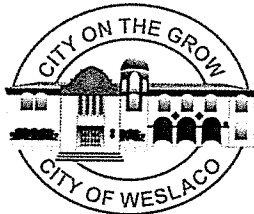
[+ADD](#) [?HELP](#)

Appeared in: **The Monitor** on Monday, 08/21/2017

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# City of Weslaco

*"The City on the Grow"*



David Suarez, Mayor  
Gerardo "Jerry" Tafolla, Mayor Pro-Tem, District 4  
Leo Muñoz, Commissioner, District 1  
Greg Kerr, Commissioner, District 2  
Olga M. Noriega, Commissioner, District 3  
Letty Lopez, Commissioner, District 5  
Josh Pedraza, Commissioner, District 6

Mike R. Perez, City Manager

## PLANNING DEPARTMENT

August 25, 2017

### Legal Notice

Dear Occupant:

The Weslaco Planning and Zoning Commission will hold a public hearing on Wednesday, September 6, 2017 at 5:30 p.m. and the City Commission will also hold a public hearing on Tuesday, September 19, 2017 at 5:30 p.m. at the City Hall Legislative Chambers located at 255 South Kansas Avenue to consider the following requests:

### REZONE REQUEST:

Bill Carlson is requesting to rezone 1210 Valley View also being Lot 6, Ashmelmont Subdivision, Weslaco, Hidalgo County, Texas, from R-1 One Family Dwelling to B-4 Neighborhood Office District.

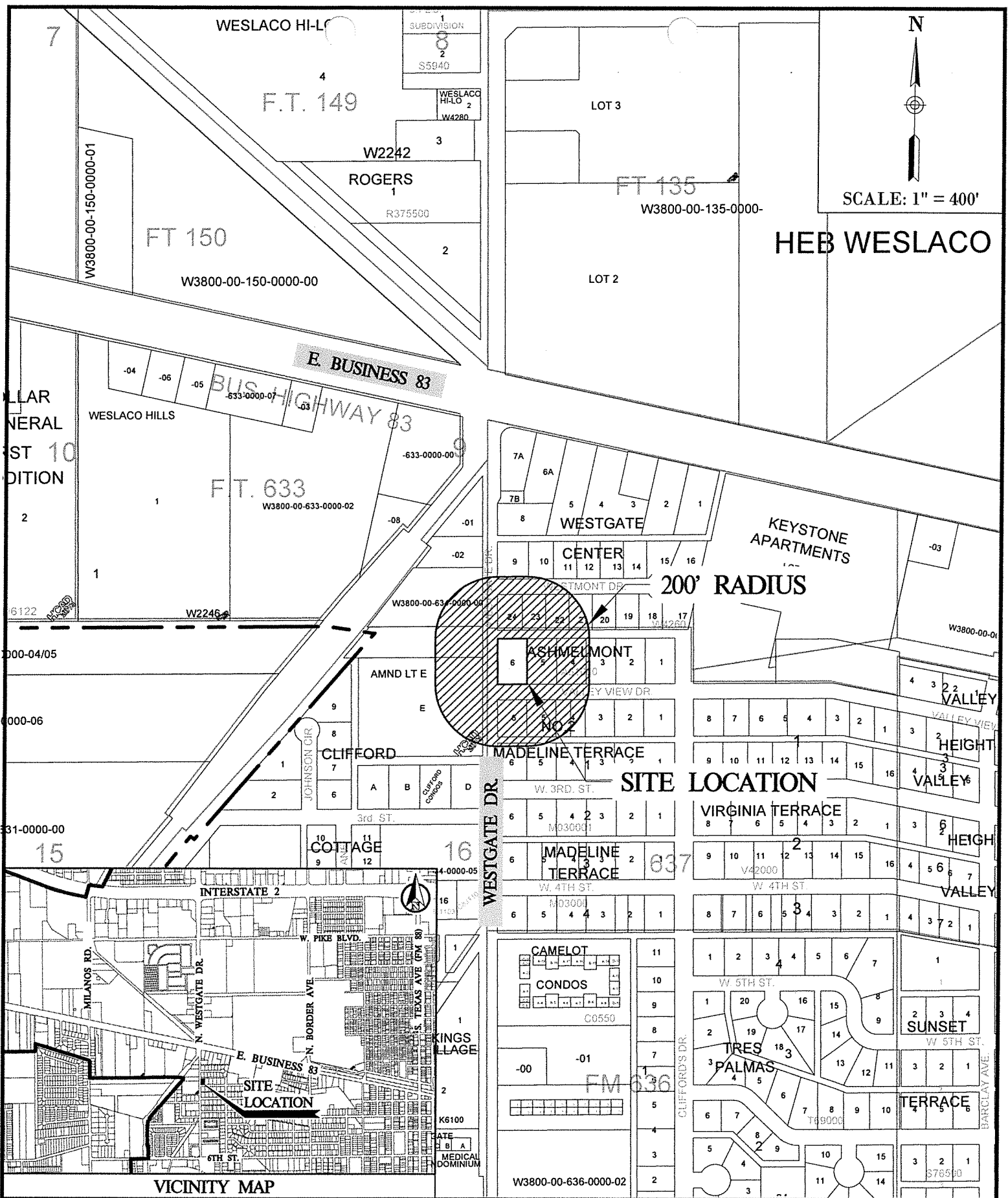
The public is hereby invited to attend and express their support or opposition to the request. You may also file a written notice supporting or protesting this action. For more information please call the Planning Department at (956) 447-3403.

Si desea información en español, por favor llame al departamento de Planeación de la ciudad de Weslaco, (956) 447-3403.

Sincerely,

Mardoqueo Hinojosa, P.E., CFM  
Planning Director/City Engineer

MH/mh



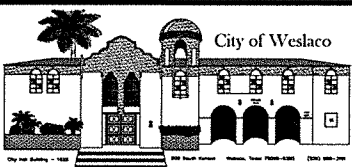
SCALE: 1" = 400'

HEB WESLACO

200' RADIUS

## SITE LOCATION

### VICINITY MAP



BETTY GARDNER  
1210 VALLEY VIEW DR.  
LOT 6

**EXIST. ZONING: R-1      PROP. ZONING: B-4**



## City of Weslaco Code Enforcement Dept.

AUG 21, 2017

|                                                                            |                                                                                                            |                       |
|----------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------|-----------------------|
| RANGEL ERIKA & FELIX RANGEL<br>1204 VALLEY VIEW DR<br>WESLACO TX 78596     | A6100-00-000-0003-00<br>ASHMELMONT LOT 3<br>1204 W VALLEY VIEW DR                                          | L: 31507<br>B: 77462  |
| MILLER MARION H<br>1206 VALLEY VIEW DR<br>WESLACO TX 78596                 | A6100-00-000-0004-00<br>ASHMELMONT LOT 4<br>1206 W VALLEY VIEW DR                                          | L: 31507<br>B: 88411  |
| JIMENEZ ROBERT E<br>1208 VALLEY VIEW DR<br>WESLACO TX 78596                | A6100-00-000-0005-00<br>ASHMELMONT LOT 5<br>1208 W VALLEY VIEW DR                                          | L: 31507<br>B: 106285 |
| GARDNER BETTY JANE<br>1210 VALLEYVIEW DR<br>WESLACO TX 78596               | A6100-00-000-0006-00<br>ASHMELMONT LOT 6<br>1210 W VALLEY VIEW DR                                          | L: 31507<br>B: 114902 |
| GOMEZ, LIONEL & MARY ALICE<br>1208 W 3RD ST<br>WESLACO TX 78596            | M0300-00-001-0005-00<br>MADELINE TERRACE BLK 1 LT 5<br>1208 W 3RD ST                                       | L: 37788<br>B: 48111  |
| RAMIREZ ROEL<br>1210 W 3RD ST<br>WESLACO TX 78596                          | M0300-00-001-0006-00<br>MADELINE TERRACE BLK 1 LT 6<br>1210 W 3RD ST                                       | L: 37788<br>B: 65656  |
| SALDANA SYLVIA J & MIGUEL A<br>1205 VALLEY VIEW DR<br>WESLACO TX 78596     | M0300-02-001-0003-00<br>MADELINE TERRACE #2 BLK 1 LTS 3<br>& E 1/2 4<br>1205 VALLEY VIEW DR                | L: 56682<br>B: 82642  |
| KILBY TERRI C & JOHNNY<br>1207 VALLEY VIEW DR<br>WESLACO TX 78596          | M0300-02-001-0004-00<br>MADELINE TERRACE #2 BLK 1 LTS W<br>1/2 OF LOT 4 & ALL LOT 5<br>1207 VALLEY VIEW DR | L: 56682<br>B: 153813 |
| PEQUENO MIGUEL ANGEL & FELICITA<br>1211 VALLEY VIEW DR<br>WESLACO TX 78596 | M0300-02-001-0006-00<br>MADELINE TERRACE #2 BLK 1 LT 6<br>1211 VALLEY VIEW DR                              | L: 37788<br>B: 68878  |
| HERNANDEZ CLAUDIA DDS MSD<br>3910 TIERRA ESCONDIDA<br>WESLACO TX 78596     | W3800-00-634-0000-00<br>WEST TRACT S215'-N515' FT 634<br>202 S WESTGATE DR                                 | L: 169884<br>B: 0     |
| HERNANDEZ DANIEL<br>123 S WESTGATE DR<br>WESLACO TX 78596                  | W4260-00-000-0009-00<br>WESTGATE CENTER LOT 9<br>123 S WESTGATE DR                                         | L: 86400<br>B: 99765  |
| GONZALEZ NORMA & SERGIO<br>415 S WESTGATE NO 14<br>WESLACO TX 78596        | W4260-00-000-0010-00<br>WESTGATE CENTER LOT 10<br>1614 WESTMONT DR                                         | L: 28800<br>B: 60690  |

AUG 21, 2017

|                                                                                 |                                                                                        |                        |
|---------------------------------------------------------------------------------|----------------------------------------------------------------------------------------|------------------------|
| CAMARGO ENRIQUE<br>717 W 2ND ST<br>MERCEDES TX 78570                            | W4260-00-000-0021-00<br>WESTGATE CENTER LOT 21<br>1603 WESTMONT DR                     | L: 25875<br>B: 58928   |
| GONZALEZ NORMA<br>1303 W 3RD ST APT 12<br>WESLACO TX 78596                      | W4260-00-000-0022-00<br>WESTGATE CENTER LOT 22<br>1609 WESTMONT DR                     | L: 25875<br>B: 182270  |
| GONZALEZ SERGIO & NORMA<br>415 S WESTGATE NO 14<br>WESLACO TX 78596             | W4260-00-000-0023-00<br>WESTGATE CENTER LOT 23<br>1615 WESTMONT DR                     | L: 25875<br>B: 56694   |
| GONZALEZ NORMA & SERGIO<br>1303 W 3RD ST APT 12<br>WESLACO TX 78596             | W4260-00-000-0024-00<br>WESTGATE CENTER LOT 24<br>1621 WESTMONT DR                     | L: 69000<br>B: 49417   |
| GONZALEZ, NORMA<br>1609 WESTMONT DR APT A<br>WESLACO TX 78596-5696              | W4260-00-000-0022-10<br>WESTGATE CENTER LOT 22, 50.00000<br>0% UDI<br>1609 WESTMONT DR | L: 12938<br>B: 72897   |
| CHURCH OF JESUS CHRIST<br>50 E NORTH TEMPLE<br>FL 22<br>SALT LAKE CITY UT 84150 | C5700-00-00E-0000-00<br>CLIFFORD LOT E<br>0                                            | L: 405108<br>B: 230000 |

Date: August 30, 2017

Lionel Gomez  
1208 W 3<sup>rd</sup> St  
Weslaco, Tx 78596

Telephone: (361) 362-9949

Reference: **OFFICIAL PROTEST** of The City of Weslaco's **REZONE REQUEST**

PLANNING DEPARTMENT:  
The Weslaco Planning and Zoning Commission:  
Bill Carson:

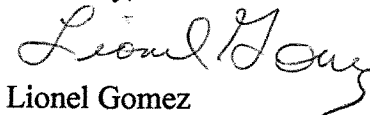
Dear Bill Carson, my wife and I reside on 3r Street next to the proposed "Neighborhood Office District" sight.

In recent years, traffic on Westgate Dr. next to my house has increased drastically. By providing a Neighborhood City Office basically on my backyard, traffic will increase. by two or three times, thus creating unsafe driving conditions and havocs. And also, what will this do to the value of homes in the area?

**I official Appose and Protest The City Of Weslaco Planning and Zoning Commission in building a Neighborhood Office District on 1210 Valley View Dr.**

(Can't the Neighborhood Office District be built on a less congested area away from the residential area?)

Sincerely,



Lionel Gomez  
Weslaco Citizen

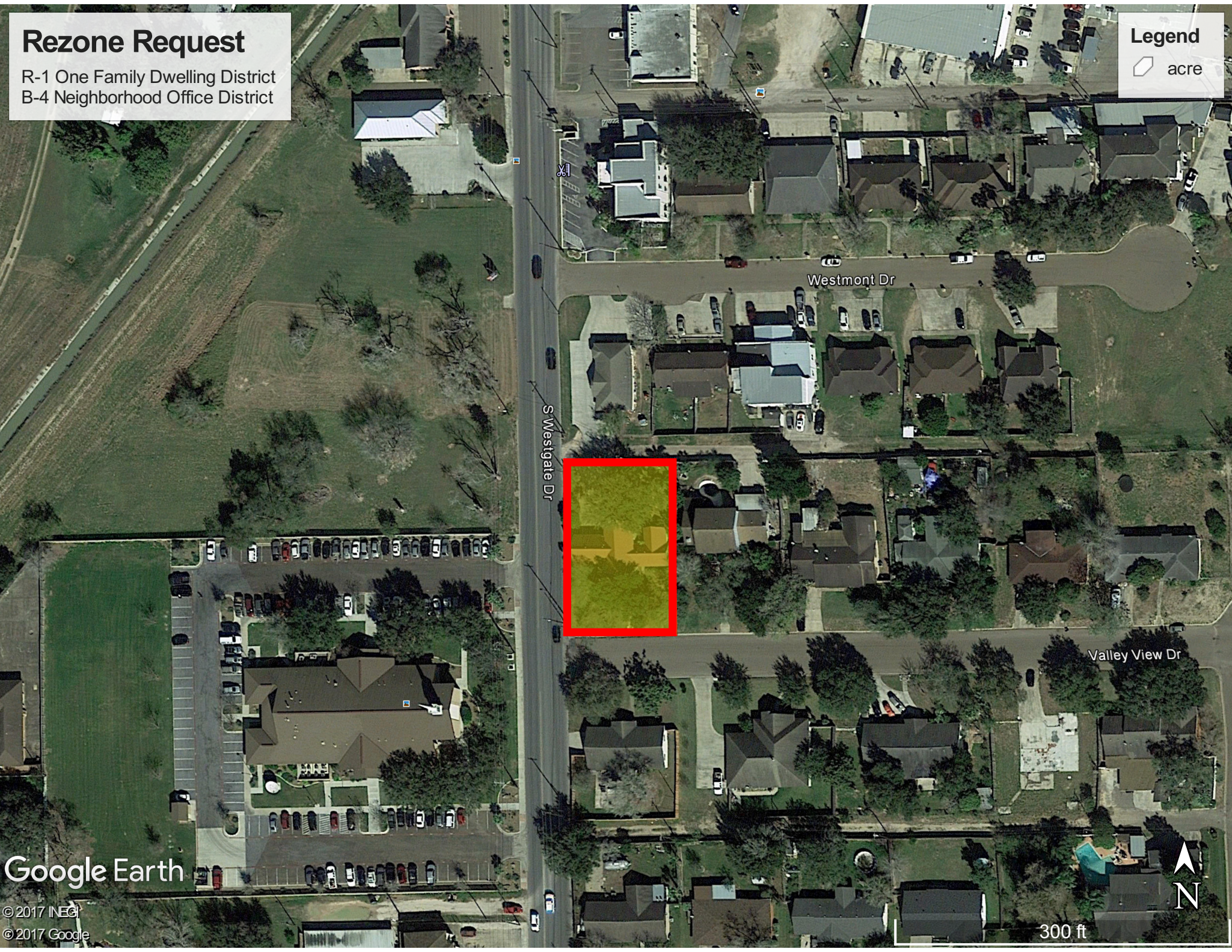


# Rezone Request

R-1 One Family Dwelling District  
B-4 Neighborhood Office District

Legend

 acre



Google Earth

© 2017 INEGI  
© 2017 Google

300 ft



**ORDINANCE NO. 2017-41**

**AN ORDINANCE AMENDING ZONING ORDINANCE NO. 320 AND AMENDING THE ZONING MAP OF THE CITY OF WESLACO TO CHANGE THE ZONING OF 1210 VALLEY VIEW DRIVE ALSO BEING LOT 6, ASHMELMONT SUBDIVISION, WESLACO, HIDALGO COUNTY, TEXAS, FROM R-1 ONE FAMILY DWELLING DISTRICT TO B-4 NEIGHBORHOOD OFFICE DISTRICT.**

**BE IT ORDAINED BY THE CITY COMMISSION OF THE CITY OF WESLACO, TEXAS:**

**SECTION I:** R-1 One Family Dwelling District to B-4 Neighborhood Office District being Lot 6, Ashmelmont Subdivision, also being 1210 Valley View Drive, Weslaco, Hidalgo County, Texas.

**SECTION II:** That this ordinance shall become effective upon its passage.

**PASSED AND APPROVED** on first reading at a regular meeting of the City Commission this 19<sup>th</sup> day of September, 2017.

**PASSED AND APPROVED** on second reading at a regular meeting of the City Commission this 3<sup>rd</sup> day of October, 2017.

**CITY OF WESLACO**

---

David Suarez, **MAYOR**

**ATTEST:**

---

Elizabeth M. Walker, **CITY SECRETARY**

**APPROVED AS TO FORM:**

---

Juan E. Gonzalez, **CITY ATTORNEY**

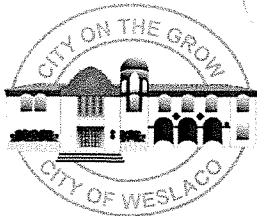


## Standardized Agenda Request Form

|                                                                                                                                                                                                                                                                                                                                                                                         |                 |                                                              |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------|--------------------------------------------------------------|
| <b>Date of Meeting:</b><br>October 3, 2017                                                                                                                                                                                                                                                                                                                                              |                 | <b>Agenda Item No.</b> (to be assigned by CSO):<br>2017-1221 |
| <b>From:</b><br>Mardoqueo Hinojosa                                                                                                                                                                                                                                                                                                                                                      |                 |                                                              |
| <b>Subject:</b><br>Ordinance 2017-42 rezoning 1319 E. 18th Street also being Lot 24, Margo Terrace Estates Subdivision, Weslaco, Hidalgo County, Texas, from R-1 One Family Dwelling District to B-1 Neighborhood Business District and authorize the Mayor to execute any related documents. (First reading was held on September 19, 2017; Staffed by Planning and Code Enforcement.) |                 |                                                              |
| <b>Background:</b><br>The applicant is requesting to rezone property from R-1 One Family Dwelling District to B-1 Neighborhood Business District. Eight (8) property owners within 200 feet of the applicant's property were notified by letter on August 25, 2017. The area is identified in the 2040 Zoning Map as commercial. Adjacent property has already been rezoned.            |                 |                                                              |
| <b>Funding Source</b> (budget code, if applicable):                                                                                                                                                                                                                                                                                                                                     |                 |                                                              |
| Amount:                                                                                                                                                                                                                                                                                                                                                                                 | Term of Impact: | Identified in Current Budget:                                |
| <b>Additional Action Prompted:</b><br>Mayor's Signature<br>Public Hearing<br>Ordinance - First Reading<br>Ordinance - Final Reading                                                                                                                                                                                                                                                     |                 |                                                              |
| <b>If item previously considered, provide date and action by Commission:</b>                                                                                                                                                                                                                                                                                                            |                 |                                                              |
| <b>If item requires Publication Notice, provide date and periodical of publication; indicate if comments received from letters mailed to property owners:</b><br>Notice of the application and the public hearing for the Planning and Zoning Commission appeared in The Monitor on August 21, 2017.                                                                                    |                 |                                                              |
| <b>Advisory Review, if any</b> (name of board/committee, date of action, recommendation):<br>Planning & Zoning recommended approval on September 6, 2017.                                                                                                                                                                                                                               |                 |                                                              |
| Aida Vega<br>Mardoqueo Hinojosa<br>Mike Perez                                                                                                                                                                                                                                                                                                                                           |                 | Created/Initiated<br>Approved<br>Final Approval              |
| <b>City Manager Comments:</b><br>Approve.                                                                                                                                                                                                                                                                                                                                               |                 |                                                              |
| <b>Staff Recommendation:</b><br>Staff recommends approval.                                                                                                                                                                                                                                                                                                                              |                 |                                                              |
| <b>Attachments, if any:</b><br>Rezone Application, Aerial, Ordinance 2017-42                                                                                                                                                                                                                                                                                                            |                 |                                                              |

**Responsibilities upon Approval:**

Staff will advise applicant.



## APPLICATION FOR REZONING

RECEIVED

AUG 04 2017

The Planning & Zoning Commission meets every 1st Wednesday of each month at 5:30 pm.

The City Commission meets every 1st and 3rd Tuesday of each month at 5:30 pm

FILE NO. Rez 17-00012

Code Enforcement Dept.

### PROPOSED PROJECT

Legal Description of Property to be rezoned:

Lot 24 Block \_\_\_\_\_

Subdivision Name Margo Terrace Estates

Street Address 1319 E. 18th St, Weslaco, TX 78596

Existing Zoning \_\_\_\_\_ Existing Land Use R-1

Proposed Zoning \_\_\_\_\_ Proposed Land Use B-1

\_\_\_\_\_ \$300.00 non-refundable filing fee.

\_\_\_\_\_ Detailed dimensioned site plan/map must be submitted with this request.

\_\_\_\_\_ Survey and metes and bounds if the legal description is a portion of a lot.

\_\_\_\_\_ City and school tax receipts attached.

\_\_\_\_\_ I have received a copy of "The Intent of Zoning Application Instructions".

### APPLICANT

Name Francisco Perez Phone 975-4120

Address 1319 E. 18th St Fax: \_\_\_\_\_

City Weslaco State TX Zip Code 78596 E-Mail: fperez404090@yahoo.com

### OWNER

Name Francisco Perez Phone 975-4120

Address 1319 E. 18th St Fax: \_\_\_\_\_

City Weslaco State TX Zip Code 78596 E-Mail: fperez404090@yahoo.com

I certify that I am the actual owner of the property described above and this application is being submitted with my consent (include corporate name if applicable); or I am authorized by the actual owner to submit this application and have attached written evidence of such authorization.

Signature Francisco Perez Date 7/31/17  
Owner

Signature Francisco Perez Date 7/31/17  
Applicant

Signature \_\_\_\_\_ Date \_\_\_\_\_

Authorized Agent

**STAFF USE ONLY**

Accepted By \_\_\_\_\_ Payment Received By \_\_\_\_\_ Date Paid \_\_\_\_\_

Notice of Public Hearing Sent to Property Owners within  
200' of Proposed Site

Date \_\_\_\_\_

P & Z Notice of Public Hearing Published in Newspaper

Date \_\_\_\_\_

City Commission Notice of Public Hearing Published

Date \_\_\_\_\_

Presented to P & Z Commission

Approved \_\_\_\_\_ Disapproved \_\_\_\_\_ Tabled \_\_\_\_\_

Date \_\_\_\_\_

Presented to City Commission

Approved \_\_\_\_\_ Disapproved \_\_\_\_\_ Tabled \_\_\_\_\_

Date \_\_\_\_\_

Ordinance No. \_\_\_\_\_

## **THE INTENT OF ZONING**

Zoning is defined as the division of a municipality into districts for the purpose of regulating the use of private land. A city's police powers enable the municipality to regulate various land welfare of the entire public. They have been designed to lessen the congestion in the streets; to secure safety from, fire, panic, or other dangers; to provide adequate light and air, to prevent the overcrowding of land; to avoid undue concentration of population; to facilitate the adequate provisions of transportation, water, sewage, schools, parks and other public requirements. Zoning must be done in accordance with a comprehensive master plan. Such a plan will be a pattern for future development and prohibits the arbitrary and capricious control of land.

## **HOW AM I AFFECTED**

A city's unique character, just like Weslaco is preserved through the various arrangements of land uses permitted in an area. If incomplete land uses are placed together then the safety and character of Weslaco will be placed in danger. Zoning is used as a tool to establish and maintain the character of a neighborhood, if improper land uses are permitted; in the future they became non-conforming uses and spoil the character of an area. Zoning intent is to prevent this and cannot deny the continued use of a site if the site is non-conforming to the rest of the area. The intent of zoning is to provide guidelines for creating compatible land uses and provide the character Weslaco wishes to preserve.

## **A STATEMENT ON WESLACO'S ZONING ORDINANCE**

Weslaco's Zoning Ordinance consists of the description of uses permitted in each district. It defines the different types of uses permitted in each zone. The Zoning Ordinance specifies height regulations, accessory building regulations parking and loading regulations and area, and density regulations.

## **WHAT IF A BUILDING OR SITE DOES NOT COMPLY WITH ITS ZONING**

If a building infringes upon the required building setbacks requirements; the Weslaco Board of Adjustments and Appeals of Zoning must consider the granting of an exception and may permit modifications to various building and lot requirements when necessitated. This may be due to the unusual size or shape of a parcel of land. Board of Adjustments and Appeals of Zoning Petition Packages are available at the Planning Department.

## **REZONING APPLICATIONS INSTRUCTIONS**

1. Application form must be completed in full with applicant's signature.
2. Statement must be attached to the application stating why the rezoning is requested and the type of operation to be conducted on the property.
3. A three-hundred dollar (\$300.00) application fee must also be submitted along with the application.
4. Once the application is submitted in completed form, the Planning Department is required by State Law to notify by mail all property owners within the 200 foot radius of the affected proposed zone change and advertise in a newspaper fifteen (15) days prior to the public hearing to be held by both the Planning and Zoning and City Commissions on the zone change request.
5. After the Planning and Zoning Commission meeting, the request will be placed on the next available City Commission agenda for final consideration.
6. Should the Planning and Zoning Commission or the owners of 20% of the property within the 200 foot radius of the proposed zone change request, oppose the request, a  $\frac{3}{4}$ <sup>th</sup> vote will be required by the City Commission to receive approval.
7. Only after the second and final reading by the City Commission of the rezoning ordinance, may the activity proposed on the property begin operation after all appropriate permits have been issued.

**CITY OF WESLACO LEGAL NOTICE THE WESLACO PLANNING**

CITY OF WESLACO LEGAL NOTICE The Weslaco Planning and Zoning Commission will hold a public hearing on Wednesday, September 6, 2017 at 5:30 p.m. and the City Commission will also hold a Public Hearing on Tuesday, September 19, 2017 at 5:30 p.m. at the City Hall Legislative Chambers located at 255 South Kansas Avenue to consider the following requests: Si desea informacion en español, llame al departamento de Planeación de la Ciudad de Weslaco, (956) 447-3403. Armando Alaniz is requesting to rezone 400 N Republic Street also being Lots 12, 13, and 14, Block 2, STAATS Addition Subdivision, Weslaco, Hidalgo County, Texas, from R-2 Duplex and Apartments District to B-4 Neighborhood Office District. Possible Action. Francisco Perez is requesting to rezone 1319 E. 18th Street also being Lot 24, Margo Terrace Estates Subdivision, Weslaco, Hidalgo County, Texas, from R-1 One Family Dwelling District to B-1 Neighborhood Business District. Possible Action. Bill Carlson is requesting to rezone 1210 Valley View also being Lot 6, Ashmelmont Subdivision, Weslaco, Hidalgo County, Texas, from R-1 One Family Dwelling to B-4 Neighborhood Office District. Possible Action. The public is invited to attend and express support for or opposition to these applications. You may also file written support or opposition on or before September 6, 2017, for the Planning and Zoning Commission and on or before September 19, 2017, for the City Commission. For additional information, contact the Planning Department at (956) 447-3403 /S/ MARDOQUEO HINOJOSA, P.E., CFM Planning Director/City Engineer



[Click here](#) to view the public notice as it appeared in print.

**Attachment 1**

No Attachment Uploaded

[+ ADD](#) [? HELP](#)

**Attachment 2**

No Attachment Uploaded

[+ ADD](#) [? HELP](#)

Appeared in: **The Monitor** on Monday, 08/21/2017

[Home](#)

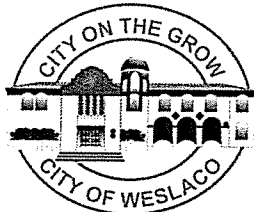
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# City of Weslaco

*"The City on the Grow"*



David Suarez, Mayor  
Gerardo "Jerry" Tafolla, Mayor Pro-Tem, District 4  
Leo Muñoz, Commissioner, District 1  
Greg Kerr, Commissioner, District 2  
Olga M. Noriega, Commissioner, District 3  
Letty Lopez, Commissioner, District 5  
Josh Pedraza, Commissioner, District 6

Mike R. Perez, City Manager

## PLANNING DEPARTMENT

August 25, 2017

### Legal Notice

Dear Occupant:

The Weslaco Planning and Zoning Commission will hold a public hearing on Wednesday, September 6, 2017 at 5:30 p.m. and the City Commission will also hold a public hearing on Tuesday, September 19, 2017 at 5:30 p.m. at the City Hall Legislative Chambers located at 255 South Kansas Avenue to consider the following requests:

### REZONE REQUEST:

Francisco Perez is requesting to rezone 1319 E. 18<sup>th</sup> Street also being Lot 24, Margo Terrace Estates Subdivision, Weslaco, Hidalgo County, Texas, from R-1 One Family Dwelling District to B-1 Neighborhood Business District.

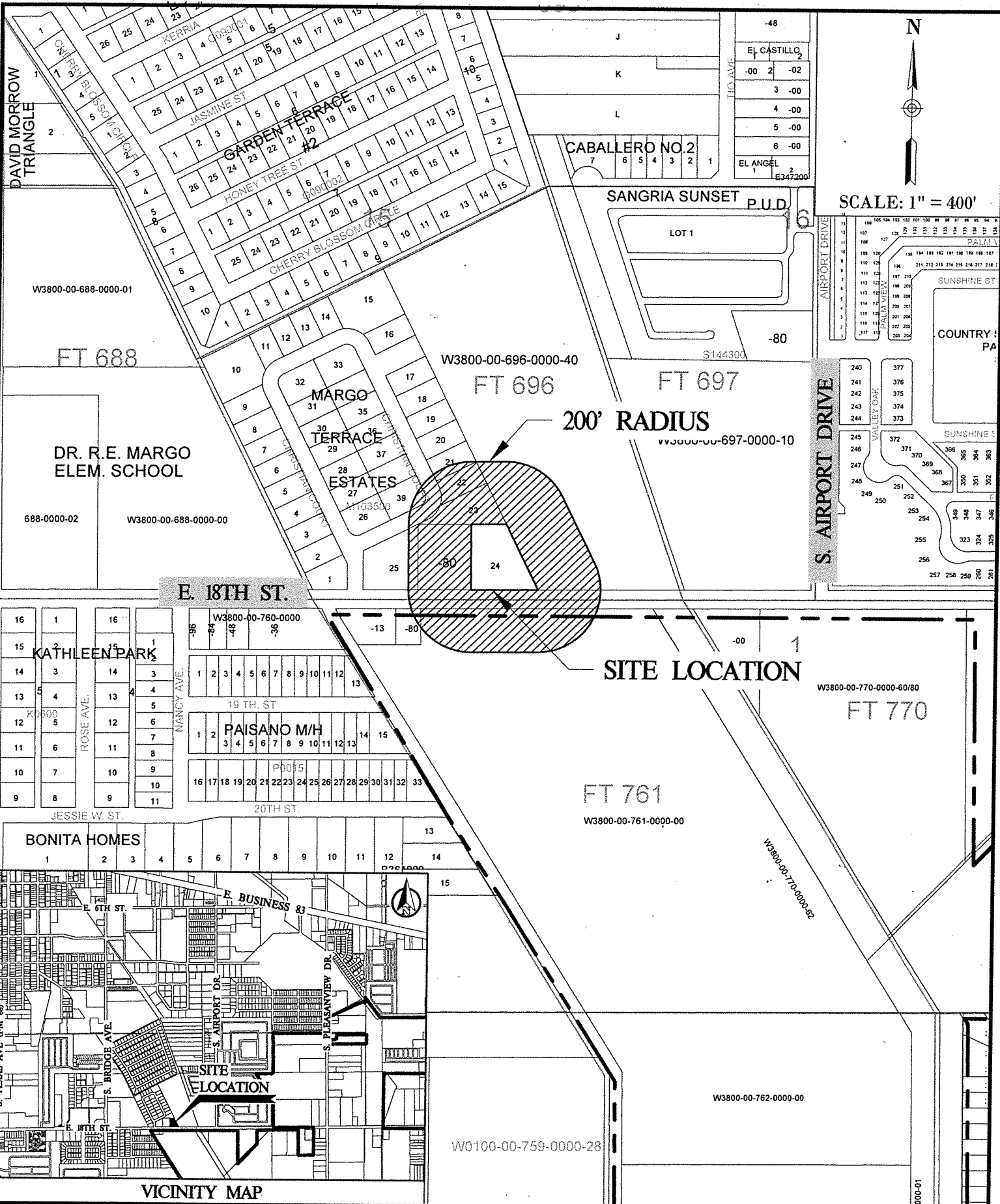
The public is hereby invited to attend and express their support or opposition to the request. You may also file a written notice supporting or protesting this action. For more information please call the Planning Department at (956) 447-3403.

Si desea información en español, por favor llame al departamento de Planeación de la ciudad de Weslaco, (956) 447-3403.

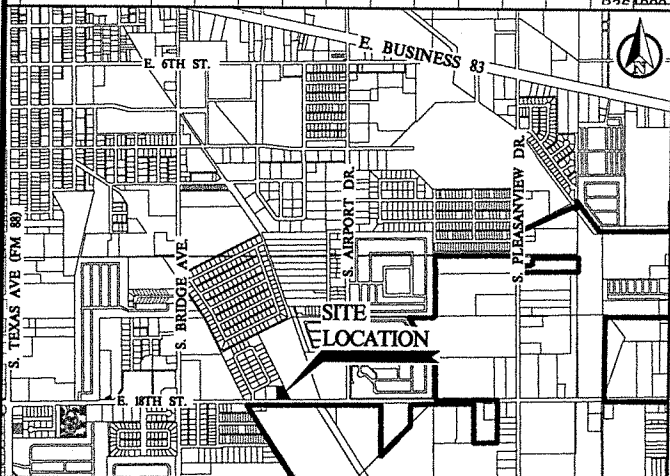
Sincerely,

Mardoqueo Hinojosa, P.E., CFM  
Planning Director/City Engineer

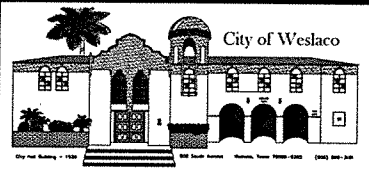
MH/mh



SCALE: 1" = 400'



VICINITY MAP



FRANCISCO PEREZ  
 1319 E. 18TH ST.  
 LOT 24  
 MARGO TERRACE ESTATES  
 EXIST. ZONING: R-1    PROP. ZONING: B-1



AUG 21, 2017

|                                                                       |                                                                                              |                       |
|-----------------------------------------------------------------------|----------------------------------------------------------------------------------------------|-----------------------|
| AGUILAR GILBERTO & BLANCA E<br>1740 CHRISTIAN CT<br>WESLACO TX 78596  | M1035-00-000-0021-00<br>MARGO TERRACE ESTATES LOT 21<br>1740 CHRISTIAN CT                    | L: 32013<br>B: 130396 |
| ESCALON ELIAS & NORA E<br>1742 CHRISTIAN CT<br>WESLACO TX 78596       | M1035-00-000-0022-00<br>MARGO TERRACE ESTATES LOT 22<br>1742 CHRISTIAN CT                    | L: 33834<br>B: 114536 |
| ESCALON ELIAS & NORA E<br>1742 CHRISTIAN CT<br>WESLACO TX 78596       | M1035-00-000-0023-00<br>MARGO TERRACE ESTATES LOT 23<br>1744 CHRISTIAN CT                    | L: 53295<br>B: 0      |
| PEREZ FRANCISCO & LUCY M<br>1319 E 18TH ST<br>WESLACO TX 78596        | M1035-00-000-0024-00<br>MARGO TERRACE ESTATES LOT 24<br>1319 CHRISTIAN CT                    | L: 77639<br>B: 171340 |
| MARTINEZ SERGIO A & MONICA D<br>1746 CHRISTIAN CT<br>WESLACO TX 78596 | M1035-00-000-0025-00<br>MARGO TERRACE ESTATES LOT 25<br>1746 CHRISTIAN CT                    | L: 70116<br>B: 195197 |
| HINOJOSA, MIGUEL A, III<br>1743 CHRISTIAN CT<br>WESLACO TX 78596-8216 | M1035-00-000-0039-00<br>MARGO TERRACE ESTATES LOT 39<br>1743 CHRISTIAN CT                    | L: 37893<br>B: 98333  |
| CANTU HARRIET<br>3015 CAILLEAU PL<br>SAN ANTONIO TX 78230             | W3800-00-696-0000-40<br>WEST TRACT E15.0AC OF FT 696 14.<br>24AC NET<br>0 E 8TH ST           | L: 0<br>B: 0          |
| RODRIGUEZ SAN JUANA<br>1225 E 18TH ST<br>WESLACO TX 78596             | W3800-00-696-0000-80<br>WEST TRACT E170'-W490'-S240' FT<br>696 0.936 AC NET<br>1225 E 8TH ST | L: 47650<br>B: 103757 |



# Rezone Request

R-1 One Family Dwelling District  
B-1 Neighborhood Business District

Legend

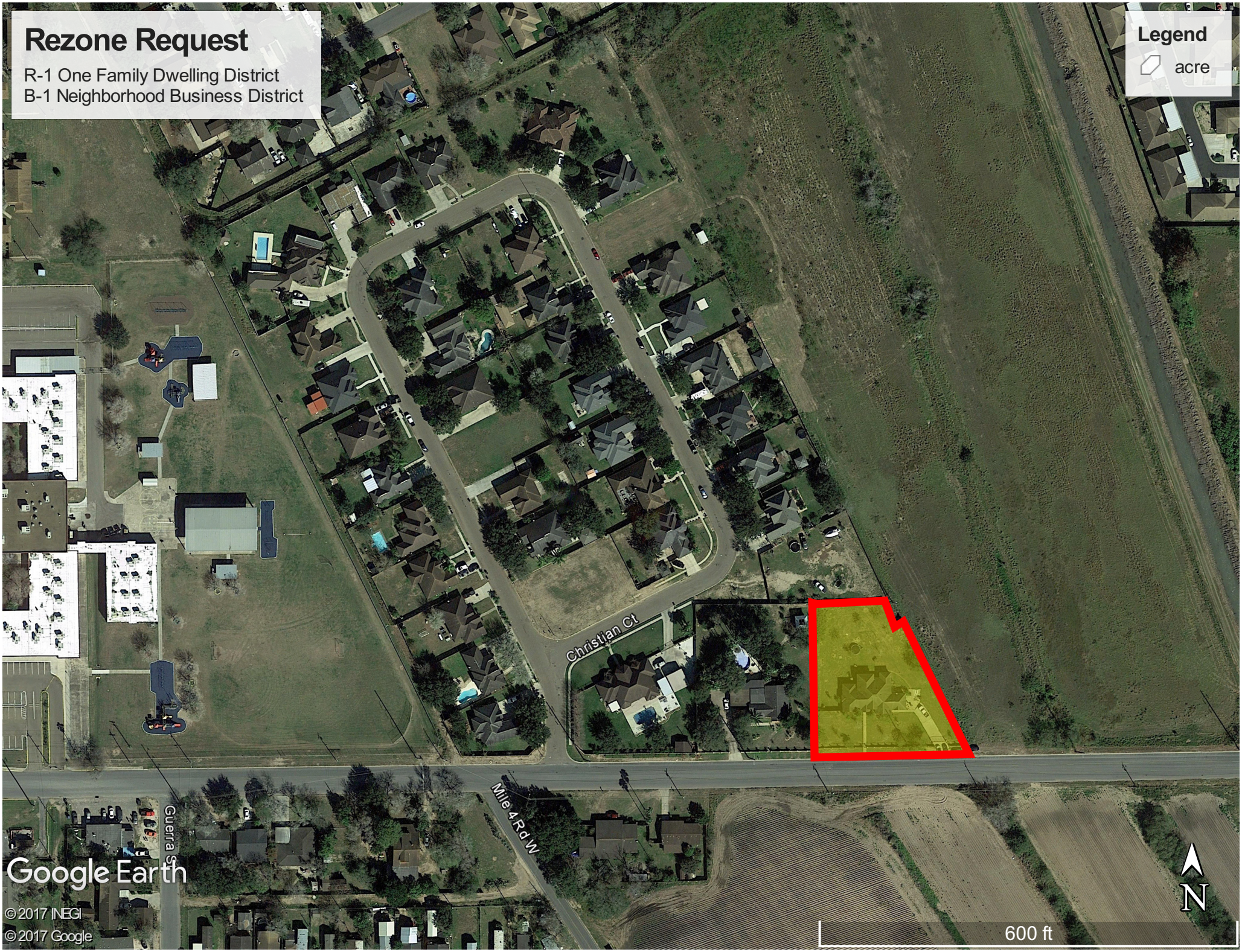
 acre

Google Earth

© 2017 INEGI  
© 2017 Google



600 ft





**ORDINANCE NO. 2017-42**

**AN ORDINANCE AMENDING ZONING ORDINANCE NO. 320 AND AMENDING THE ZONING MAP OF THE CITY OF WESLACO TO CHANGE THE ZONING OF 1319 E. 18<sup>TH</sup> STREET ALSO BEING LOT 24, MARGO TERRACE ESTATES SUBDIVISION, WESLACO, HIDALGO COUNTY, TEXAS, FROM R-1 ONE FAMILY DWELLING DISTRICT TO B-1 NEIGHBORHOOD BUSINESS DISTRICT.**

**BE IT ORDAINED BY THE CITY COMMISSION OF THE CITY OF WESLACO, TEXAS:**

**SECTION I:** R-1 One Family Dwelling District to B-1 Neighborhood Business District being Lot 24, Margo Terrace Estates Subdivision, also being 1319 E. 18<sup>th</sup> Street, Weslaco, Hidalgo County, Texas.

**SECTION II:** That this ordinance shall become effective upon its passage.

**PASSED AND APPROVED** on first reading at a regular meeting of the City Commission this 19<sup>th</sup> day of September, 2017.

**PASSED AND APPROVED** on second reading at a regular meeting of the City Commission this 3<sup>rd</sup> day of October, 2017.

**CITY OF WESLACO**

\_\_\_\_\_  
David Suarez, **MAYOR**

**ATTEST:**

\_\_\_\_\_  
Elizabeth M. Walker, **CITY SECRETARY**

**APPROVED AS TO FORM:**

\_\_\_\_\_  
Juan E. Gonzalez, **CITY ATTORNEY**



## Standardized Agenda Request Form

|                                                                                                                                                                                                                                                                                |                   |                                                              |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------|--------------------------------------------------------------|
| <b>Date of Meeting:</b><br>October 3, 2017                                                                                                                                                                                                                                     |                   | <b>Agenda Item No.</b> (to be assigned by CSO):<br>2017-1238 |
| <b>From:</b>                                                                                                                                                                                                                                                                   |                   |                                                              |
| <b>Subject:</b><br>Ordinance 2017-43 authorizing a budget amendment as appropriate for the Solid Waste Account in the amount of \$27,000.00 and authorize the Mayor to execute any related documents. (First reading was held on September 19, 2017; Staffed by Public Works.) |                   |                                                              |
| <b>Background:</b>                                                                                                                                                                                                                                                             |                   |                                                              |
| <b>Funding Source</b> (budget code, if applicable):                                                                                                                                                                                                                            |                   |                                                              |
| Amount:                                                                                                                                                                                                                                                                        | Term of Impact:   | Identified in Current Budget:                                |
| <b>Additional Action Prompted:</b><br>Budget Amendment<br>Ordinance - First Reading<br>Ordinance - Final Reading                                                                                                                                                               |                   |                                                              |
| <b>If item previously considered, provide date and action by Commission:</b>                                                                                                                                                                                                   |                   |                                                              |
| <b>If item requires Publication Notice, provide date and periodical of publication; indicate if comments received from letters mailed to property owners:</b>                                                                                                                  |                   |                                                              |
| <b>Advisory Review, if any</b> (name of board/committee, date of action, recommendation):                                                                                                                                                                                      |                   |                                                              |
| Aida Vega                                                                                                                                                                                                                                                                      | Created/Initiated |                                                              |
| Pete Garcia                                                                                                                                                                                                                                                                    | Approved          |                                                              |
| Mary Barrera                                                                                                                                                                                                                                                                   | Approved          |                                                              |
| Mike Perez                                                                                                                                                                                                                                                                     | Final Approval    |                                                              |
| <b>City Manager Comments:</b><br>Approve.                                                                                                                                                                                                                                      |                   |                                                              |
| <b>Staff Recommendation:</b><br>Staff recommends approval.                                                                                                                                                                                                                     |                   |                                                              |
| <b>Attachments, if any:</b><br>Budget Amendment-Solid Waste, Ordinance 2017-43                                                                                                                                                                                                 |                   |                                                              |
| <b>Responsibilities upon Approval:</b>                                                                                                                                                                                                                                         |                   |                                                              |



# CITY OF WESLACO BUDGET AMENDMENT FISCAL YEAR 2017

FUND: 61

DEPARTMENT: Public Works

DATE: September 14, 2017

BUDGET AMENDMENT # \_\_\_\_\_

| <u>FUND</u> | <u>G/L ACCT #</u> | <u>DESCRIPTIONS</u> | <u>CURRENT<br/>BUDGET</u> | <u>INCREASE</u> | <u>DECREASE</u> | <u>REVISED<br/>BUDGET</u> |
|-------------|-------------------|---------------------|---------------------------|-----------------|-----------------|---------------------------|
| 61          | - 522 - 2810      | Other Services      | \$ 27,200.00              | \$ 27,000.00    |                 | \$ 54,200.00              |
|             |                   |                     |                           |                 |                 |                           |
|             |                   |                     |                           |                 |                 |                           |
|             |                   |                     |                           |                 |                 |                           |
|             |                   |                     |                           |                 |                 | \$ -                      |
|             |                   |                     |                           |                 |                 | \$ -                      |
|             |                   |                     | \$ 27,200                 | \$ 27,000       | \$ -            | \$ 54,200                 |

*(Round up all amounts to the nearest dollar)*

Justification:

Transferrable funds are from the Fund Balance  
to cover expenses for debri rolloffs.

*City of Weslaco*

\_\_\_\_\_  
Department Head Approval

\_\_\_\_\_  
Date

\_\_\_\_\_  
Finance Director

\_\_\_\_\_  
Date

\_\_\_\_\_  
City Manager

\_\_\_\_\_  
Date

## **ORDINANCE 2017-43**

**AN ORDINANCE AMENDING ORDINANCE NUMBER 2016-31, APPROVING AND ADOPTING A BUDGET FOR THE CITY OF WESLACO, TEXAS FOR THE FISCAL YEAR BEGINNING OCTOBER 1, 2016 AND ENDING SEPTEMBER 30, 2017, FINDING NEED TO AMEND THE 2016-2017 MUNICIPAL BUDGET; PROVIDING A SEVERABILITY CLAUSE; PROVIDING AN EFFECTIVE DATE, AND ORDAINING OTHER MATTERS WITH RESPECT TO THE SUBJECT MATTER HEREOF.**

WHEREAS, the City Commission of the City of Weslaco utilized diligent thought and attention to the preparation of the 2016-2017 budget; and

WHEREAS, unusual and unforeseen conditions have arisen during the fiscal year which have, or will require, the expenditure of additional funds constituting an emergency expenditure; and

WHEREAS, Section 102.009 of the Texas Local Government Code authorizes the City to amend its budget in such a manner as to provide for emergency expenditures as an amendment to the original budget in a case of grave public necessity to meet an unusual and unforeseen condition; and

WHEREAS, the City Commission finds the amendments in the line items identified in the attached Exhibit are reasonable, necessary, and for municipal purposes.

**NOW, THEREFORE, BE IT ORDAINED BY THE CITY COMMISSION OF THE CITY OF WESLACO, TEXAS THAT:**

**SECTION 1. FINDINGS.** The City Commission finds the statements made in the preamble above are true.

**SECTION 2. BUDGET LINE ITEMS.** The City Commission approves the budget amendments in the attached Exhibit as such change is necessary to meet an unusual and unforeseen condition as the result of an emergency.

**SECTION 3. BUDGET TOTAL.** The City Commission further finds the amended budget line items identified in such Exhibit will not cause the total expenditures in the budget to exceed the total amount of estimated revenue.

**SECTION 4. APPROVAL.** The 2016-2017 Official Budget, adopted by Ordinance 2016-31, is hereby reallocated, revised, amended and approved as set forth in the attached Exhibit.

**SECTION 5. AUTHORIZATION.** The City Manager is authorized to undertake action to execute such transfers in accordance with state law, and file, or cause to be filed, a true and correct copy of this Ordinance, with the attached budget amendment, with the City Secretary.



**SECTION 6. SEVERABILITY CLAUSE.** It is the intent of the City Commission that each sentence, paragraph, subdivision, clause, phrase or section of this Ordinance be deemed severable and, should any such sentence, paragraph, subdivision, clause, phrase or section be declared invalid or unconstitutional for any reason, such declaration of invalidity or unconstitutionality shall not be construed to affect the validity of those provisions of the Ordinance left standing.

**SECTION 7. EFFECTIVE DATE.** This Ordinance shall take effect upon final reading.

**PASSED AND APPROVED** on first reading at a regular meeting of the City Commission this 19<sup>th</sup> day of September, 2017.

**PASSED AND APPROVED** on second reading at a regular meeting of the City Commission this 3<sup>rd</sup> day of October, 2017.

**CITY OF WESLACO**

---

David Suarez, **MAYOR**

**ATTEST:**

---

Elizabeth M. Walker, **CITY SECRETARY**

**APPROVED AS TO FORM:**

---

Juan E. Gonzalez, **CITY ATTORNEY**



## Standardized Agenda Request Form

|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                 |                                                              |  |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------|--------------------------------------------------------------|--|
| <b>Date of Meeting:</b><br>October 3, 2017                                                                                                                                                                                                                                                                                                                                                                                                                                                     |                 | <b>Agenda Item No.</b> (to be assigned by CSO):<br>2017-1248 |  |
| <b>From:</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |                 |                                                              |  |
| <b>Subject:</b><br>Approval of the renewals of the Professional Services Agreements as recommended by the Weslaco Hotel Occupancy Tax Advisory Committee:<br>1. Frontera Audubon Society - \$30,800.00;<br>2. Lower Rio Grande Valley Nature Center - \$32,500.00;<br>3. Weslaco Area Chamber of Commerce - \$191,740.00;<br>and authorize the Mayor to execute any related documents. Attachment.                                                                                             |                 |                                                              |  |
| <b>Background:</b><br>Applications for the 2017-2018 Hotel Occupancy Tax funding cycle were accepted by the Weslaco Hotel Occupancy Tax Advisory Committee on August 3rd, 2017. The applicants made presentations to the committee on August 8th. The committee voted unanimously to award the full request from each applicant. The applicants also made presentations to the City Commission at a City budget workshop on August 17th. The applications and service agreements are attached. |                 |                                                              |  |
| <b>Funding Source</b> (budget code, if applicable):                                                                                                                                                                                                                                                                                                                                                                                                                                            |                 |                                                              |  |
| Amount:                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | Term of Impact: | Identified in Current Budget:                                |  |
| <b>Additional Action Prompted:</b><br>Mayor's Signature                                                                                                                                                                                                                                                                                                                                                                                                                                        |                 |                                                              |  |
| <b>If item previously considered, provide date and action by Commission:</b>                                                                                                                                                                                                                                                                                                                                                                                                                   |                 |                                                              |  |
| <b>If item requires Publication Notice, provide date and periodical of publication; indicate if comments received from letters mailed to property owners:</b>                                                                                                                                                                                                                                                                                                                                  |                 |                                                              |  |
| <b>Advisory Review, if any</b> (name of board/committee, date of action, recommendation):<br>Weslaco Hotel Occupancy Tax Advisory Committee reviewed August 8th. City Commission reviewed at City budget workshop August 17th.                                                                                                                                                                                                                                                                 |                 |                                                              |  |
| Mary Barrera<br>Mary Barrera<br>Mike Perez                                                                                                                                                                                                                                                                                                                                                                                                                                                     |                 | Created/Initiated<br>Approved<br>Final Approval              |  |
| <b>City Manager Comments:</b><br>Approve.                                                                                                                                                                                                                                                                                                                                                                                                                                                      |                 |                                                              |  |
| <b>Staff Recommendation:</b><br>Recommend approval.                                                                                                                                                                                                                                                                                                                                                                                                                                            |                 |                                                              |  |
| <b>Attachments, if any:</b><br>Frontera svc agreement, Frontera request, Nature Center svc agreement, Nature Center request, WACC svc agreement, WACC request                                                                                                                                                                                                                                                                                                                                  |                 |                                                              |  |

**Responsibilities upon Approval:**

Execute service agreements.

|                   |                                 |
|-------------------|---------------------------------|
| STATE OF TEXAS    | § SPECIAL SERVICES AGREEMENT ON |
|                   | HOTEL/MOTEL ROOM OCCUPANCY      |
| COUNTY OF HIDALGO | § TAX PROCEEDS BETWEEN THE CITY |
|                   | OF WESLACO AND THE FRONTERA     |
| CITY OF WESLACO   | § AUDUBON SOCIETY.              |

### **PUBLICITY AND TOURISM AGREEMENT**

This agreement made this the \_\_\_\_ day of October 2017, by and between THE CITY OF WESLACO, a home-ruled municipal corporation located at 255 S. Kansas Avenue, Weslaco, Hidalgo County, Texas hereinafter called “The City” and THE FRONTERA AUDUBON SOCIETY located at 1101 S. Texas Blvd., Weslaco, Hidalgo County, Texas, hereinafter called “The Frontera Audubon”.

#### **I.**

The City by authority of powers granted to it under state statutes and its home-rule charter has heretofore enacted a local hotel/motel occupancy tax on occupants of hotels or motels within the City.

#### **II.**

As part of its obligation under state statutes (primarily V.A.T.S. Tax Code, Section 351.101) to use local hotel/motel occupancy tax funds for attracting and promoting tourism and the convention and hotel industry, the City hereby agrees to pay to the Frontera Audubon an amount not to exceed \$30,800.00, of which \$30,800.00 will be funded through the hotel/motel occupancy tax funds. The Frontera Audubon agrees to spend all allocated funds during the term of this contract. The monies received by the City from the local hotel/motel occupancy tax and used by the Frontera Audubon for digital marketing, and solicitations and promotional materials that attract tourists to the city, derives direct tourism income benefit to the City.

The Frontera Audubon agrees that any local hotel/motel occupancy tax funds paid to it by the City shall be used only in the following specific areas shown on Exhibit “A” Application for Funding. The Frontera Audubon agrees to conduct a continued program of preserving and promoting the natural environment, historical restoration and preservation for the purpose of attracting visitors and tourists to the local area and to the City, and by using all appropriate means to increase the traveling public’s awareness of the historic and recreational advantages of the local area and the City.

The Frontera Audubon further agrees that it will seek to achieve economic benefit for the City through all of such activities, and that it will provide tourist-related information about the City upon request.

The Frontera Audubon further agrees that it will undertake all reasonable efforts to spend at least 25% of the hotel/motel occupancy tax funds received from the City in the Weslaco Market area.

### III. Performance Measures

The Frontera Audubon further agrees that it will undertake all reasonable efforts to quantify performance measurements for the purpose of comparative analysis on the efficiency and effectiveness of various inputs and outcomes. Such data should include, but is not limited to, the following: amount of promotional literature distributed; tabulation of digital marketing and advertising expenditures and reported viewership; visitations to the Frontera Audubon website; number of visitations to the Frontera Audubon Nature Park; percentage of visitors staying in a local hotel; number of tourism-related activities conducted and their attendance, by month. The Frontera Audubon should incorporate this data into its monthly activity report (see section VI), and upon request of the Weslaco City Commission or its staff, shall make these performance measurements available for inspection and review.

### IV.

It is expressly understood and agreed by and between the parties that the Frontera Audubon is contracted and engaged as an independent contractor and is not an officer, agent or employee of the City.

### V.

The Frontera Audubon shall secure sufficient numbers of employees to comply with the terms of this Agreement. The Frontera Audubon shall further provide such office space, equipment, supplies and other materials as may be necessary to accomplish the purpose of this Agreement.

### VI.

The Frontera Audubon shall provide to the City, prior to obtaining any hotel/motel occupancy tax proceeds, a proposed budget for the upcoming year, said budget to be approved by the City Commission in writing in advance of the release of any local hotel/motel occupancy tax funds. It is understood and agreed by and between the parties that, upon budget approval by the municipality, a fiduciary duty is created in the Frontera Audubon with respect to expenditure of revenue provided.

Thereafter, the Frontera Audubon shall provide to the City monthly financial and activity reports, on the approved projects that are conducted to benefit the City of Weslaco, as well as an end-of-the-year financial report listing the expenditures made from the revenues from the local hotel/motel occupancy tax. It is further agreed by the Frontera Audubon that it shall maintain said revenue in a separate account established for that purpose and that it shall not commingle the revenues with any other money or maintain it in any other account. The Frontera Audubon shall maintain complete and accurate financial records of each expenditure of hotel/motel

occupancy tax revenue and, upon request of the Weslaco City Commission or its staff, shall make the records available for inspection and review. The Frontera Audubon will cooperate with the City of Weslaco on an annual independent audit of the hotel/motel tax funds received by the Frontera Audubon from the City of Weslaco. The audit will be performed in conjunction with the City of Weslaco Annual Audit.

## VII.

This Agreement shall begin the \_\_\_\_day of October 2017 and shall continue in force ending September 30, 2018. The City shall have the option to terminate this Agreement at any time and for any reason within thirty (30) days after giving such notice of its intent to the Frontera Audubon.

## VIII.

Any notice that is sent pursuant to this Agreement shall be sent to the following addresses:

**If to the City of Weslaco:**

Mike R. Perez  
City Manager  
City of Weslaco  
255 S. Kansas Avenue  
Weslaco, Texas 78596

**If to the Frontera Audubon Society:**

Ms. Sarah Williams-Salazar  
Frontera Audubon Society  
1101 S. Texas Blvd.  
Weslaco, Texas 78596

## IX.

No part of this Agreement may be assigned without the prior written consent of the other party, and any attempted assignment of benefits or rights or delegation of duties or obligations shall be a breach of this Agreement. However, nothing in this Agreement shall prohibit the Frontera Audubon from participating with regional or state tourism programs or to contract for joint promotion with other agencies as long as these programs or promotions do not conflict with the Application for Funding.



X.

The Frontera Audubon agrees to and shall indemnify and hold harmless and defend the City, its officers, agents, and employees for expenses of litigation, court costs, attorney's fees and from any and all claims, losses, causes of action and damages, suits, and liability of every kind including injury arising from or in connection with the operations of the Frontera Audubon, its officers, agents and employees carried out in furtherance of this Agreement. The Frontera Audubon shall carry or cause to be carried public liability, bodily injury insurance on all automobiles used in the operations embraced by this agreement in the amount of \$1,000,000 million combined single limits. The Frontera Audubon shall carry or cause to be carried general liability insurance in the amount of \$1,000,000 million per occurrence naming the City as a covered party. Said insurance policies shall name the City as an additional insured and covered party. Said policies, or duplicate originals thereof, must be filed with the City before any operations contemplated by the Agreement are begun.

**IN WITNESS WHEREOF**, the parties have executed this Agreement on the date and year first written above.

**CITY OF WESLACO**

---

**David Suarez, MAYOR**

**ATTEST:**

---

**Elizabeth M. Walker, CITY SECRETARY**

**APPROVED AS TO FORM:**

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**Juan E. Gonzalez, CITY ATTORNEY**

**FRONTERA AUDUBON**

---

**Karen Boward, President**

**ATTEST:**

---

**Sarah Williams-Salazar**  
**Executive Director**

WESLACO HOTEL OCCUPANCY TAX  
APPLICATION FOR FUNDING



Instructions

1. Answer each question. Additional attachments are permissible.
2. Attach a detailed budget for the organization/project(s).
3. Sign application.

Organization Name: Frontera Audubon Society

Organization Mailing Address: 1101 S. Texas Blvd. Weslaco

Contact Name: Sarah Williams-Salazar

Email: fronteraaudubon@gmail.com Telephone: 956-968-3275

Amount Requested: \$ 30,800

Has your organization received **Hotel/Motel** Tax funding in the past three years? yes  
Please note amount(s):

FY 2014-2015  
\$ 10,000

FY 2015-2016  
\$ 30,000

FY 2016-2017  
\$ 32,500

What is the entire budget of your organization or for this event? \$ 100,000

What is the percentage of the requested amount to the entire budget? 32 %

Does this organization/event directly enhance and promote tourism AND the convention and hotel industry in the City of Weslaco? yes (Yes/No)

The organization qualifies under AT LEAST ONE of the following categories: (can be more than one)

- |                                                                      |                                                           |
|----------------------------------------------------------------------|-----------------------------------------------------------|
| <input type="radio"/> Convention or Visitor Center                   | <input type="radio"/> Convention Registration             |
| <input checked="" type="radio"/> Advertising/Promotion for City      | <input type="radio"/> Historical Restoration/Preservation |
| <input type="radio"/> Promotion of the Arts                          | <input type="radio"/> Signage for Tourist Sites           |
| <input type="radio"/> Sports Promotion that Increases Hotel Activity | <input type="radio"/> Tourist Transportation              |

For Organizations – Provide a brief description of your organization and its purpose:

Frontera Audubon is a 15-acre nature park in Weslaco where tourists visit from across the U.S. and the world to enjoy birding and nature. With rare birds often sighted, it is a top birding destination in Texas and the U.S.

For Specific Projects/Events – Provide a brief description of the project/event to be funded:

Digital marketing  
Promotional materials

**For Events:**

Expected attendance:

N/A

How will the event be promoted? \_\_\_\_\_

How will this event increase hotel occupancy and promote tourism in Weslaco?  
\_\_\_\_\_  
\_\_\_\_\_How many hotel/motel room nights do you expect to generate from your event?  
\_\_\_\_\_  
\_\_\_\_\_**For Organizations:**How much was spent last year specifically on tourism advertising? \$12,500Are there any new programs/projects planned to increase room nights? Yes**For Both:**

List any other organizations, government entities and grants that have offered financial support for your organization/event:

Weslaco EDC, Texas Historical Foundation, Robert & Margaret McAllen Foundation, Raul Tijerina Jr. Foundation, donors**If the request includes funding related to a permanent facility (such as museum):**Last year's attendance: 4,500Percentage of those in attendance that are staying in a local hotel: 11 %Next year's projected attendance (annually): 6,000**Please submit no later than 4:00 p.m. on August 3rd, 2017.**

Weslaco Hotel Occupancy Tax Advisory Committee

c/o City of Weslaco Finance Department

255 S. Kansas Ave.

Weslaco, TX 78596

**Privacy Policy Statement and Application Certification**

Your privacy is important to the City. That is why we request that all applicants read the following privacy policy statement carefully.

Information about program applicants and current and past participants consists of data contained in their applications, information derived from interviews and information gathered during the course of past experiences. The City stores this information in written and electronic form for a period of time. Information, which is described above, may be: Used by Committee members, City Staff and the City Commission, and interviewers to review applicants; Supplied to the program's funding organization; Used for the evaluation of an individual's participation in the program and in the collection of data for general program evaluation by the City, funding representative (Motel/Hotel Owners) or other organizations that may request the information from the City, a Public Agency. The City does not sell applicant current or past participant information.

I certify that the information given in this application is complete and accurate and that I have carefully read and understand all notes and disclaimers provided therein. I understand the City reserves the right to verify all the information listed in the application. I understand that giving false or misleading information in the application will result in exclusion from the consideration for funding under the City of Weslaco Hotel Occupancy Tax Advisory Committee Funding Program.

Signature: SheilaDate: 8-3-17



August 3, 2017

Weslaco Hotel Occupancy Tax  
Advisory Committee  
City of Weslaco  
255 S. Kansas Ave.  
Weslaco, TX 78596

## FRONTERA AUDUBON

### Board

Karen Boward, President  
Craig Weart, Vice President  
Natalie Payne, Secretary  
Travis McDaniel, Treasurer  
Jenna Grado-Gonzalez  
Ruben Villanueva  
Jeff Walker  
Cassidy Mejia

### Staff

Sarah Williams, Executive Director  
Chris Warren, Admin. Assistant

### Website

[fronteraaudubon.org](http://fronteraaudubon.org)

### Social Networks:

[facebook.com/frontera.audubon](https://facebook.com/frontera.audubon)  
Twitter: @FronteraAudubon  
Instagram: @FronteraAudubon

Dear Members of the WHOT Advisory Committee:

Frontera Audubon has been a long-time tourist attraction in Weslaco that has drawn visitors from all 50 states and 12 countries to see the rare and specialty birds that are found in our park. In 2016, our nature park was the best place to see the rare Blue Bunting, according to Birder's Digest, and we saw an increase of 5,000 visitors that year because of the sighting. As such, Frontera Audubon directly enhances and promotes tourism and the hotel industry in Weslaco.

With much of our livelihood now dependent on digital media, that will be our focus in the coming year. We will also enhance and upgrade marketing materials for local trade shows like the Rio Grande Valley Birding Festival, which attracts tourists from across the U.S. We are requesting \$30,800 for digital marketing efforts and promotional materials. Please see the attached cost breakdowns, which include design and production of marketing materials and implementation of ongoing digital outreach.

Thank you for the opportunity to present this request that is intended to draw more tourists to Weslaco and increase our hotel occupancy. More importantly, we hope to strengthen relationships with our constituents so they may continue to visit our city for years to come.

Sincerely,

Sarah Williams-Salazar  
Executive Director

## **Frontera Audubon's Digital Marketing**

**Goal: To effectively market our organization online and promote Weslaco's nature attractions.**

|                                                                                                                                                                                                                                                                                                                                                                 |         |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------|
| Social Media                                                                                                                                                                                                                                                                                                                                                    | \$1,500 |
| <ul style="list-style-type: none"><li>-Produce quality content and photos</li><li>-Create paid ads and sponsored posts</li><li>-Strategize on gaining more social follows and increasing engagement</li></ul>                                                                                                                                                   |         |
| Website                                                                                                                                                                                                                                                                                                                                                         | \$3,000 |
| <ul style="list-style-type: none"><li>-Produce quality content and photos</li><li>-Website redesign and launch, maintenance</li><li>-New pages needed: Explore Weslaco section (with links to other resources), Skaggs House, History, Local Deals, and Nature Highlights</li><li>-Improve Search Engine Optimization (SEO), utilize Google Analytics</li></ul> |         |
| Online guide for birders                                                                                                                                                                                                                                                                                                                                        | \$1,000 |
| <ul style="list-style-type: none"><li>-Produce an online guide (downloadable PDF) for birders and nature tourists that outlines specific birds and attractions at our park and others nearby to better help visitors plan their trip. May also include a partnership with local hotels.</li></ul>                                                               |         |
| Email outreach                                                                                                                                                                                                                                                                                                                                                  | \$1,800 |
| <ul style="list-style-type: none"><li>-Provide monthly email newsletters to our more nearly 2,000 subscribers</li><li>-Upgrade our e-blast platform (which is currently free up to 2,000 subscribers)</li></ul>                                                                                                                                                 |         |

## **Frontera Audubon's Promotional Materials**

**Goal: To provide the public with branded materials to promote our organization.**

|                                                                    |         |
|--------------------------------------------------------------------|---------|
| Items for promotional packets                                      | \$1,000 |
| Tote bags, rack cards, personalized Frontera items                 |         |
| Gift Shop merchandise                                              | \$1,500 |
| Personalized Frontera T-shirts, caps, patches, pins, magnets, etc. |         |
| Trade Show marketing materials                                     | \$1,500 |
| Banner, displays, objects, other promotional items for giveaways   |         |

The Executive Director will produce an annual marketing plan and oversee the printing and design of promotional materials, the redesign of the website, and produce content and copy for the website and other digital projects. The program coordinator will also assist in marketing activities such as email blasts, social media posts, calendar updates, and other related duties. The administrative assistant will assist in ordering gift shop merchandise and maintaining project budgets. Volunteers will help represent Frontera at local trade shows and events.

|                     |             |          |
|---------------------|-------------|----------|
| Executive Director  | 25% of time | \$10,000 |
| Program Coordinator | 50% of time | \$7,000  |
| Admin Assistant     | 10% of time | \$2,500  |

|                                    |  |          |
|------------------------------------|--|----------|
| Total Request by Frontera Audubon: |  | \$30,800 |
|------------------------------------|--|----------|

|                   |   |                               |
|-------------------|---|-------------------------------|
| STATE OF TEXAS    | § | SPECIAL SERVICES AGREEMENT ON |
|                   |   | HOTEL/MOTEL ROOM OCCUPANCY    |
| COUNTY OF HIDALGO | § | TAX PROCEEDS AND SALES TAX    |
|                   |   | PROCEEDS BETWEEN THE CITY OF  |
| CITY OF WESLACO   | § | WESLACO AND THE LOWER RIO     |
|                   |   | GRANDE VALLEY NATURE CENTER.  |

**PUBLICITY AND TOURISM AGREEMENT**

This agreement made this the \_\_\_\_ day of October 2017, by and between THE CITY OF WESLACO, a home-ruled municipal corporation located at 255 S. Kansas Avenue, Weslaco, Hidalgo County, Texas hereinafter called "The City" and THE LOWER RIO GRANDE VALLEY NATURE CENTER located at 301 S. Border Avenue, Weslaco, Hidalgo County, Texas, hereinafter called "The Valley Nature Center".

I.

The City by authority of powers granted to it under state statutes and its home-rule charter has heretofore enacted a local hotel/motel occupancy tax on occupants of hotels or motels within the City.

II.

As part of its obligation under state statutes (primarily V.A.T.S. Tax Code, Section 351.101) to use local hotel/motel occupancy tax funds for attracting and promoting tourism and the convention and hotel industry, the City hereby agrees to pay to the Valley Nature Center an amount not to exceed \$32,500.00, of which \$32,500.00 will be funded through the hotel/motel occupancy tax funds. The Valley Nature Center agrees to spend all allocated funds during the term of this contract. The monies received by the City from the hotel/motel occupancy tax and used by the Valley Nature Center for preserving and promoting the unique natural environment of the Lower Rio Grande Valley and promoting tourism in the City derives direct tourism income benefit to the City.

The Valley Nature Center agrees that any hotel/motel occupancy tax funds paid to it by the City shall be used only in the following specific areas shown on Exhibit "A" Application for Funding. The Valley Nature Center agrees to attend and participate in at least three (3) domestic Nature Trade Shows, and develop a Spring Festival that will highlight spring migration and wildflowers, and by using all appropriate means to increase the traveling public's awareness of the historic and recreational advantages of the local area and the City.

The Valley Nature Center further agrees that it will seek to achieve economic benefit for the City through all such activities, and that it will provide tourist-related information about the City upon request.



The Valley Nature Center further agrees that it will undertake all reasonable efforts to spend at least 25% of the hotel/motel occupancy tax funds received from the City in the Weslaco Market area.

### III. Performance Measures

The Valley Nature Center further agrees that it will undertake all reasonable efforts to quantify performance measurements for the purpose of comparative analysis on the efficiency and effectiveness of various inputs and outcomes. Such data should include, but is not limited to, the following: amount of promotional literature distributed; tabulation of advertising expenditures and reported viewership; visitations to the Valley Nature Center website; number of visitations to the Valley Nature Center; percentage of visitors staying in a local hotel; number of tourism-related activities conducted and their attendance, by month. The Valley Nature Center should incorporate this data into its monthly activity report (see section VI), and upon request of the Weslaco City Commission or its staff, shall make these performance measurements available for inspection and review.

### IV.

It is expressly understood and agreed by and between the parties that the Valley Nature Center is contracted and engaged as an independent contractor and is not an officer, agent or employee of the City.

### V.

The Valley Nature Center shall secure sufficient numbers of employees to comply with the terms of this Agreement. The Valley Nature Center shall further provide such office space, equipment, supplies and other materials as may be necessary to accomplish the purpose of this Agreement.

### VI.

The Valley Nature Center shall provide to the City, prior to obtaining any hotel/motel occupancy tax proceeds, a proposed budget for the upcoming year, said budget to be approved by the City Commission in writing in advance of the release of any hotel/motel occupancy tax funds. It is understood and agreed by and between the parties that, upon budget approval by the municipality, a fiduciary duty is created in the Valley Nature Center with respect to expenditure of revenue provided.

Thereafter, the Valley Nature Center shall provide to the City monthly financial and activity reports, on the approved projects that are conducted to benefit the City of Weslaco, as well as an end-of-the-year financial report listing the expenditures made from the revenues from the hotel/motel occupancy tax. It is further agreed by the Valley Nature Center that it shall maintain said revenue in a separate account established for that purpose and that it shall not commingle the revenues with any other money or maintain it in any other account. The Valley Nature Center shall maintain complete and accurate financial records of each expenditure of

hotel/motel occupancy tax revenue and, upon request of the Weslaco City Commission or its staff, shall make the records available for inspection and review. The Valley Nature Center will cooperate with the City of Weslaco on an annual independent audit of the hotel/motel tax funds received by the Valley Nature Center from the City of Weslaco. The audit will be performed in conjunction with the City of Weslaco Annual Audit.

VII.

This Agreement shall begin the \_\_\_\_day of October 2017 and shall continue in force ending September 30, 2018. The City shall have the option to terminate this Agreement at any time and for any reason within thirty (30) days after giving such notice of its intent to the Valley Nature Center.

VIII.

Any notice that is sent pursuant to this Agreement shall be sent to the following addresses:

**If to the City of Weslaco:**

Mike R. Perez  
City Manager  
City of Weslaco  
255 S. Kansas Avenue  
Weslaco, Texas 78596

**If to the Valley Nature Center:**

Ms. Hollie Johnston  
Lower Rio Grande Valley Nature Center  
301 S. Border Avenue  
Weslaco, Texas 78596

IX.

No part of this Agreement may be assigned without the prior written consent of the other party, and any attempted assignment of benefits or rights or delegation of duties or obligations shall be a breach of this Agreement. However, nothing in this Agreement shall prohibit the Valley Nature Center from participating with regional or state tourism programs or to contract for joint promotion with other agencies as long as these programs or promotions do not conflict with the Application for Funding.

X.

The Valley Nature Center agrees to and shall indemnify and hold harmless and defend the City, its officers, agents, and employees for expenses of litigation, court costs, attorney's fees and from any and all claims, losses, causes of action and damages, suits, and liability of every kind including injury arising from or in connection with the operations of the Valley Nature Center, its officers, agents and employees carried out in furtherance of this Agreement. The Valley Nature Center shall carry or cause to be carried public liability, bodily injury insurance on all automobiles used in the operations embraced by this agreement in the amount of \$1,000,000 million combined single limits. The Valley Nature Center shall carry or cause to be carried general liability insurance in the amount of \$1,000,000 million per occurrence naming the City as a covered party. Said insurance policies shall name the City as an additional insured and covered party. Said policies, or duplicate originals thereof, must be filed with the City before any operations contemplated by the Agreement are begun.

**IN WITNESS WHEREOF**, the parties have executed this Agreement on the date and year first written above.

**CITY OF WESLACO**

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**David Suarez, MAYOR**

**ATTEST:**

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**Elizabeth M. Walker, CITY SECRETARY**

**APPROVED AS TO FORM:**

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**Juan E. Gonzalez, CITY ATTORNEY**

**VALLEY NATURE CENTER**

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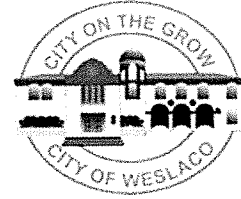
**Dr. Michael J. McClure, President**

**ATTEST:**

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**Hollie Johnston, Director**

# WESLACO HOTEL OCCUPANCY TAX APPLICATION FOR FUNDING



## Instructions

1. Answer each question. Additional attachments are permissible.
2. Attach a detailed budget for the organization/project(s).
3. Sign application.

Organization Name: Lower Rio Grande Valley Nature Center

Organization Mailing Address: 301 S. Border Avenue

Contact Name: Hollie Johnston

Email: hjohnston@valleynaturecenter.org Telephone: (956) 969-2475

Amount Requested: \$ 32,500.00

Has your organization received **Hotel/Motel** Tax funding in the past three years? Yes  
Please note amount(s):

| FY 2014-2015 | FY 2015-2016        | FY 2016-2017        |
|--------------|---------------------|---------------------|
| \$ _____     | \$ <u>35,000.00</u> | \$ <u>32,500.00</u> |

What is the entire budget of your organization or for this event? \$ 232,500.00

What is the percentage of the requested amount to the entire budget? 14 %

Does this organization/event directly enhance and promote tourism AND the convention and hotel industry in the City of Weslaco? Yes (Yes/No)

The organization qualifies under AT LEAST ONE of the following categories: (can be more than one)

- |                                                                      |                                                           |
|----------------------------------------------------------------------|-----------------------------------------------------------|
| <input checked="" type="radio"/> Convention or Visitor Center        | <input type="radio"/> Convention Registration             |
| <input checked="" type="radio"/> Advertising/Promotion for City      | <input type="radio"/> Historical Restoration/Preservation |
| <input type="radio"/> Promotion of the Arts                          | <input type="radio"/> Signage for Tourist Sites           |
| <input type="radio"/> Sports Promotion that Increases Hotel Activity | <input type="radio"/> Tourist Transportation              |

For Organizations – Provide a brief description of your organization and its purpose:

VNC is the oldest nature center in the Rio Grande Valley. Our mission is to provide education and foster an understanding of the unique flora and fauna of the RGV.

For Specific Projects/Events – Provide a brief description of the project/event to be funded:

Host the 2<sup>nd</sup> annual Spring Chirp birding festival this Spring with attendees staying, eating and shopping in Weslaco. This year's festival will include workshops and keynote speakers each day.



**For Events:**

Expected attendance:

Brew in the Woods - 525  
Spring Feast 175

How will the event be promoted? Social Media, the Monitor and Mid Valley Town Crier, Radio, and several trade publications.

How will this event increase hotel occupancy and promote tourism in Weslaco?

For all three events, attendees, guides, musicians, and chefs all stay in Weslaco

How many hotel/motel room nights do you expect to generate from your event?

100+

**For Organizations:**

How much was spent last year specifically on tourism advertising? \$ 5,271.96

Are there any new programs/projects planned to increase room nights? Yes

**For Both:**

List any other organizations, government entities and grants that have offered financial support for your organization/event:

N/A

**If the request includes funding related to a permanent facility (such as museum):**

Last year's attendance: 17,487

Percentage of those in attendance that are staying in a local hotel: \_\_\_\_\_%

Next year's projected attendance (annually): 20,000

**Please submit no later than 4:00 p.m. on August 3rd, 2017.**

Weslaco Hotel Occupancy Tax Advisory Committee

c/o City of Weslaco Finance Department

255 S. Kansas Ave.

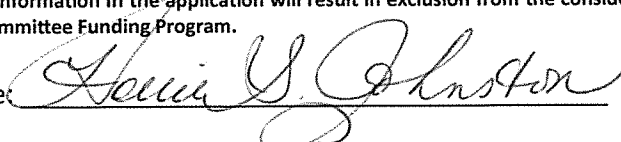
Weslaco, TX 78596

**Privacy Policy Statement and Application Certification**

Your privacy is important to the City. That is why we request that all applicants read the following privacy policy statement carefully.

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I certify that the information given in this application is complete and accurate and that I have carefully read and understand all notes and disclaimers provided therein. I understand the City reserves the right to verify all the information listed in the application. I understand that giving false or misleading information in the application will result in exclusion from the consideration for funding under the City of Weslaco Hotel Occupancy Tax Advisory Committee Funding Program.

Signature:  Date: August 2, 2017

VALLEY NATURE CENTER 2016- 2017  
BUDGET

Ordinary Income/Expense

Income

|                           |              |
|---------------------------|--------------|
| US Fish and Wildlife fees | \$ 5,000.00  |
| Admission Fee Income      | \$ 7,000.00  |
| Bingo Income              | \$ 10,000.00 |
| Donation Income           | \$ 20,000.00 |
| Fundraising Income        | \$ 25,000.00 |
| Gift Shop Sales Income    | \$ 35,000.00 |
| Grant Income              | \$ 80,000.00 |
| Membership Income         | \$ 5,500.00  |
| Rental Income             | \$ 20,000.00 |
| Other Income              | \$ 5,000.00  |
| Program Income            | \$ 20,000.00 |

Total Income \$ 232,500.00

Expense

|                                      |                    |
|--------------------------------------|--------------------|
| ANCA Expenses                        | \$ 1,000.00        |
| Audit                                | \$ 3,000.00        |
| Depreciation                         | \$ 1,000.00        |
| Dues & Subscriptions                 | \$ 800.00          |
| Employee Payroll                     | \$ 130,000.00      |
| Exhibits & Equipment                 | \$ 5,000.00        |
| Fundraising Expenses                 | \$ 10,000.00       |
| Grant Expenses                       | \$ 10,000.00       |
| Hospitality                          | \$ 1,000.00        |
| Insurance                            | \$ 5,000.00        |
| Membership                           | \$ 350.00          |
| Cost of Merchandise                  | \$ 20,000.00       |
| Bingo Expenses                       | \$ 4,000.00        |
| Contingency                          | \$ 1,000.00        |
| Nature Park Expenses                 | \$ 5,000.00        |
| Newsletter Expenses                  | \$ 1,000.00        |
| Office & Building Operations Ex.     | \$ 15,000.00       |
| Other Expense                        | \$ 3,000.00        |
| Professional Services                | \$ 9,500.00        |
| Program Expenses                     | \$ 2,000.00        |
| Marketing/Publicity/Public Relations | \$ 1,500.00        |
| Reference Materials                  | \$ 100.00          |
| Staff Training & Conferences         | \$ 1,000.00        |
| <u>Volunteer Program</u>             | <u>\$ 2,000.00</u> |

Total Expense \$ 232,250.00

Net Ordinary Income \$ 250.00



Thank you for the opportunity to apply for the Weslaco Hotel Occupancy Tax. The Valley Nature Center is the oldest nature center in the Rio Grande Valley. We are in our third year in the new facility and our attendance has steadily increased, bringing more visitors to Weslaco. This year we are the recipients of the 2017 Environmental Excellence Award. We are the only nature center in the Rio Grande Valley to receive this honor. This has driven both attendance and visitation since May, and we anticipate that to continue. We continue to work with groups such as the Native Plant Project, Orchid Society and Rare Fruit Growers to host their events which include guest speakers and out of town guests. This fiscal year we will host two special events: Brew in the Woods, Spring Feast. Our Brew in the Woods event has seen an incredible increase in attendance going from 275 in 2014, 402 in 2015 to 510 in 2016. We anticipate this year's attendance to stay steady or slightly increase. We do not want to grow beyond a comfortable capacity. Spring Feast sold out in 28 days, with the necessity to add additional seats. We book hotel stays for all our events and we have increased our hotel stays by approximately 36%, this year over last.

We launched the valley's only Spring birding festival, Spring Chirp in April of this year. We had an excellent turn out for the first year of a new festival. All the festival's activities were centered around the Holiday Inn Express, Ruben Villanueva and his staff went out of their way to insure our success. As a direct result of attending Birding & Nature Festivals to promote Weslaco, we had attendees at our Spring Chirp festival from Florida and Arizona as well as locations around Texas. Attending these festivals has proven to be successful in educating festival goers on the exceptional wildlife we have, but more importantly the incredible convenience and list of attractions Weslaco offers.



2018 will also bring the ANCA Summit to the Rio Grande Valley. Our attendance at previous Summits helped to bring attention the Rio Grande Valley.

We are respectfully seeking \$ 32,500.00. Our projected budget is as follows:

**\$ 5000.00** Attendance as an exhibitor at 3 domestic Nature trade shows to include booth fees, air and hotel. Participating in these shows has enabled us to increase awareness of our city and meet tour operators. Because of attendance at these festivals, we have had an increase in visitors come from across the country to Weslaco.

**\$ 27,500 Spring Feast:** The first year of festival development was spent promoting this brand new, seasonal attraction, as well as developing the framework, securing assets such as guides and the participation of prime locations as well as development of the website and all the behind the scenes management required to make a festival successful. This year, we will continue to develop festival components, with a strong emphasis on year-round event promotion. We will need to intensify our marketing efforts to ensure that we will have a festival which will become sustainable in year 3 or 4 which is the industry standard. We will work with local business owners to help with welcome packets and swag bags with promotions to keep attendees spending more time and ultimately more money here in Weslaco.

|                   |                                 |
|-------------------|---------------------------------|
| STATE OF TEXAS    | § SPECIAL SERVICES AGREEMENT ON |
|                   | HOTEL/MOTEL ROOM OCCUPANCY      |
| COUNTY OF HIDALGO | § TAX PROCEEDS BETWEEN THE CITY |
|                   | OF WESLACO AND THE WESLACO      |
| CITY OF WESLACO   | § AREA CHAMBER OF COMMERCE.     |

### **PUBLICITY AND TOURISM AGREEMENT**

This agreement made this the \_\_\_\_ day of October 2017, by and between THE CITY OF WESLACO, a home-ruled municipal corporation located at 255 S. Kansas Avenue, Weslaco, Hidalgo County, Texas hereinafter called "The City" and THE WESLACO AREA CHAMBER OF COMMERCE located at 275 S. Kansas Avenue, Weslaco, Hidalgo County, Texas, hereinafter called "The Chamber of Commerce".

#### **I.**

The City by authority of powers granted to it under state statutes and its home-rule charter has heretofore enacted a hotel/motel occupancy tax on occupants of hotels or motels within the City.

#### **II.**

As part of its obligation under state statutes (primarily V.A.T.S. Tax Code, Section 351.101) to use hotel/motel occupancy tax funds for attracting and promoting tourism and the convention and hotel industry, the City hereby agrees to pay to the Chamber of Commerce an amount not to exceed \$191,740.00, of which \$191,740.00 will be funded through the hotel/motel occupancy tax funds. The Chamber of Commerce agrees to spend all allocated funds during the term of this contract. The monies received by the City from the hotel/motel occupancy tax and used by the Chamber of Commerce for advertising and promoting tourism in the City derives direct tourism income benefit to the City.

The Chamber of Commerce agrees that any hotel/motel occupancy tax funds paid to it by the City shall be used only in the following specific areas shown on Exhibit "A" Application for Funding. The Chamber of Commerce agrees to conduct a continued program of advertising and promotion for the purpose of attracting visitors, tourists, and conventions to the local area and to the City by publishing and distributing brochures and community information packets, by advertising in various tourist publications and general media publications which are appropriate, by representing the City at travel shows and other such events, by participating with state and regional agencies in tourist development programs of benefit to the local area and to the City, and by using all appropriate means to increase the traveling public's awareness of the resort and recreational advantages of the local area and the City.

The Chamber of Commerce further agrees that it will seek to achieve economic benefit for the City through all of such activities, that it will provide tourist-related information about the

City upon request and that it will serve as an advisory body to the City, on request, in matters related to expanding the tourist-derived economy.

The Chamber of Commerce further agrees that it will undertake all reasonable efforts to spend at least 25% of the hotel/motel occupancy tax funds received from the City in the Weslaco Market area.

### III. Performance Measures

The Chamber of Commerce further agrees that it will undertake all reasonable efforts to quantify performance measurements for the purpose of comparative analysis on the efficiency and effectiveness of various inputs and outcomes. Such data should include, but is not limited to, the following: amount of promotional literature distributed, by type and locations; tabulation of advertising expenditures and reported viewership; visitations to the Chamber of Commerce website, by content page; number of visitations to the center; number of tourism-related activities conducted and their attendance; number and duration of overnight hotel stays; and receipts in Hotel Occupancy Tax and Sales Tax, by month. The Chamber of Commerce should incorporate this data into its monthly activity report (see section VI), provide an analysis of trends, and upon request of the Weslaco City Commission or its staff, shall make these performance measurements available for inspection and review.

### IV.

It is expressly understood and agreed by and between the parties that the Chamber of Commerce is contracted and engaged as an independent contractor and is not an officer, agent or employee of the City.

### V.

The Chamber of Commerce shall secure sufficient numbers of employees to comply with the terms of this Agreement. The Chamber of Commerce shall further provide such office space, equipment, supplies and other materials as may be necessary to accomplish the purpose of this Agreement.

### VI.

The Chamber of Commerce shall provide to the City, prior to obtaining any hotel/motel occupancy tax proceeds, a proposed budget for the upcoming year, said budget to be approved by the City Commission in writing in advance of the release of any hotel/motel occupancy tax funds. It is understood and agreed by and between the parties that, upon budget approval by the municipality, a fiduciary duty is created in the Chamber of Commerce with respect to expenditure of revenue provided.

Thereafter, the Chamber of Commerce shall provide to the City monthly financial and activity reports, on the approved projects that are conducted to benefit the City of Weslaco, as well as an end-of-the-year financial report listing the expenditures made from the revenues from

the hotel/motel occupancy tax. It is further agreed by the Chamber of Commerce that it shall maintain said revenue in a separate account established for that purpose and that it shall not commingle the revenues with any other money or maintain it in any other account. The Chamber of Commerce shall maintain complete and accurate financial records of each expenditure of hotel/motel occupancy tax revenue and, upon request of the Weslaco City Commission or its staff, shall make the records available for inspection and review. The Chamber of Commerce will cooperate with the City of Weslaco on an annual independent audit of the hotel/motel tax funds received by the Chamber of Commerce from the City of Weslaco. The audit will be performed in conjunction with the City of Weslaco Annual Audit.

It is understood and agreed by and between the parties that the hotel/motel tax proceeds may be spent by the Chamber of Commerce for day-to-day operations including supplies, salaries, office rental, travel expenses, and other administrative costs, if same have been previously approved in the budget and does not exceed the percentage of cost that is attributed to the activities funded by the hotel/motel occupancy tax and if directly related to the promotion of tourism and marketing that will have an economic impact for the City.

#### VII.

This Agreement shall begin the \_\_\_\_day of October 2017 and shall continue in force ending September 30, 2018. The City shall have the option to terminate this Agreement at any time and for any reason within thirty (30) days after giving such notice of its intent to the Chamber of Commerce.

#### VIII.

Any notice that is sent pursuant to this Agreement shall be sent to the following addresses:

**If to the City of Weslaco:**

Mike R. Perez  
City Manager  
City of Weslaco  
255 S. Kansas Avenue  
Weslaco, Texas 78596

**If to the Weslaco Area Chamber of Commerce:**

Doug Croft, President/CEO  
Weslaco Area Chamber of Commerce  
275 S. Kansas Avenue  
Weslaco, Texas 78596

IX.

No part of this Agreement may be assigned without the prior written consent of the other party, and any attempted assignment of benefits or rights or delegation of duties or obligations shall be a breach of this Agreement. However, nothing in this Agreement shall prohibit the Chamber of Commerce from participating with regional or state tourism programs or to contract for joint promotion with other agencies as long as these programs or promotions do not conflict with the work plan.

X.

The Chamber of Commerce agrees to and shall indemnify and hold harmless and defend the City, its officers, agents, and employees for expenses of litigation, court costs, attorney's fees and from any and all claims, losses, causes of action and damages, suits, and liability of every kind including injury arising from or in connection with the operations of the Chamber of Commerce, its officers, agents and employees carried out in furtherance of this Agreement. The Chamber of Commerce shall carry or cause to be carried public liability, bodily injury insurance on all automobiles used in the operations embraced by this agreement in the amount of \$1,000,000 million combined single limits. The Chamber of Commerce shall carry or cause to be carried general liability insurance in the amount of \$1,000,000 million per occurrence naming the City as a covered party. Said insurance policies shall name the City as an additional insured and covered party. Said policies, or duplicate originals thereof, must be filed with the City before any operations contemplated by the Agreement are begun.

**IN WITNESS WHEREOF**, the parties have executed this Agreement on the date and year first written above.

**CITY OF WESLACO**

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**David Suarez, MAYOR**

**ATTEST:**

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**Elizabeth M. Walker, CITY SECRETARY**

**APPROVED AS TO FORM:**

---

**Juan E. Gonzalez, CITY ATTORNEY**

**WESLACO AREA  
CHAMBER OF COMMERCE**

---

**Johnny Bautista, CHAIRMAN**

**ATTEST:**

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**Doug Croft  
CEO/PRESIDENT**

# WESLACO HOTEL OCCUPANCY TAX APPLICATION FOR FUNDING



## Instructions

1. Answer each question. Additional attachments are permissible.
2. Attach a detailed budget for the organization/project(s).
3. Sign application.

Organization Name: Weslaco Chamber of Commerce  
 Organization Mailing Address: PO BOX 8398, Weslaco TX 78599  
 Contact Name: Doug Craft  
 Email: doug@weslaco.com Telephone: 956-968-2102  
 Amount Requested: \$ 191,740.00

Has your organization received **Hotel/Motel** Tax funding in the past three years? yes  
 Please note amount(s):

|                     |                      |                      |
|---------------------|----------------------|----------------------|
| FY 2014-2015        | FY 2015-2016         | FY 2016-2017         |
| \$ <u>82,000.00</u> | \$ <u>177,003.00</u> | \$ <u>178,013.00</u> |

What is the entire budget of your organization or for this event? \$ 191,740.00  
*Budget for Tourism Promotion + Visitor Center is not combined with Chamber General Fund*  
 What is the percentage of the requested amount to the entire budget? 100 %

Does this organization/event directly enhance and promote tourism AND the convention and hotel industry in the City of Weslaco? yes (Yes/No)

The organization qualifies under AT LEAST ONE of the following categories: (can be more than one)

- |                                                                                 |                                                            |
|---------------------------------------------------------------------------------|------------------------------------------------------------|
| <input checked="" type="radio"/> Convention or Visitor Center                   | <input checked="" type="radio"/> Convention Registration   |
| <input checked="" type="radio"/> Advertising/Promotion for City                 | <input type="radio"/> Historical Restoration/Preservation  |
| <input checked="" type="radio"/> Promotion of the Arts                          | <input checked="" type="radio"/> Signage for Tourist Sites |
| <input checked="" type="radio"/> Sports Promotion that Increases Hotel Activity | <input type="radio"/> Tourist Transportation               |

For Organizations – Provide a brief description of your organization and its purpose:

The Weslaco Chamber of Commerce serves as the Visitor + Convention Center for Weslaco. The Chamber markets Weslaco as a destination for visitors and assists with meeting + convention  
*(explanation attached)*

For Specific Projects/Events – Provide a brief description of the project/event to be funded:

N/A



**For Events:**

Expected attendance:

N/A

How will the event be promoted?

N/A

How will this event increase hotel occupancy and promote tourism in Weslaco?

How many hotel/motel room nights do you expect to generate from your event?

N/A

**For Organizations:**

How much was spent last year specifically on tourism advertising?

\$ 127,173.00

Are there any new programs/projects planned to increase room nights?

increasing focus on digital media

**For Both:**

List any other organizations, government entities and grants that have offered financial support for your organization/event:

N/A

**If the request includes funding related to a permanent facility (such as museum):**

Last year's attendance:

Percentage of those in attendance that are staying in a local hotel:

%

Next year's projected attendance (annually):

**Please submit no later than 4:00 p.m. on August 3rd, 2017.**

Weslaco Hotel Occupancy Tax Advisory Committee

c/o City of Weslaco Finance Department

255 S. Kansas Ave.

Weslaco, TX 78596

**Privacy Policy Statement and Application Certification**

Your privacy is important to the City. That is why we request that all applicants read the following privacy policy statement carefully.

Information about program applicants and current and past participants consists of data contained in their applications, information derived from interviews and information gathered during the course of past experiences. The City stores this information in written and electronic form for a period of time. Information, which is described above, may be: Used by Committee members, City Staff and the City Commission, and interviewers to review applicants; Supplied to the program's funding organization; Used for the evaluation of an individual's participation in the program and in the collection of data for general program evaluation by the City, funding representative (Motel/Hotel Owners) or other organizations that may request the information from the City, a Public Agency. The City does not sell applicant current or past participant information.

I certify that the information given in this application is complete and accurate and that I have carefully read and understand all notes and disclaimers provided therein. I understand the City reserves the right to verify all the information listed in the application. I understand that giving false or misleading information in the application will result in exclusion from the consideration for funding under the City of Weslaco Hotel Occupancy Tax Advisory Committee Funding Program.

Signature:

Douglas E. Craft

Date:

8-2-17





August 2, 2017

Ms. Mary Barrera, Finance Director  
City of Weslaco  
525 S. Kansas  
Weslaco, TX 78596

Dear Ms. Barrera:

Please find enclosed the Weslaco Area Chamber of Commerce Budget Request for providing marketing and visitor center services for Weslaco for October 2017 – September 2018. We are pleased to once again be considered to provide these services.

In addition to this cover letter, attached are the budget and overview of specific budget areas.

I look forward to visiting with the Weslaco Hotel Occupancy Tax Advisory Committee on August 8. If you require any additional information, please let me know. Our Chamber team continues to enjoy working with the City of Weslaco, Weslaco EDC, Weslaco hotels, nature centers, museum and the arts to increase visitors and boost the local economy.

Respectfully,

Doug Croft  
President/CEO



*The Weslaco Area Chamber of Commerce & Visitor Center has served as the Visitor Center and markets Weslaco as a destination for visitors and assists with meetings and conferences in Weslaco. Below is an explanation of the attached budget request for October 2017 – September 2018. This budget was developed based on historical successes in promoting Weslaco as a destination. An administrative fee is included with programs that will utilize Chamber staff and resources. This are charged only as the program or activity is completed. If you have any questions, please do not hesitate to call Chamber CEO Doug Croft at 956-968-2102.*

### **General Advertising**

This category covers several marketing costs that provide information on Weslaco to all visitors. The Chamber provides the membership and listings for all Weslaco hotels on the State of Texas Tourism website [www.traveltex.com](http://www.traveltex.com). General Advertising includes printing and updating Weslaco tourism literature that is distributed locally, in Texas, nationally and internationally, and a portion of the maintenance cost of [www.weslaco.com](http://www.weslaco.com) (a responsive website that serves as a visitor portal for Weslaco information). The free *ThinkWeslaco* visitor mobile app, launched in 2016, had positive data during a recent 1<sup>st</sup>-year review. The cost of maintaining the mobile app is included in the budget. *ThinkWeslaco* app provides information on events, shopping, hotels, dining, historical and nature sites, etc.

### **Winter Texan Advertising**

The Chamber participates in promoting the Valley as a destination through the South Texas Tourism Co-op. The Chamber has a force of 10 – 20 volunteers that assist visitors at the Visitor Center and we provide a small budget to serve our volunteers. Partnering with Welcome Home Winter Texans, the Chamber encourages visitors to choose Weslaco. Staff and occasional volunteers participate in a number of travel shows to market Weslaco to visitors. Many of the Winter Texans choose long-term stays in area hotels and bring family to the area for holiday visits, which also includes hotel stays.

### **Nature Tourism Advertising**

Nature tourism marketing is critical to the economy of Weslaco. Weslaco is the only Valley community with three major nature tourism destinations. A majority of the nature tourists which come to south Texas, visit Weslaco. New in this budget are digital ads targeting attendees at international and/or domestic bird fairs. Surveys indicate that nature tourists in the area spend \$307 million annually. The Chamber continues active participation in South Texas Nature (STN), an organization which promotes our destination internationally as well as domestically. The Chamber will host national and international journalists that are brought to the area by STN. (One publication team is already scheduled to visit in the fall of 2017.) The

Weslaco Nature Hot Spots brochure and a brochure promoting the three mid Valley nature centers will be reproduced.

### **Mexico Marketing**

The Chamber will advertise in DeShopping En El Valle magazine. The Chamber will also print 90,000 Weslaco flyers to be distributed during peak Mexico shopping days at the Valley's international bridges to visitors from Mexico. Digital advertising in Mexico was added this year and the Chamber intends to build on that initial investment going forward. Presumably related to factors beyond local control, there appears to be some decline in Mexican shoppers during the past year. Another reason for increased emphasis on new digital marketing, reminding visitors that they have choices and great shopping, restaurants, and accommodations in the Mid-Valley.

### **Texas/Domestic**

Two billboards will promote shopping and nature in Weslaco at the east and west entrances to the city along I-2/Expressway 83. The east location targets potential shoppers leaving the outlet mall and the west location promotes the nature of Weslaco.

### **City Promotions/Airport**

The Chamber is partnering with the City of Weslaco and Mid Valley Airport to promote the expansion of the runway and the Customs facility available in Weslaco. The ribbon-cutting and first-ever Fly-in event were successful. This budget anticipates repeating and enhancing the Fly-in along with new opportunities.

### **Convention Sales & Service/Trade Show Expense**

With significant promotional items produced in 2017, inventory is currently strong. Trade shows to be attended include the McAllen International Travel Show, Connections Fair in McAllen, and possibly a State of Texas Media Mission. The Chamber participate and engages with attendees while distributes promotional literature.

### **Business Visitor Center Operational Expense & Administrative Expense**

The Chamber, by contract with the City, serves as the Visitor Center for Weslaco. The laws that govern the use of Municipal Hotel Occupancy Tax allow for the funding of a visitor information center and allows for administrative costs. The law also allows for the paying of advertising, solicitations and promotions that attract tourists and convention delegates to the city or its vicinity. A portion of the operational costs include postage for mailing literature to other Texas Travel Information Centers and cost of membership in organizations such as: Texas Hotel & Lodging Association, Texas Convention & Visitor Bureau Association and the Texas Travel Information Association. A portion of rent which is paid to the Weslaco EDC is also included.

### **Administration of Tourist/Visitor Center**

A full-time employee of the Chamber staffs the Weslaco Visitor Center. This includes payroll taxes and benefits.

# Weslaco Chamber Tourism Marketing & Visitor Center Budget

2016-17

2017-18

| General Advertising                                                |                                                                                                                                                                                              |                  |                  |
|--------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------|------------------|
| RGV Guide Book (produced by Winter Texan Times)                    | Color full pg 4, 32,000 distributed Valleywide & key entry points of Texas; includes online edition ad.                                                                                      | \$ 1,300         | \$ 1,500         |
| RGV Guide                                                          | Produced by Welcome Home RGV for RGV Partnership. Full color, 55,000 copies, 1/2 page vertical                                                                                               |                  | \$ 2,700         |
| Partnership Publications                                           | South Texas Tourism partnership publications, Soft Adventure Guide.                                                                                                                          | \$ 2,500         | \$ 500           |
| Literature Printing                                                | Weslaco Visitors Guide, Nature Hot Spots, Post Cards, Dining Guide, etc.                                                                                                                     | \$ 3,000         | \$ 3,000         |
| Graphic Design                                                     | Graphic design is provided by Pollux-Castor and Liz Gonzalez.                                                                                                                                | \$ 5,500         | \$ 3,500         |
| Texas Hotel & Lodging listings/www.traveltex.com                   | Includes THLA membership, listings for all Weslaco hotels in State of Texas website www.traveltex.com.                                                                                       | \$ 4,700         | \$ 4,700         |
| Weslaco Visitors Information App                                   | Annual cost of Weslaco City Visitor app: hotels, events, restaurants, attractions, services, etc.                                                                                            | \$ 8,125         | \$ 8,500         |
| Website updates & Visitor app maintenance                          | Majority of site cost paid for by Chamber General fund. Www.weslaco.com is designed for visitors and area residents.                                                                         | \$ 1,500         | \$ 2,000         |
| Other (marketing contest entries, directories)                     | Various Chamber ads are placed in state competition. Other small ad requests as needed.                                                                                                      | \$ 1,500         | \$ 1,500         |
| <b>Subtotal</b>                                                    |                                                                                                                                                                                              | <b>\$ 28,125</b> | <b>\$ 27,900</b> |
| Administrative fee 30% (as ads are placed)                         |                                                                                                                                                                                              | \$ 8,438         | \$ 8,370         |
| <b>Total Chamber Tourism Marketing &amp; Visitor Center Budget</b> |                                                                                                                                                                                              | <b>\$ 36,563</b> | <b>\$ 36,270</b> |
| Winter Texans Advertising                                          |                                                                                                                                                                                              |                  |                  |
| Welcome Winter Texans                                              | Welcome Home RGV Magazine distributed to Winter Texans throughout the RGV, encouraging them to visit Weslaco. Additionally, two mpublishments by AIM Media - a park guide & a visitor guide. | \$ 1,000         | \$ 2,500         |
| South Texas Tourism Coop                                           | Multi-city cooperative promoting the RGV to potential new Winter Texan visitors via trade shows and positive media coverage.                                                                 | \$ 2,200         | \$ 2,200         |
| Volunteer Reception & Supplies                                     | Chamber team of volunteers are 10-20 depending on time of year. They are given a name badge and an appreciation luncheon.                                                                    | \$ 500           | \$ 500           |
| Winter Texan Times RV Park Directory                               | 32,000 printed. Delivered to RV&MH Parks throughout RGV, Mission to SPI, key entry points of Texas.                                                                                          | \$ 1,300         | \$ 1,500         |
| Direct digital marketing to Winter Texans                          | Digital advertising directly targeted to Winter Texans in RV Parks.                                                                                                                          |                  | \$ 2,500         |
| <b>Subtotal</b>                                                    |                                                                                                                                                                                              | <b>\$ 5,000</b>  | <b>\$ 9,200</b>  |
| Administrative fee 30% (as ads are placed)                         |                                                                                                                                                                                              | \$ 1,500         | \$ 2,760         |
| <b>Total Winter Texans Advertising</b>                             |                                                                                                                                                                                              | <b>\$ 6,500</b>  | <b>\$ 11,960</b> |
| Nature Tourism Advertising                                         |                                                                                                                                                                                              |                  |                  |
| South Texas Nature Coop                                            | Cooperative of South Texas cities that are nature tourism destinations. Area promoted in Gr. Britian, Scotland, Netherlands, Germany, Italy and                                              | \$ 2,200         | \$ 2,200         |
| Travel Writer Expense                                              | Hosting domestic & foreign journalists.                                                                                                                                                      | \$ 1,000         | \$ 1,000         |
| Weslaco Area Nature Publications & Advertising                     | Nature publications and advertising developed in cooperation with Weslaco nature centers to showcase Weslaco's attractibility for nature                                                     | \$ 4,000         | \$ -             |
| Digital Advertising to Birders                                     | Digital ads targeting bird-watchers at one or more birding fairs. International and/or domestic.                                                                                             |                  | \$ 3,000         |
| <b>Subtotal</b>                                                    |                                                                                                                                                                                              | <b>\$ 7,200</b>  | <b>\$ 6,200</b>  |

|                                                                         |                                                                                                                                                                                       |                  |                  |
|-------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------|------------------|
| Administrative fee 30% (as ads are placed)                              |                                                                                                                                                                                       | \$ 2,160         | \$ 1,860         |
| <b>Total Nature Tourism Advertising</b>                                 |                                                                                                                                                                                       | <b>\$ 9,360</b>  | <b>\$ 8,060</b>  |
| <b>Mexico Marketing</b>                                                 |                                                                                                                                                                                       |                  |                  |
| Digital Advertising in Mexico                                           | Digital ads to encourage Mexican shoppers to stay, shop and dine in Weslaco.                                                                                                          | \$ 5,000         | \$ 10,000        |
| De Shopping En El Valley / print publications                           | A shopper magazine produced for Mexican tourists. Cooperative ads with the Weslaco EDC                                                                                                | \$ 3,000         | \$ 3,000         |
| VIP Publication of Weslaco Flyer to distribute at International Bridges | Eight-seven percent of Mexico visitors arrive by car. VIP delivers to 480,000 northbound cars annually; readership 1.5 million. 6- 1/2 pg ads/year based on Mexico holidays.          | \$ 6,500         | \$ 6,500         |
| <b>Subtotal</b>                                                         |                                                                                                                                                                                       | <b>\$ 14,500</b> | <b>\$ 19,500</b> |
| Administrative fee 30% (as ads are placed)                              |                                                                                                                                                                                       | \$ 4,350         | \$ 5,850         |
| <b>Total Mexico Marketing</b>                                           |                                                                                                                                                                                       | <b>\$ 18,850</b> | <b>\$ 25,350</b> |
| <b>Texas/Domestic</b>                                                   |                                                                                                                                                                                       |                  |                  |
| Billboard on Expressway 83 - Donna & Mercedes                           | Stationery boards to attract Interstate 2 eastbound and westbound travelers. Placed strategically near Mercedes for Prime Outlet Mall shoppers and in Donna before you enter Weslaco. | \$ 30,000        | \$ 30,000        |
| <b>Subtotal</b>                                                         |                                                                                                                                                                                       | <b>\$ 30,000</b> | <b>\$ 30,000</b> |
| Administrative fee 30% (as ads are placed)                              |                                                                                                                                                                                       | \$ 9,000         | \$ 9,000         |
| <b>Total Texas/Domestic</b>                                             |                                                                                                                                                                                       | <b>\$ 39,000</b> | <b>\$ 39,000</b> |
| <b>City Promotions</b>                                                  |                                                                                                                                                                                       |                  |                  |
| Airport Marketing                                                       | Promotion of Weslaco Airport to increase landings and visitors that fly to the RGV.                                                                                                   | \$ 5,000         | \$ 7,500         |
| Miscellaneous Special Events                                            | Events planned throughout the year that are not currently budgeted.                                                                                                                   | \$ 1,000         | \$ 1,000         |
| <b>Subtotal</b>                                                         |                                                                                                                                                                                       | <b>\$ 6,000</b>  | <b>\$ 8,500</b>  |
| Administrative fee 30% (as ads are placed)                              |                                                                                                                                                                                       | \$ 1,800         | \$ 2,550         |
| <b>Total City Promotions</b>                                            |                                                                                                                                                                                       | <b>\$ 7,800</b>  | <b>\$ 11,050</b> |
| <b>Convention Sales &amp; Service/Trade Show Expense</b>                |                                                                                                                                                                                       |                  |                  |
| Meeting Hosting & Promotional Items                                     | Seven hundred and fifty calendars, giveaway items to promote <i>ThinkWeslaco</i> App                                                                                                  | \$ 5,000         | \$ 2,000         |
| Travel & Trade Shows                                                    | McAllen Intl. Travel Show, State of Texas Media Mission, Connections Fair at McA Convention Center, International Council of Shopping Centers                                         | \$ 2,000         | \$ 2,250         |
| <b>Subtotal</b>                                                         |                                                                                                                                                                                       | <b>\$ 7,000</b>  | <b>\$ 4,250</b>  |
| Administrative fee 30% (as ads are placed)                              |                                                                                                                                                                                       | \$ 2,100         | \$ 1,275         |
| <b>Total Convention Sales &amp; Service</b>                             |                                                                                                                                                                                       | <b>\$ 9,100</b>  | <b>\$ 5,525</b>  |
| <b>Business Visitor Center Operational Expenses</b>                     |                                                                                                                                                                                       |                  |                  |
| Rent & Building Maintenance - 1509/mo                                   | Portion of the \$1,677 rent paid to Weslaco EDC and minor repairs                                                                                                                     | \$ 9,600         | \$ 11,000        |
| Membership & Dues                                                       | Cost of membership in tourism organizations including Texas Travel Industry Assoc., Texas Association of Convention & Visitors Bureaus.                                               | \$ 1,500         | \$ 1,750         |

|                                                           |                                                                                   |                  |                  |
|-----------------------------------------------------------|-----------------------------------------------------------------------------------|------------------|------------------|
| Postage & Delivery                                        | Delivery of boxes of literature to visitor centers and Texas entry points.        | \$ 500           | \$ 500           |
| <b>Total Business Visitor Center Operational Expenses</b> |                                                                                   | <b>\$ 11,600</b> | <b>\$ 13,250</b> |
| <b>Tourism Visitor Center Administration Staff</b>        |                                                                                   |                  |                  |
| Salaries                                                  | Visitor Center Staff                                                              | \$ 27,540        | \$ 28,640        |
| Payroll Taxes                                             | Visitor Center Staff                                                              | \$ 2,800         | \$ 2,910         |
| Health Insurance                                          | Visitor Center Director                                                           | \$ 4,500         | \$ 4,725         |
| <b>Total Tourism Visitor Center Administration Staff</b>  |                                                                                   | <b>\$ 34,840</b> | <b>\$ 36,275</b> |
| <b>Staff Development</b>                                  |                                                                                   |                  |                  |
| Registration, Travel & Lodging for Staff Development      | Includes TTIA Tourism College, TACVB, Texas Chamber of Commerce Annual Conference | \$ 5,000         | \$ 5,000         |

**TOTAL FUNDS REQUESTED 2017-2018**

**\$ 178,613 \$ 191,740**



# Standardized Agenda Request Form

|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |                                                 |                                                              |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------|--------------------------------------------------------------|
| <b>Date of Meeting:</b><br>October 3, 2017                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |                                                 | <b>Agenda Item No.</b> (to be assigned by CSO):<br>2017-1252 |
| <b>From:</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |                                                 |                                                              |
| <b>Subject:</b><br>Approval of Ordinance 2017-50 authorizing a negotiated resolution with Texas Gas Service regarding the company's 2017 cost of service adjustment ("COSA") filing; declaring existing rates to be unreasonable; adopting tariffs that reflect rate adjustments consistent with the negotiated settlement and finding the rates to be set by the attached tariffs to be just and reasonable; providing for the recovery of the City's reasonable and necessary rate case expenses; adopting a savings clause and other matters as ordained. First Reading of Ordinance 2017-50. (Staffed by Finance Department.) |                                                 |                                                              |
| <b>Background:</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                                                 |                                                              |
| <b>Funding Source</b> (budget code, if applicable):                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |                                                 |                                                              |
| Amount:                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | Term of Impact:                                 | Identified in Current Budget:                                |
| <b>Additional Action Prompted:</b><br>Mayor's Signature<br>Ordinance - First Reading                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |                                                 |                                                              |
| <b>If item previously considered, provide date and action by Commission:</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |                                                 |                                                              |
| <b>If item requires Publication Notice, provide date and periodical of publication; indicate if comments received from letters mailed to property owners:</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |                                                 |                                                              |
| <b>Advisory Review, if any</b> (name of board/committee, date of action, recommendation):                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |                                                 |                                                              |
| Mary Barrera<br>Mary Barrera<br>Mike Perez                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | Created/Initiated<br>Approved<br>Final Approval |                                                              |
| <b>City Manager Comments:</b><br>Approve.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |                                                 |                                                              |
| <b>Staff Recommendation:</b><br>Approve.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |                                                 |                                                              |
| <b>Attachments, if any:</b><br>Public Notice of Statement of Intent Texas Gas Service, TGS Rate Case, TGS settlement agreement, O2017-50                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |                                                 |                                                              |
| <b>Responsibilities upon Approval:</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |                                                 |                                                              |




**Texas  
Gas Service™**

A Division of ONE Gas

912418428-2361849

\*\*\*\*\*AUTO\*\*SCH 5-DIGIT 78596 \*0015444


**CITY OF WESLACO**  
 1909 JOE STEPHENS AVE  
 WESLACO TX 78599-3701

 CITY OF WESLACO  
 SEP 28 2017  
 CITY SECRETARY'S OFFICE

**PUBLIC NOTICE OF STATEMENT OF INTENT OF TEXAS GAS SERVICE COMPANY, A DIVISION  
OF ONE GAS, INC., TO INCREASE GAS UTILITY RATES WITHIN THE  
INCORPORATED AREAS OF THE RIO GRANDE VALLEY SERVICE AREA**

**Nota al cliente:**

La compañía Texas Gas Service, por este medio notifica su intención de implementar un aumento a la tarifa de gas que le provee. Para obtener una copia de este aviso en español, por favor llame al número gratuito 1-800-700-2443 o envíe un mensaje de correo electrónico a la dirección [ODCInformationCenterWebTeam@onegas.com](mailto:ODCInformationCenterWebTeam@onegas.com). Usted puede ver y descargar el aviso en nuestro sitio web, visitando [https://www.texasgasservice.com/#/customernotices-rate\\_notices](https://www.texasgasservice.com/#/customernotices-rate_notices)

On June 15, 2017, Texas Gas Service Company, a division of ONE Gas, Inc. ("TGS" or the "Company"), filed a Statement of Intent to Increase Rates ("Statement of Intent") within the incorporated areas of its Rio Grande Valley Service Area ("RGVSA") under the provisions of Subchapter C of Chapter 104 of the Texas Utilities Code. The Statement of Intent was filed with each regulatory authority having original jurisdiction over the gas utility rates charged by the Company to customers within the incorporated areas of its RGVSA. The proposed change in rates will affect all customers in Alamo, Alton, Brownsville, Combes, Donna, Edcouch, Edinburg, Elsa, Harlingen, Hidalgo, La Feria, Laguna Vista, La Joya, La Villa, Los Fresnos, Lyford, McAllen, Mercedes, Mission, Palm Valley, Palmhurst, Palmview, Penitas, Pharr, Port Isabel, Primera, Progreso, Rancho Viejo, Raymondville, Rio Hondo, San Benito, San Juan, Santa Rosa and Weslaco, Texas ("RGV Cities"). The proposed effective date of the requested rate changes is July 20, 2017.

The Company has developed its proposed rates based on the system-wide cost of providing service to the RGVSA, which reflects a revenue deficiency on a system-wide basis of approximately \$5.17 million, of which \$4.54 million is attributable to the RGV Cities. The proposed rates and tariffs are expected to increase the Company's annual system-wide revenues within the incorporated areas of the RGVSA by approximately \$4.54 million, or 14.53 percent including gas cost or 18.35 percent excluding gas cost. Table B below shows the classes and numbers of affected customers on a city-by-city basis. Because the proposed changes in rates within the incorporated areas of the RGVSA will increase the total aggregate revenues of the Company by more than two and one half percent, the proposed rate increase constitutes a "major change" in rates as that term is defined by TEX. UTIL. CODE § 104.101.

Based on the proposed customer rate design, the average monthly bill for current RGVSA incorporated customers will change by the amount and percent shown in Table A below:

\*8002\*





**Table A**

| Customer Class and Location               | Current<br>Average<br>Monthly Bill<br>Including<br>Cost of Gas | Proposed<br>Average<br>Monthly Bill<br>Including Cost<br>of Gas | Proposed<br>Monthly<br>Dollar<br>Change | Proposed<br>Percentage<br>Change with<br>Gas Cost | Current<br>Average<br>Monthly Bill<br>Excluding<br>Cost of Gas | Proposed<br>Average<br>Monthly Bill<br>Excluding Cost<br>of Gas | Proposed<br>Monthly<br>Dollar<br>Change | Proposed<br>Percentage<br>Change<br>without Gas<br>Cost |
|-------------------------------------------|----------------------------------------------------------------|-----------------------------------------------------------------|-----------------------------------------|---------------------------------------------------|----------------------------------------------------------------|-----------------------------------------------------------------|-----------------------------------------|---------------------------------------------------------|
| <b><u>Gas Sales Service: (1)</u></b>      |                                                                |                                                                 |                                         |                                                   |                                                                |                                                                 |                                         |                                                         |
| <b>Residential</b>                        |                                                                |                                                                 |                                         |                                                   |                                                                |                                                                 |                                         |                                                         |
| Incorporated                              | \$21.82                                                        | \$27.53                                                         | \$5.71                                  | 26.2%                                             | \$18.78                                                        | \$24.49                                                         | \$5.71                                  | 30.4%                                                   |
| Environs                                  | \$20.88                                                        | \$27.53                                                         | \$6.65                                  | 31.8%                                             | \$17.84                                                        | \$24.49                                                         | \$6.65                                  | 37.3%                                                   |
| <b>Commercial</b>                         |                                                                |                                                                 |                                         |                                                   |                                                                |                                                                 |                                         |                                                         |
| Incorporated                              | \$335.35                                                       | \$325.60                                                        | -\$9.75                                 | -2.9%                                             | \$226.66                                                       | \$216.91                                                        | -\$9.75                                 | -4.3%                                                   |
| Environs                                  | \$264.02                                                       | \$325.60                                                        | \$61.58                                 | 23.3%                                             | \$155.33                                                       | \$216.91                                                        | \$61.58                                 | 39.6%                                                   |
| <b>Commercial - Church</b>                |                                                                |                                                                 |                                         |                                                   |                                                                |                                                                 |                                         |                                                         |
| Incorporated                              | \$46.22                                                        | \$63.09                                                         | \$16.87                                 | 36.5%                                             | \$36.40                                                        | \$53.27                                                         | \$16.87                                 | 46.3%                                                   |
| Environs                                  | \$76.68                                                        | \$63.09                                                         | -\$13.59                                | -17.7%                                            | \$66.86                                                        | \$53.27                                                         | -\$13.59                                | -20.3%                                                  |
| <b>Industrial</b>                         |                                                                |                                                                 |                                         |                                                   |                                                                |                                                                 |                                         |                                                         |
| Incorporated                              | \$2,567.71                                                     | \$2,003.77                                                      | -\$563.94                               | -22.0%                                            | \$1,774.16                                                     | \$1,210.22                                                      | -\$563.94                               | -31.8%                                                  |
| Environs                                  | \$1,622.84                                                     | \$2,003.77                                                      | \$380.93                                | 23.5%                                             | \$829.30                                                       | \$1,210.22                                                      | \$380.92                                | 45.9%                                                   |
| <b>Public Authority</b>                   |                                                                |                                                                 |                                         |                                                   |                                                                |                                                                 |                                         |                                                         |
| Incorporated                              | \$298.95                                                       | \$295.14                                                        | -\$3.81                                 | -1.3%                                             | \$208.96                                                       | \$205.15                                                        | -\$3.81                                 | -1.8%                                                   |
| Environs                                  | \$236.64                                                       | \$295.14                                                        | \$58.50                                 | 24.7%                                             | \$146.65                                                       | \$205.15                                                        | \$58.50                                 | 39.9%                                                   |
| <b><u>Transportation Service: (2)</u></b> |                                                                |                                                                 |                                         |                                                   |                                                                |                                                                 |                                         |                                                         |
| <b>Transportation - Commercial</b>        |                                                                |                                                                 |                                         |                                                   |                                                                |                                                                 |                                         |                                                         |
| Current T-1 - Incorporated                | \$4,759.87                                                     | \$4,665.20                                                      | -\$94.67                                | -2.0%                                             | \$2,520.62                                                     | \$2,425.95                                                      | -\$94.67                                | -3.8%                                                   |
| Current T-1 - Environs                    | \$3,046.28                                                     | \$3,804.24                                                      | \$757.96                                | 24.9%                                             | \$1,411.03                                                     | \$2,168.98                                                      | \$757.95                                | 53.7%                                                   |
| Current T-2 - Incorporated                | \$6,635.46                                                     | \$8,297.87                                                      | \$1,662.41                              | 25.1%                                             | \$1,792.72                                                     | \$3,455.14                                                      | \$1,662.42                              | 92.7%                                                   |
| <b>Transportation - Industrial</b>        |                                                                |                                                                 |                                         |                                                   |                                                                |                                                                 |                                         |                                                         |
| Current T-1 - Incorporated                | \$4,188.69                                                     | \$4,261.72                                                      | \$73.03                                 | 1.7%                                              | \$2,225.56                                                     | \$2,298.59                                                      | \$73.03                                 | 3.3%                                                    |
| Current T-1 - Environs                    | \$3,401.35                                                     | \$4,115.63                                                      | \$714.28                                | 21.0%                                             | \$1,542.20                                                     | \$2,256.49                                                      | \$714.29                                | 46.3%                                                   |
| Current T-2 - Incorporated                | \$13,313.04                                                    | \$15,433.10                                                     | \$2,120.06                              | 15.9%                                             | \$3,343.55                                                     | \$5,463.60                                                      | \$2,120.05                              | 63.4%                                                   |
| Current T-2 - Environs                    | \$6,342.71                                                     | \$9,385.34                                                      | \$3,042.63                              | 48.0%                                             | \$706.84                                                       | \$3,749.47                                                      | \$3,042.63                              | 430.5%                                                  |
| <b>Transportation - Public Authority</b>  |                                                                |                                                                 |                                         |                                                   |                                                                |                                                                 |                                         |                                                         |
| Current T-1 - Incorporated                | \$4,147.75                                                     | \$4,233.11                                                      | \$85.36                                 | 2.1%                                              | \$2,204.42                                                     | \$2,289.77                                                      | \$85.35                                 | 3.9%                                                    |
| Current T-1 - Environs                    | \$3,377.65                                                     | \$4,094.78                                                      | \$717.13                                | 21.2%                                             | \$1,533.45                                                     | \$2,250.58                                                      | \$717.13                                | 46.8%                                                   |
| Current T-2 - Incorporated                | \$4,454.68                                                     | \$5,644.25                                                      | \$1,189.57                              | 26.7%                                             | \$1,500.00                                                     | \$2,689.57                                                      | \$1,189.57                              | 79.3%                                                   |

(1) The test year cost of gas in the service area is included in the sales service bill calculations. Bills under current and recommended rates do not include revenue-related taxes and are based on the following average usage.

|                     | <u>Year-Round</u> | <u>January</u> |
|---------------------|-------------------|----------------|
| Residential         | 13                | 21             |
| Commercial          | 465               | 562            |
| Commercial - Church | 42                | 52             |
| Industrial          | 3,395             | 3,291          |
| Public Authority    | 385               | 484            |

(2) Transportation customers secure their own gas. While the Company has no way of knowing the customer's cost of gas, these bill comparisons assume that customers obtain their gas at a cost that is five percent less than the Company's gas cost. These transportation bill comparisons are only illustrations of the level of total bills and the percentage changes in those bills. Bills are based on the following average usage levels:

|                         | <u>Current T-1</u> |                | <u>Current T-2</u> |                |
|-------------------------|--------------------|----------------|--------------------|----------------|
| <u>Transportation</u>   | <u>Year-Round</u>  | <u>January</u> | <u>Year-Round</u>  | <u>January</u> |
| Commercial - Inc.       | 10,084             | 12,173         | 21,809             | 25,639         |
| Commercial - Env.       | 7,364              | 10,099         | -                  | -              |
| Industrial - Inc.       | 8,841              | 7,854          | 44,897             | 58,868         |
| Industrial - Env.       | 8,373              | 10,346         | 25,381             | 20,353         |
| Public Authority - Inc. | 8,752              | 10,688         | 13,306             | 19,634         |
| Public Authority - Env. | 8,305              | 11,649         | -                  | -              |

(Environs amounts are shown for reference. The Company is not proposing changes in RGVSA Environs rates through this Statement of Intent filing.)

The customer counts by class are show in in Table B below:

**Table B**

| <b>Location</b>                               | <b>Residential</b> | <b>Commercial<br/>and Church</b> | <b>Industrial</b> | <b>Public Authority</b> | <b>Transportation</b> | <b>Grand Total</b> |
|-----------------------------------------------|--------------------|----------------------------------|-------------------|-------------------------|-----------------------|--------------------|
| Rio Grande Valley Incorporated <sup>a</sup>   | 58,662             | 3,563                            | 44                | 496                     | 60                    | 62,825             |
| Rio Grande Valley Unincorporated <sup>b</sup> | 3,540              | 215                              | 3                 | 30                      | 3                     | 3,791              |
| <b>Total</b>                                  | <b>62,202</b>      | <b>3,778</b>                     | <b>47</b>         | <b>526</b>              | <b>63</b>             | <b>66,616</b>      |

a Rio Grande Valley Incorporated includes: Alamo, Alton, Brownsville, Combes, Donna, Edcouch, Edinburg, Elsa, Harlingen, Hidalgo La Feria, La Joya, La Villa, Laguna Vista, Los Fresnos, Lyford, McAllen, Mercedes, Mission, Palm Valley, Palmhurst, Palmview, Penitas, Pharr, Port Isabel, Primera, Progreso, Rancho Viejo, Raymondville, Rio Hondo, San Benito, San Juan, Santa Rosa, and Weslaco, Texas

b Rio Grande Valley Unincorporated includes: the unincorporated cities of Bayview, Laguna Heights, Monte Alto, Olmito, and San Carlos and the unincorporated areas of Jim Hogg and Starr counties, Texas

(Environs customer counts are shown for reference. The Company is not proposing changes in RGVSA Environs rates through this Statement of Intent filing.)

The proposed rates for each of the rate classes in the incorporated areas of the RGVSA are shown in Table C below:



**Table C**

|                                  |             | Existing RGVSA Rates                  |                                   |                      |
|----------------------------------|-------------|---------------------------------------|-----------------------------------|----------------------|
| Customer Class                   |             | RGVSA Incorporated Rates <sup>a</sup> | RGVSA Environs Rates <sup>b</sup> | RGVSA Proposed Rates |
| <b>Residential</b>               |             |                                       |                                   |                      |
| Customer Charge                  |             | \$11.25                               | \$15.52                           | \$20.00              |
| Volumetric                       | All Usage   | 0.57904                               | 0.17840                           | 0.34574              |
| <b>Commercial</b>                |             |                                       |                                   |                      |
| Customer Charge - Sales          |             | \$31.25                               | \$71.82                           | \$70.00              |
| Volumetric                       | All Usage   | 0.42023                               | 0.17960                           | 0.31593              |
| Customer Charge - Transportation |             |                                       |                                   | \$400.00             |
| Volumetric                       | First 5,000 |                                       |                                   | 0.31593              |
|                                  | All Over    |                                       |                                   | 0.08778              |
| <b>Commercial - Church</b>       |             |                                       |                                   |                      |
| Customer Charge                  |             | \$18.75                               | \$59.32                           | \$40.00              |
| Volumetric                       | All Usage   | 0.42023                               | 0.17960                           | 0.31593              |
| <b>Industrial</b>                |             |                                       |                                   |                      |
| Customer Charge - Sales          |             | \$66.85                               | \$269.80                          | \$150.00             |
| Volumetric                       | All Usage   | 0.50289                               | 0.16480                           | 0.31229              |
| Customer Charge - Transportation |             |                                       |                                   | \$400.00             |
| Volumetric                       | First 5,000 |                                       |                                   | 0.31229              |
|                                  | All Over    |                                       |                                   | 0.08778              |
| <b>Public Authority</b>          |             |                                       |                                   |                      |
| Customer Charge - Sales          |             | \$35.71                               | \$74.69                           | \$85.00              |
| Volumetric                       | All Usage   | 0.44999                               | 0.18690                           | 0.31209              |
| Customer Charge - Transportation |             |                                       |                                   | \$400.00             |
| Volumetric                       | First 5,000 |                                       |                                   | 0.31209              |
|                                  | All Over    |                                       |                                   | 0.08778              |
| <b>T-1</b>                       |             |                                       |                                   |                      |
| Customer Charge - Sales          |             | \$127.82                              | \$452.94                          | Withdrawn            |
| Volumetric                       | All Usage   | 0.23728                               | 0.13010                           | Withdrawn            |
| <b>T-2</b>                       |             |                                       |                                   |                      |
| Customer Charge - Sales          |             | \$327.82                              | \$706.84                          | Withdrawn            |
| Volumetric                       | All Usage   | 0.06717                               | 0.05480                           | Withdrawn            |

a Rio Grande Valley Incorporated includes: Alamo, Alton, Brownsville, Combes, Donna, Edcouch, Edinburg, Elsa, Harlingen, Hidalgo, La Feria, La Joya, La Villa, Laguna Vista, Los Fresnos, Lyford, McAllen, Mercedes, Mission, Palm Valley, Palmhurst, Palmview, Penitas, Pharr, Port Isabel, Primera, Progreso, Rancho Viejo, Raymondville, Rio Hondo, San Benito, San Juan, Santa Rosa, and Weslaco, Texas.

b Rio Grande Valley Environs includes: the unincorporated cities of Bayview, Laguna Heights, Monte Alto, Olmito, and San Carlos and the unincorporated areas of Jim Hogg and Starr counties, Texas

(Environs amounts are shown for reference. The Company is not proposing changes in RGVSA Environs rates through this Statement of Intent filing.)

In addition to new rates in the RGVSA incorporated areas, the Company is also seeking a prudence determination regarding capital investment made within the RGVSA incorporated areas from January 1, 2016 through December 31, 2016. In addition, the Company proposes certain revisions to its incorporated rate schedules and tariffs. TGS proposes rates for the following classes of general sales customers in the incorporated areas of the RGVSA consistent with the RGVSA revenue requirement provided in the Rate Filing Package: Rate Schedule 10 for residential gas sales service; Rate Schedule 20 for commercial gas sales service; Rate Schedule 30 for industrial gas sales service; and Rate Schedule 40 for public authority gas sales service. Revisions were made to provide clarification in the "Applicability" section; added the names of the RGV Cities to the "Territory" section; and added



references to Rate Schedules PIT and RCE. TGS proposes revisions to Rate Schedule T-1 to broaden the "Applicability" section; added the names of the RGV Cities to the "Availability" section; added an "Additional Charges" section reflecting the recovery of applicable taxes, franchise fees, demand fees, and Rate Schedules PIT and RCE; and added a "Subject To" section referencing the applicability of Rate Schedule T-TERMS, General Terms and Conditions for Transportation, curtailment provisions and applicable laws, orders and rules. The Company also proposes to withdraw Rate Schedules T-2 and T-GEN. TGS proposes to replace Rate Schedule T-GEN with Rate Schedule T-TERMS, which contains the general terms and conditions for transportation service. Proposed Rate Schedule 1-INC is based on the current cost of gas clause in the RGVSA incorporated areas with revisions made to add the names of the RGV Cities to the "Applicability" section; add renewable natural gas to the definition of "Cost of Gas"; add a "Surcharge or Refund Procedures" section which codifies the current practice of including applicable suppliers' surcharges or refunds in the cost of gas calculation; and remove the "Sales of Excess Gas Supply" section because the Company no longer makes such sales in the RGVSA. The Company developed proposed Rules of Service based on the existing RGVSA incorporated Rules of Service, which were last updated in 2009. The proposed changes provide clarity regarding the Company's current policies and procedures and are consistent with the rules in effect in many of the Company's other service areas. TGS proposes additions to §1.3 of definitions of transportation service terminology; elimination of §4.4, transportation across state lines; elimination of §14, because these provisions are contained in the Company's curtailment plan on file with the Commission; revisions to §4.8, which provides clarity to the customers as to who is legally responsible for the customers' piping and appliances; addition of §15.5 through §15.9, which clarify customer and Company rights and obligations relating to service work and which allow the Company to safely, effectively and efficiently conduct service work in the RGVSA; revision to §8, to clarify the rights and obligations of the customer and the Company; revisions to §21, to establish greater consistency for service fees and deposits among the Company's service areas; and addition to §21, to include a fee for customer-requested installation of an excess flow valve. The Company proposes Rate Schedule WNA, which provides a mechanism whereby customer bills are adjusted up or down each billing cycle to reflect differences in actual weather compared to normal weather, as defined in the rate case. The Company is proposing Rate Schedule RCE to enable the Company and RGV Cities to recover all rate case expenses associated with this proceeding that are determined to be reasonable. The Company proposes to rename the existing Rate Schedule CAC to Rate Schedule EEP, to reflect a more current terminology to describe the program, the Energy Efficiency Program, and to rename Rate Schedule 1C to Rate Schedule 1EE. The Company proposes continuation of the existing program with no other changes to the rate schedules. The Company proposes to recover costs incurred to comply with the Commission's Pipeline Integrity Assessment and Management Plan Rule, Rule 8.101, and other future Commission rules related to integrity management plans through Rate Schedule PIT. The company proposes that Rate Schedule PIT recover pipeline integrity testing costs incurred in a given calendar year though a volumetric rate to be applied to customer bills.

The Company is also seeking approval of new depreciation rates for the Company's plant located in the RGVSA, as well as for common facilities shared among all TGS service areas.

A complete copy of the Company's Statement of Intent is available for inspection in its business office located at 5602 E. Grimes Rd., Harlingen, Texas 78550, or on the internet at the Company's website at: [https://www.texasgasservice.com/#/customernotices-rate\\_notices](https://www.texasgasservice.com/#/customernotices-rate_notices). Persons with specific questions or desiring additional information about this filing may contact the Company at 1-800-700-2443.

**Nota al cliente:**

La compañía Texas Gas Service, por este medio notifica su intención de implementar un aumento a la tarifa de gas que le provee. Para obtener una copia de este aviso en español, por favor llame al número gratuito 1-800-700-2443 o envíe un mensaje de correo electrónico a la dirección [ODCInformationCenterWebTeam@onegas.com](mailto:ODCInformationCenterWebTeam@onegas.com). Usted puede ver y descargar el aviso en nuestro sitio web, visitando [https://www.texasgasservice.com/#/customernotices-rate\\_notices](https://www.texasgasservice.com/#/customernotices-rate_notices)

**TEXAS GAS SERVICE COMPANY**



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La Compañía ha desarrollado las tarifas propuestas basándose en el costo de todo el sistema para proveer servicio al RGVSA, el cual refleja una deficiencia en ingresos de todo el sistema de aproximadamente \$5.17 millones, de los cuales \$4.54 millones son atribuibles a la Ciudades del RGV. Las tarifas propuestas se espera que aumenten los ingresos anuales de todo el sistema de la Compañía dentro de las áreas incorporadas del RGVSA en aproximadamente \$4.54 millones, o 14.53 por ciento incluyendo el costo del gas, o 18.35 por ciento excluyendo el costo del gas. La Tabla B a continuación demuestra las clases y cantidades de clientes afectados por Ciudad. Debido a que los cambios en las tarifas propuestos dentro de las áreas incorporadas del RGVSA aumentarán los ingresos agregados totales de la Compañía por más de dos y medio por ciento, el aumento en tarifa propuesto se considera un “cambio mayor” en las tarifas, según la definición propuesta en el inciso 104.101 del Código de Servicios Públicos de Texas.

\*2002\*





**Tabla A**

| Clase de Tarifa y Ubicación           | Factura Mensual Promedio Actual incluyendo costo del gas | Factura Mensual Promedio Propuesta incluyendo costo del gas | Cargo Mensual Propuesto en dólares | Porcentaje de Cambio Propuesto incluyendo costo del gas | Factura Mensual Promedio Actual excluyendo costo del gas | Factura Mensual Promedio Propuesta excluyendo costo del gas | Cargo Mensual Propuesto en dólares | Porcentaje de Cambio Propuesto excluyendo costo del gas |
|---------------------------------------|----------------------------------------------------------|-------------------------------------------------------------|------------------------------------|---------------------------------------------------------|----------------------------------------------------------|-------------------------------------------------------------|------------------------------------|---------------------------------------------------------|
| <b>Servicio de Venta de Gas: (1)</b>  |                                                          |                                                             |                                    |                                                         |                                                          |                                                             |                                    |                                                         |
| <b>Residencial</b>                    |                                                          |                                                             |                                    |                                                         |                                                          |                                                             |                                    |                                                         |
| Incorporado                           | \$21.82                                                  | \$27.53                                                     | \$5.71                             | 26.2%                                                   | \$18.78                                                  | \$24.49                                                     | \$5.71                             | 30.4%                                                   |
| Periferia                             | \$20.88                                                  | \$27.53                                                     | \$6.65                             | 31.8%                                                   | \$17.84                                                  | \$24.49                                                     | \$6.65                             | 37.3%                                                   |
| <b>Comercial</b>                      |                                                          |                                                             |                                    |                                                         |                                                          |                                                             |                                    |                                                         |
| Incorporado                           | \$335.35                                                 | \$325.60                                                    | -\$9.75                            | -2.9%                                                   | \$226.66                                                 | \$216.91                                                    | -\$9.75                            | -4.3%                                                   |
| Periferia                             | \$264.02                                                 | \$325.60                                                    | \$61.58                            | 23.3%                                                   | \$155.33                                                 | \$216.91                                                    | \$61.58                            | 39.6%                                                   |
| <b>Comercial - Eclesiástico</b>       |                                                          |                                                             |                                    |                                                         |                                                          |                                                             |                                    |                                                         |
| Incorporado                           | \$46.22                                                  | \$63.09                                                     | \$16.87                            | 36.5%                                                   | \$36.40                                                  | \$53.27                                                     | \$16.87                            | 46.3%                                                   |
| Periferia                             | \$76.68                                                  | \$63.09                                                     | -\$13.59                           | -17.7%                                                  | \$66.86                                                  | \$53.27                                                     | -\$13.59                           | -20.3%                                                  |
| <b>Industrial</b>                     |                                                          |                                                             |                                    |                                                         |                                                          |                                                             |                                    |                                                         |
| Incorporado                           | \$2,567.71                                               | \$2,003.77                                                  | -\$563.94                          | -22.0%                                                  | \$1,774.16                                               | \$1,210.22                                                  | -\$563.94                          | -31.8%                                                  |
| Periferia                             | \$1,622.84                                               | \$2,003.77                                                  | \$380.93                           | 23.5%                                                   | \$829.30                                                 | \$1,210.22                                                  | \$380.92                           | 45.9%                                                   |
| <b>Autoridad Pública</b>              |                                                          |                                                             |                                    |                                                         |                                                          |                                                             |                                    |                                                         |
| Incorporado                           | \$298.95                                                 | \$295.14                                                    | -\$3.81                            | -1.3%                                                   | \$208.96                                                 | \$205.15                                                    | -\$3.81                            | -1.8%                                                   |
| Periferia                             | \$236.64                                                 | \$295.14                                                    | \$58.50                            | 24.7%                                                   | \$146.65                                                 | \$205.15                                                    | \$58.50                            | 39.9%                                                   |
| <b>Servicio de Transporte: (2)</b>    |                                                          |                                                             |                                    |                                                         |                                                          |                                                             |                                    |                                                         |
| <b>Transporte - Comercial</b>         |                                                          |                                                             |                                    |                                                         |                                                          |                                                             |                                    |                                                         |
| Actual T-1 Incorporado                | \$4,759.87                                               | \$4,665.20                                                  | -\$94.67                           | -2.0%                                                   | \$2,520.62                                               | \$2,425.95                                                  | -\$94.67                           | -3.8%                                                   |
| Actual T-1 Periferia                  | \$3,046.28                                               | \$3,804.24                                                  | \$757.96                           | 24.9%                                                   | \$1,411.03                                               | \$2,168.98                                                  | \$757.95                           | 53.7%                                                   |
| Actual T-2 Incorporado                | \$6,635.46                                               | \$8,297.87                                                  | \$1,662.41                         | 25.1%                                                   | \$1,792.72                                               | \$3,455.14                                                  | \$1,662.42                         | 92.7%                                                   |
| <b>Transporte - Industrial</b>        |                                                          |                                                             |                                    |                                                         |                                                          |                                                             |                                    |                                                         |
| Actual T-1 Incorporado                | \$4,188.69                                               | \$4,261.72                                                  | \$73.03                            | 1.7%                                                    | \$2,225.56                                               | \$2,298.59                                                  | \$73.03                            | 3.3%                                                    |
| Actual T-1 Periferia                  | \$3,401.35                                               | \$4,115.63                                                  | \$714.28                           | 21.0%                                                   | \$1,542.20                                               | \$2,256.49                                                  | \$714.29                           | 46.3%                                                   |
| Actual T-2 Incorporado                | \$13,313.04                                              | \$15,433.10                                                 | \$2,120.06                         | 15.9%                                                   | \$3,343.55                                               | \$5,463.60                                                  | \$2,120.05                         | 63.4%                                                   |
| Actual T-2 Periferia                  | \$6,342.71                                               | \$9,385.34                                                  | \$3,042.63                         | 48.0%                                                   | \$706.84                                                 | \$3,749.47                                                  | \$3,042.63                         | 430.5%                                                  |
| <b>Transporte - Autoridad Pública</b> |                                                          |                                                             |                                    |                                                         |                                                          |                                                             |                                    |                                                         |
| Actual T-1 Incorporado                | \$4,147.75                                               | \$4,233.11                                                  | \$85.36                            | 2.1%                                                    | \$2,204.42                                               | \$2,289.77                                                  | \$85.35                            | 3.9%                                                    |
| Actual T-1 Periferia                  | \$3,377.65                                               | \$4,094.78                                                  | \$717.13                           | 21.2%                                                   | \$1,533.45                                               | \$2,250.58                                                  | \$717.13                           | 46.8%                                                   |
| Actual T-2 Incorporado                | \$4,454.68                                               | \$5,644.25                                                  | \$1,189.57                         | 26.7%                                                   | \$1,500.00                                               | \$2,689.57                                                  | \$1,189.57                         | 79.3%                                                   |

(1) El costo del gas en el año de prueba para cada área de servicio se incluye en los cálculos de las facturas actuales. Las facturas bajo las tarifas actuales y propuestas no incluyen impuestos relacionados con los ingresos. Las facturas están basadas en los siguientes niveles de consumo promedio:

|                          | Año Entero | Enero |
|--------------------------|------------|-------|
| Residencial              | 13         | 21    |
| Comercial                | 465        | 562   |
| Comercial - Eclesiástico | 42         | 52    |
| Industrial               | 3,395      | 3,291 |
| Autoridad Pública        | 385        | 484   |

(2) Los clientes del transporte adquieren ellos mismos su propio gas. Por lo tanto, la Compañía no conoce el costo del gas de estos clientes, y las comparaciones de facturas asumen que los clientes obtienen el gas a un costo que es cinco por ciento menor que el costo del gas de la Compañía. Estas comparaciones de facturas de transporte únicamente muestran el nivel de las facturas totales y el porcentaje de cambio en esas facturas. Las facturas están basadas en los siguientes niveles de consumo promedio:

|                                 | Actual T-1 |        | Actual T-2 |        |
|---------------------------------|------------|--------|------------|--------|
|                                 | Año Entero | Enero  | Año Entero | Enero  |
| <b>Transporte</b>               |            |        |            |        |
| Comercial - Incorporado         | 10,084     | 12,173 | 21,809     | 25,639 |
| Comercial - Periferia           | 7,364      | 10,099 | -          | -      |
| Industrial - Incorporado        | 8,841      | 7,854  | 44,897     | 58,868 |
| Industrial - Periferia          | 8,373      | 10,346 | 25,381     | 20,353 |
| Autoridad Pública - Incorporado | 8,752      | 10,688 | 13,306     | 19,634 |

(Las cantidades de las periferias se muestran solamente a manera de referencia. La Compañía no propuso cambios en las tarifas de las periferias del RGVSA a través de la Declaración de Intención que se presentó).

La cantidad de clientes por clase se puede ver a continuación en la Tabla B:

**Tabla B**

| Ubicación                                        | Residencial   | Comercial y Eclesiástico | Industrial | Autoridad Pública | Transporte | Gran Total    |
|--------------------------------------------------|---------------|--------------------------|------------|-------------------|------------|---------------|
| Valle del Río Grande Incorporado <sup>a</sup>    | 58,662        | 3,563                    | 44         | 496               | 60         | 62,825        |
| Valle del Río Grande No Incorporado <sup>b</sup> | 3,540         | 215                      | 3          | 30                | 3          | 3,791         |
| <b>Total</b>                                     | <b>62,202</b> | <b>3,778</b>             | <b>47</b>  | <b>526</b>        | <b>63</b>  | <b>66,616</b> |

a Valle del Río Grande Incorporado incluye: Alamo, Alton, Brownsville, Combes, Donna, Edcouch, Edinburg, Elsa, Harlingen, Hidalgo, La Feria, La Joya, La Villa, Laguna Vista, Los Fresnos, Lyford, McAllen, Mercedes, Mission, Palm Valley, Palmhurst, Palmview, Penitas, Pharr, Port Isabel, Primera, Progreso, Rancho Viejo, Raymondville, Rio Hondo, San Benito, San Juan, Santa Rosa, y Weslaco, Texas

b Valle del Río Grande No Incorporado incluye: las ciudades no incorporadas de Bayview, Laguna Heights, Monte Alto, Olmito, y San Carlos, y las áreas no incorporadas de los condados de Jim Hogg y Starr, Texas

(Las cantidades de clientes de las periferias se muestran solamente a manera de referencia. La Compañía no propuso cambios en las tarifas de las periferias del RGVSA a través de la Declaración de Intención que se presentó).

Las tarifas propuestas para cada tipo de clase de tarifa en las áreas incorporadas del RGVSA se pueden ver a continuación en la Tabla C:

**Tabla C**

| Tipo de Cliente                 | Tarifas RGVSA Actuales                 |                                      | Tarifas RGVSA Propuestas |
|---------------------------------|----------------------------------------|--------------------------------------|--------------------------|
|                                 | Tarifas RGVSA Incorporado <sup>a</sup> | Tarifas RGVSA Periferia <sup>b</sup> |                          |
| <b>Residencial</b>              |                                        |                                      |                          |
| Cargo al Cliente                | \$11.25                                | \$15.52                              | \$20.00                  |
| Volumétrico Todo Uso            | 0.57904                                | 0.17840                              | 0.34574                  |
| <b>Comercial</b>                |                                        |                                      |                          |
| Cargo al Cliente - Ventas       | \$31.25                                | \$71.82                              | \$70.00                  |
| Volumétrico Todo Uso            | 0.42023                                | 0.17960                              | 0.31593                  |
| Cargo al Cliente - Transporte   |                                        |                                      | \$400.00                 |
| Volumétrico Primeros 5,000      |                                        |                                      | 0.31593                  |
| Más de                          |                                        |                                      | 0.08778                  |
| <b>Comercial - Eclesiástico</b> |                                        |                                      |                          |
| Cargo al Cliente                | \$18.75                                | \$59.32                              | \$40.00                  |
| Volumétrico Todo Uso            | 0.42023                                | 0.17960                              | 0.31593                  |
| <b>Industrial</b>               |                                        |                                      |                          |
| Cargo al Cliente - Ventas       | \$66.85                                | \$269.80                             | \$150.00                 |
| Volumétrico Todo Uso            | 0.50289                                | 0.16480                              | 0.31229                  |
| Cargo al Cliente - Transporte   |                                        |                                      | \$400.00                 |
| Volumétrico Primeros 5,000      |                                        |                                      | 0.31229                  |
| Más de 5,000                    |                                        |                                      | 0.08778                  |
| <b>Autoridad Pública</b>        |                                        |                                      |                          |
| Cargo al Cliente - Ventas       | \$35.71                                | \$74.69                              | \$85.00                  |
| Volumétrico Todo Uso            | 0.44999                                | 0.18690                              | 0.31209                  |
| Cargo al Cliente - Transporte   |                                        |                                      | \$400.00                 |
| Volumétrico Primeros 5,000      |                                        |                                      | 0.31209                  |
| Más de 5,000                    |                                        |                                      | 0.08778                  |
| <b>T-1</b>                      |                                        |                                      |                          |
| Cargo al Cliente - Ventas       | \$127.82                               | \$452.94                             | Retirada                 |
| Volumétrico Todo Uso            | 0.23728                                | 0.13010                              | Retirada                 |
| <b>T-2</b>                      |                                        |                                      |                          |





|                           |          |          |          |
|---------------------------|----------|----------|----------|
| Cargo al Cliente - Ventas | \$327.82 | \$706.84 | Retirada |
| Volumétrico Todo Uso      | 0.06717  | 0.05480  | Retirada |

a Valle del Río Grande Incorporado incluye: Alamo, Alton, Brownsville, Combes, Donna, Edcouch, Edinburg, Elsa, Harlingen, Hidalgo, La Feria, La Joya, La Villa, Laguna Vista, Los Fresnos, Lyford, McAllen, Mercedes, Mission, Palm Valley, Palmhurst, Palmview, Penitas, Pharr, Port Isabel, Primera, Progreso, Rancho Viejo, Raymondville, Rio Hondo, San Benito, San Juan, Santa Rosa, y Weslaco, Texas

b Valle del Río Grande No Incorporado incluye: las ciudades no incorporadas de Bayview, Laguna Heights, Monte Alto, Olmito, y San Carlos, y las áreas no incorporadas de los condados de Jim Hogg y Starr, Texas

(Las cantidades de clientes de las periferias se muestran solamente a manera de referencia. La Compañía no propuso cambios en las tarifas de las periferias del RGVSA a través de la Declaración de Intención que se presentó).

Además de las nuevas tarifas para las áreas incorporadas del RGVSA, la Compañía también solicita una determinación de prudencia sobre la inversión de capital realizada dentro de las áreas incorporadas del RGVSA del 1<sup>er</sup> de enero del 2016 al 31 de diciembre del 2016. Asimismo, la Compañía también propone que se hagan ciertas revisiones a las clases de tarifas y a las tarifas, en sí. TGS propone tarifas para las siguientes clases de clientes de ventas generales en las áreas incorporadas del RGVSA, de conformidad con el requerimiento de ingresos descrito en el Paquete de Tarifas presentado: Clase de Tarifa 10 para servicio residencial de venta de gas; Clase de Tarifa 20 para servicio comercial de venta de gas; Clase de Tarifa 30 para servicio industrial de venta de gas; y Clase de Tarifa 40 para servicio de la autoridad pública de venta de gas. Las revisiones se llevaron a cabo para aclarar la sección “Aplicabilidad”; se agregaron los nombres de las Ciudades del RGV a la sección de “Territorio”; y se agregaron referencias a las Clases de Tarifas PIT y RCE. TGS propone revisiones a la Clase de Tarifa T-1 para ampliar la sección de “Aplicabilidad”; se agregaron los nombres de las Ciudades del RGV a la sección de “Disponibilidad”; se agregó una sección de “Cargos Adicionales” para que refleje la recuperación de los impuestos aplicables, las cuotas de franquicia, los cargos por demandas, y las Clases de Tarifas PIT y RCE; y se agregaron a la sección de “Sujeto A”, en relación con la aplicabilidad de la Clase de Tarifa T-TERMS, los Términos y Condiciones Generales para Transporte, las disposiciones relativas a restricciones, y las leyes, órdenes y reglas aplicables. La Compañía propone retirar las Clases de Tarifas T-2 y T-GEN. TGS propone reemplazar la Clase de Tarifa T-GEN con la Clase de Tarifa T-TERMS, la cual contiene los términos y condiciones generales para el servicio de transporte. La Clase de Tarifa 1-INC propuesta está basada en la cláusula del costo actual de gas en las áreas incorporadas del RGVSA, con las revisiones llevadas a cabo para agregar los nombres de las Ciudades del RGV a la sección de “Aplicabilidad”; la adición de gas natural renovable a la definición de “Costo de Gas”; la adición de una sección de “Procedimientos de Recargo o Reembolso” que codifique la práctica actual de incluir recargos o reembolsos aplicables en el cálculo del costo del gas; y la eliminación de la sección de “Venta de Excesos de Suministro de Gas” debido a que la Compañía ya no realiza ese tipo de ventas en el RGVSA. La Compañía desarrolló una propuesta de Reglas de Servicio basadas en las Reglas de Servicio del RGVSA incorporado existentes, las cuales fueron actualizadas por última vez en el 2009. Los cambios propuestos brindan claridad en relación con las políticas y procedimientos actuales de la Compañía, y son consistentes con las reglas en vigor en muchas de las otras áreas de servicio de la Compañía. TGS propone agregar al inciso 1.3 definiciones de la terminología del servicio de transporte; eliminar del inciso 4.4 el transporte a través de las fronteras estatales, debido a que estas disposiciones están incluidas en el plan de restricciones presentado ante la Comisión; las revisiones al inciso 4.8, las cuales brindan claridad a los clientes en relación con la personas legalmente responsables de las tuberías y aparatos de los clientes; la adición de los incisos 15.5 al 15.9, los cuales brindan claridad a los derechos y obligaciones del cliente y de la Compañía relacionados con el trabajo del servicio, el cual le permite a la Compañía llevar a cabo el trabajo del servicio en el RGVSA con seguridad, eficiencia y efectividad; la revisión del inciso 8, para aclarar los derechos y obligaciones del cliente y de la Compañía; la revisión del inciso 21, para establecer una mayor consistencia en los cargos por servicios y depósitos entre las áreas de servicio de la Compañía; y agregar al inciso 21, para incluir un cargo por la solicitud de un cliente de instalar una válvula limitadora de caudal. La Compañía propone la Clase de Tarifa WNA, la cual proporciona un mecanismo por el cual las facturas mensuales de los clientes se ajustan para arriba o para abajo cada ciclo de facturación para reflejar las diferencias en las condiciones meteorológicas reales comparado con las condiciones meteorológicas normales, según se definen en el caso de tarifa. La Compañía propone la Clase de Tarifa RCE para permitirle a la Compañía y a las Ciudades del RGV recuperar todos los gastos del caso de tarifa relacionados con este trámite que se consideren razonables. La Compañía propone cambiar el nombre de la Clase de Tarifa CAC a Clase de Tarifa EEP, para reflejar una mejor terminología actual para describir el Programa de Energía Eficiente, y la Clase de Tarifa 1C a Clase de Tarifa 1EE. La Compañía propone la

continuación del programa existente sin ningún otro cambio en la Clase de Tarifas. La Compañía propone recuperar los costos incurridos en el cumplimiento de la Regla del Plan de Evaluación y Administración de la Integridad de las Tuberías de la Comisión, Regla 8.101, y otras futuras reglas de la Comisión relacionadas con planes de administración de integridad, a través de la Clase de Tarifa PIT. La Compañía propone que la Clase de Tarifa PIT recupere los costos por la evaluación de la integridad de las tuberías incurridos por la Compañía en un año calendario, a través de una tarifa volumétrica que será aplicada a las facturas de los clientes.

La Compañía también está buscando la aprobación de nuevas tarifas de depreciación para la planta de la Compañía localizada en el RGVSA, al igual que para instalaciones comunes compartidas entre todas las áreas de servicio de TGS.

Si desea revisar la Declaración de Intención de la Compañía, puede encontrar una copia completa en las oficinas corporativas ubicadas en 5602 E. Grimes Rd., Harlingen, Texas 78550, o visitando la página de internet de la Compañía: [https://www.texasgasservice.com/#/customernotices-rate\\_notices](https://www.texasgasservice.com/#/customernotices-rate_notices). Cualquier persona que tenga una pregunta específica o que desee obtener información adicional acerca de este asunto, puede contactar a la Compañía al teléfono 1-800-700-2443.

## TEXAS GAS SERVICE COMPANY

\*6022\*





## MEMORANDUM

TO: Rio Grande Valley Municipalities  
FROM: Thomas L. Brocato  
Jamie L. Mauldin  
DATE: September 29, 2017  
RE: Texas Gas Service Company Rate Case

### CONFIDENTIAL/ATTORNEY-CLIENT COMMUNICATION

The purpose of this memorandum is to provide you with a summary of the settlement agreement reached with Texas Gas Service Company ("TGS" and/or "Company") in the TGS rate case and to provide you with documents that your city may use to adopt the settlement.

#### Background

On June 15, 2017, Texas Gas Service, a Division of ONE Gas, Inc. ("TGS" or "Company"), filed a Statement of Intent seeking to increase gas utility rates within the incorporated areas of the Rio Grande Valley Service Area ("RGVSA"). In the filing, the Company asserts it is entitled to a \$5.17 million increase in its annual base rate revenues on a total system basis. The proposed increase is \$4.54 million revenue increase for the cities in the RGVSA. This request corresponds to a 15.26% increase in total revenues including gas costs or a 19.36% increase excluding gas costs.

The Cities of Alamo, Alton, Brownsville, Edcouch, Edinburg, Elsa, Harlingen, Hidalgo, La Feria, Laguna Vista, Los Fresnos, Lyford, McAllen, Mercedes, Mission, Palm Valley, Palmhurst, Pharr, Port Isabel, Rancho Viejo, San Benito, and Weslaco, Texas ("Rio Grande Valley Municipalities" or "Cities") each suspended the Company's implementation of its rate request from July 20, 2017 until October 18, 2017.

The Cities hired a consultant, Mr. Karl Nalepa, to review the Company's filing. The consultant reviewed the filing, and identified several adjustments to be made to TGS's requested increase. The Cities engaged in significant discovery regarding the issues in this dispute and prepared a report supporting their recommended adjustments. The parties engaged in settlement negotiations and reached this settled outcome.

#### Settlement Agreement

After numerous settlement discussions, the parties were able to negotiate a full settlement of the docket that reduced the Company's request from \$5.17 million to \$4.1 million. We believe this agreement is a fair and reasonable resolution of the docket and is a more favorable outcome than Cities would have received if the matter had been filed at the Railroad Commission and gone to hearing. In addition, the parties agreed that resolution of this filing by settlement agreement would significantly reduce the amount of reimbursable rate case expenses associated with this matter, avoid future litigation expenses, and provide certainty regarding system-wide rates.

The parties agree that the \$4.1 million revenue increase is a “black box” figure and is not tied to any specific expense in TGS’s underlying cost of service. The tariffs agreed to as part of the settlement replace and supersede those tariffs currently in effect in the RGVSA and are to be collected on a system-wide basis.

\$4.1 million revenue increase represents a 15.9% increase over test year base rate revenue, down from the Company’s requested 19.36% increase. The agreed-to increase also reflects a residential customer charge of \$15.52, down from the Company’s requested \$20.00. The \$15.52 is an increase from the \$11.25 current charge. The parties also agreed to an increase for the public authority customer charge. The current charge is \$35.71 and will increase to \$45. Other bill impacts are reflected in the attached spreadsheet. Parties also agree to implement the Pipeline Integrity Testing Rider, which include provisions requiring TGS to file its annual reconciliation report on or before February 1 and allows for a 60-day review period.

#### **Further City Action Required**

Under the law, cities with original jurisdiction over gas utility rates have until October 18 to take final action on the settlement. However, under the settlement agreement, the Company has extended the effective date until October 27. Therefore, RGV Cities should make every effort to present their cities with this Settlement Agreement at city council meetings during September and October 2017 to allow for implementation of final, new rates for meters read on or after October 27, 2017.

In order to assist you, we are providing you with a copy of the Unanimous Settlement Agreement, an Ordinance Setting Rates and Establishing Tariffs for the Provision of Natural Gas Service by TGS, bill impacts, and a staff report. We are also available during your council meetings to answer any questions that may arise. In the meantime, please feel free to contact us if you have questions or concerns.

749/12/7192093

**TEXAS GAS SERVICE COMPANY, A DIVISION OF ONE GAS, INC., STATEMENT  
OF INTENT TO INCREASE GAS UTILITY RATES WITHIN THE INCORPORATED  
AREAS OF THE RIO GRANDE VALLEY SERVICE AREA**

**SETTLEMENT AGREEMENT**

This Settlement Agreement (“Settlement Agreement”) is entered into by and between Texas Gas Service Company, a division of ONE Gas, Inc. (“TGS” or the “Company”) and the incorporated areas of the Rio Grande Valley Service Area (“RGVSA”), which includes the cities of Alamo, Alton, Brownsville, Edcouch, Edinburg, Elsa, Harlingen, Hidalgo, La Feria, Laguna Vista, Los Fresnos, Lyford, McAllen, Mercedes, Mission, Palm Valley, Palmhurst, Pharr, Port Isabel, Rancho Viejo, San Benito, and Weslaco, Texas (“RGV Cities”), (collectively, the “Signatories”).

WHEREAS, on June 15, 2017, TGS filed a Statement of Intent to Increase Rates with each of the cities in the RGVSA retaining original jurisdiction, which are Alamo, Alton, Brownsville, Combes, Donna, Edcouch, Edinburg, Elsa, Harlingen, Hidalgo, La Feria, Laguna Vista, La Joya, La Villa, Los Fresnos, Lyford, McAllen, Mercedes, Mission, Palm Valley, Palmhurst, Palmview, Penitas, Pharr, Port Isabel, Primera, Progreso, Rancho Viejo, Raymondville, Rio Hondo, San Benito, San Juan, Santa Rosa, and Weslaco, Texas;

WHEREAS, the Signatories agree that resolution of this docket by settlement agreement will significantly reduce the amount of reimbursable rate case expenses that would, if further litigation is pursued, be allocated to customers within the incorporated areas of the cities in the RGVSA;

WHEREAS, the Signatories represent diverse interests and the Settlement Agreement resolves all issues in this proceeding in a manner that the Signatories agree is consistent with the public interest; and

NOW, THEREFORE, in consideration of the mutual agreements and covenants established herein, the Signatories, through their undersigned representatives, agree to and recommend for approval by the RGV Cities the following Settlement Terms as a means of fully resolving the June 15, 2017 Statement of Intent filed by TGS without the need for additional litigation:

**Settlement Terms**

1. The Signatories agree to the rates, terms and conditions reflected in the tariffs and rate schedules attached to this Settlement Agreement as Exhibit A. The tariffs attached as Exhibit A replace and supersede the tariffs currently in effect in the incorporated areas of the RGVSA. These tariffs represent an increase of an additional \$4.1 million in annual revenues, composed of a Pipeline Integrity Testing Rider which will recover an average of \$1,847,921 annually, \$54,900 to be recovered via the rate case expense surcharge, and a base rate increase of \$2,197,179 as illustrated in the proof of revenues attached as part of Exhibit B to this Settlement Agreement. Except as specifically provided herein, the Signatories agree that the \$4.1 million revenue increase is a “black box” figure and is not tied to any specific expense or methodology in the underlying cost of service in the

RGVSA. The Signatories further agree that the rates, terms and conditions reflected in Exhibit A to this Settlement Agreement comply with the rate-setting requirements of Chapter 104 of the Texas Utilities Code. The gas rates, terms and conditions established by this Settlement Agreement shall, subject to approval of the RGV Cities, be effective for the incorporated areas of the RGVSA for meters read on or after October 18, 2017. Should the RGV Cities not approve this Settlement Agreement in time for TGS to implement rates for meters read on or after October 18, 2017, the RGV Cities and TGS agree that on October 18, 2017, TGS's rates as agreed herein, will be established as temporary rates for service on and after that date until such time as the RGV Cities take final action to approve this Settlement Agreement no later than October 27, 2017.

2. The Signatories agree to the following customer charges and volumetric rates. These rates are reflected in the rate schedules attached as Exhibit A.

|                                 | Customer Charge | Commodity Charge |           |
|---------------------------------|-----------------|------------------|-----------|
| Residential                     | \$15.52         | \$0.44453        |           |
| Commercial                      | \$70.00         | \$0.31593        |           |
| Commercial – Church             | \$40.00         | \$0.31593        |           |
| Public Authority                | \$45.00         | \$0.40819        |           |
| Public Authority Transportation | \$400.00        | First 5,000      | \$0.40819 |
|                                 |                 | Over 5,000       | \$0.04346 |
| Industrial                      | \$150.00        | \$0.31229        |           |
| Industrial Transportation       | \$400.00        | First 5,000      | \$0.31229 |
|                                 |                 | Over 5,000       | \$0.04346 |
| Commercial Transportation       | \$400.00        | First 5,000      | \$0.31593 |
|                                 |                 | Over 5,000       | \$0.04346 |

3. The Signatories agree that the depreciation rates for distribution and general plant in the RGVSA, as well as TGS Division plant and corporate plant depreciation rates, as shown on Exhibit C, are reasonable.
4. The Signatories agree that the Company's capital investment booked to plant through December 31, 2016 is prudent except for the misclassified truck net investment of \$121,760.
5. TGS's Excess Flow Valve Installation Fee is approved consistent with TGS's request in this case.
6. TGS's Cost of Gas clause is approved consistent with TGS's request in this case.
7. TGS's Energy Efficiency Program reflected in Rate Schedule EEP and Rate Schedule 1EE is approved consistent with TGS's request in this case.
8. TGS agrees to changes the RGV Cities proposed to the Company's Weather Normalization Adjustment Clause, as reflected in the attached tariff.

9. TGS agrees to changes the RGV Cities proposed to the Company's Pipeline Integrity Testing Rider, as reflected in the attached tariff, including provisions that require TGS to file its annual reconciliation report on or before February 1 and allows for a 60-day review period.
10. The Signatories agree to the following actual capital structure and weighted cost of capital, including the pre-tax return, as shown below:

|                | Capital Structure | Debt/Equity Cost | Weighted Cost of Capital | Pre-Tax Return |
|----------------|-------------------|------------------|--------------------------|----------------|
| Long-Term Debt | 38.71%            | 3.940%           | 1.53%                    | 1.53%          |
| Common Equity  | 61.29%            | 9.50%            | 5.82%                    | 8.96%          |
| Rate of Return | 100.000%          |                  | <b>7.35%</b>             | <b>10.49%</b>  |

11. The Signatories agree that any Interim Rate Adjustment filing in the incorporated areas of the RGVSA pursuant to Texas Utilities Code § 104.301 shall use the following factors until changed by a subsequent general rate proceeding:
  - The capital structure and related components shall be as shown above in Item 10.
  - For the initial filing, the depreciation rate for each account shall be as shown on Exhibit C.
  - For the initial filing, the net plant in service shall be \$112,368,795 as shown on Exhibit D.
  - For the initial filing, the customer charges as noted in Item 2 above will be the starting rates to apply to any IRA adjustment; and
  - The base rate revenue allocation factors to spread any change in IRA increase/decrease to the appropriate customer classes are as follows:

| Customer Class   | Allocation |
|------------------|------------|
| Residential      | 55.71%     |
| Commercial       | 33.42%     |
| Public Authority | 4.68%      |
| Industrial       | 6.19%      |
| Total Allocation | 100.000%   |

12. The Signatories agree that the Company's proposed class revenue allocation identified as "Revenue Allocation Three" on Exhibit FJC-2, which is contained in the Direct Testimony of TGS witness F. Jay Cummings, is reasonable and should be approved.
13. To give effect to Texas Utilities Code § 104.059, the Signatories agree that the base year level of pension-related and other post-employment benefits expenses shall be as follows:



| Description | Total     |
|-------------|-----------|
| Pension     | \$664,185 |
| OPEB        | \$19,365  |
| Grand Total | \$683,550 |

14. The Signatories agree that TGS may recover \$54,900 in requested regulatory expenses through the rate case expense surcharge addressed in Item 16.
15. TGS and the RGV Cities represent that their reasonable rate case expenses incurred through August 31, 2017, and estimated rate case expenses incurred through completion of this case, are as follows:

|                                    | Actual Invoices Received | Invoices Due and Est. to Completion | Total       |
|------------------------------------|--------------------------|-------------------------------------|-------------|
| TGS Rate Case Expenses             | \$250,854                | \$35,000                            | \$285,854   |
| 2016 Regulatory Expenses (Item 14) | \$54,900                 | N/A                                 | \$54,900    |
| RGV Cities Rate Case Expenses      | 43,075.26                | \$35,000                            | \$78,075.26 |
| Total Expenses                     | \$348,830                | \$70,000                            | \$418,830   |

16. TGS and the RGV Cities attach as Exhibit E affidavits and invoices in support of the rate case expense amounts, and will supplement with additional invoices as they are processed. Signatories agree that the amounts represented above are reasonable and recoverable pursuant to Texas Utilities Code § 103.022. Signatories agree that the recovery period for the applicable surcharge to recover rate case expenses shall be applied to incorporated customers in the RGV Cities for a period of 12 months and that the surcharge shall be volume based. TGS agrees to reimburse the RGV Cities the amount of rate case expenses set forth above within 30 days of the approval of this Settlement Agreement by all RGV Cities authorizing recovery of those expenses. TGS and the RGV Cities shall recover estimated rate case expenses only to the extent they are actually incurred.
17. The Signatories agree that the RGV Cities will make every effort to present their cities with this Settlement Agreement at city council meetings during September and October 2017 to allow for implementation of final, new rates for meters read on or after October 27, 2017.
18. The Signatories agree that all negotiations, discussions, and conferences related to the Settlement Agreement are privileged, inadmissible, and not relevant to prove any issues associated with the Statements of Intent filed on June 15, 2017.
19. The Signatories agree that neither this Settlement Agreement nor any oral or written statements made during the course of settlement negotiations may be used for any purpose other than as necessary to support the approval of this Settlement Agreement by the RGV Cities.

20. The Signatories agree that the terms of the Settlement Agreement are interdependent and indivisible, and that if the RGV Cities approve ordinances that are inconsistent with this Settlement Agreement, then any Party may withdraw without being deemed to have waived any procedural right or to have taken any substantive position on any fact or issue by virtue of that Party's entry into the Settlement Agreement or its subsequent withdrawal.
21. The Signatories agree that this Settlement Agreement is binding on each Party only for the purpose of settling the issues set forth herein and for no other purposes, and except to the extent the Settlement Agreement governs a Party's rights and obligations for future periods, this Settlement Agreement shall not be binding or precedential upon a Party outside this proceeding.
22. The Signatories agree that this Settlement Agreement may be executed in multiple counterparts and may be filed with facsimile signatures.

Agreed to this 28<sup>th</sup> day of September 2017.

TEXAS GAS SERVICE COMPANY, a Division of ONE Gas, Inc.

By: Stephanie G. Houle with permission by KWN  
Stephanie G. Houle  
Attorney for Texas Gas Service Company

RGV CITIES

By: \_\_\_\_\_  
Thomas Brocato  
Attorney for RGV Cities

20. The Signatories agree that the terms of the Settlement Agreement are interdependent and indivisible, and that if the RGV Cities approve ordinances that are inconsistent with this Settlement Agreement, then any Party may withdraw without being deemed to have waived any procedural right or to have taken any substantive position on any fact or issue by virtue of that Party's entry into the Settlement Agreement or its subsequent withdrawal.
21. The Signatories agree that this Settlement Agreement is binding on each Party only for the purpose of settling the issues set forth herein and for no other purposes, and except to the extent the Settlement Agreement governs a Party's rights and obligations for future periods, this Settlement Agreement shall not be binding or precedential upon a Party outside this proceeding.
22. The Signatories agree that this Settlement Agreement may be executed in multiple counterparts and may be filed with facsimile signatures.

Agreed to this \_\_\_ day of September 2017.

TEXAS GAS SERVICE COMPANY, a Division of ONE Gas, Inc.

By: \_\_\_\_\_  
Stephanie G. Houle  
Attorney for Texas Gas Service Company

RGV CITIES

By:  \_\_\_\_\_  
Thomas Brocato  
Attorney for RGV Cities

**TEXAS GAS SERVICE COMPANY**  
**Rio Grande Valley Service Area**

**RATE SCHEDULE 1B**

Adjustment  
Franchise Fee and State Occupancy Tax Factors  
for Applicable General Service Rates

| <u>Tax Rate</u>     |                            |                           |                              |
|---------------------|----------------------------|---------------------------|------------------------------|
| <u>City or Town</u> | <u>State Occupancy Tax</u> | <u>City Franchise Fee</u> | <u>Billing Tax Factor 1/</u> |
| (a)                 | (b)                        | (c)                       | (d)                          |
| Alamo               | 1.997%                     | 5.000%                    | 7.523%                       |
| Alton               | 1.997                      | 2.000                     | 4.163                        |
| Brownsville         | 1.997                      | 5.000                     | 7.523                        |
| Combes              | 1.070                      | 2.000                     | 3.167                        |
| Donna               | 1.997                      | 5.000                     | 7.523                        |
| Edcouch             | 1.070                      | 3.000                     | 4.242                        |
| Edinburg            | 1.997                      | 5.000                     | 7.523                        |
| Elsa                | 1.070                      | 5.000                     | 6.462                        |
| Harlingen           | 1.997                      | 5.000                     | 7.523                        |
| Hidalgo             | 1.997                      | 5.000                     | 7.523                        |
| La Feria            | 1.070                      | 2.000                     | 3.167                        |
| Laguna Vista        | 1.070                      | 5.000                     | 6.462                        |
| La Joya             | 1.070                      | 5.000                     | 6.462                        |
| La Villa            | 0.581                      | 5.000                     | 5.911                        |
| Los Fresnos         | 1.070                      | 2.000                     | 3.167                        |
| Lyford              | 1.070                      | 5.000                     | 6.462                        |
| McAllen             | 1.997                      | 5.000                     | 7.523                        |
| Mercedes            | 1.997                      | 5.000                     | 7.523                        |
| Mission             | 1.997                      | 4.000                     | 6.380                        |
| Palm Valley         | 0.581                      | 2.000                     | 2.649                        |
| Palmhurst           | 1.070                      | -                         | 1.082                        |
| Palmview            | 1.070                      | 2.000                     | 3.167                        |
| Penitas             | 1.070                      | 5.000                     | 6.462                        |
| Pharr               | 1.997                      | 5.000                     | 7.523                        |
| Port Isabel         | 1.070                      | 5.000                     | 6.462                        |
| Primera             | 1.070                      | 2.000                     | 3.167                        |
| Progreso            | 1.070                      | 4.000                     | 5.341                        |
| Rancho Viejo        | 0.581                      | 2.000                     | 2.649                        |
| Raymondville        | 1.997                      | 4.000                     | 6.380                        |
| Rio Hondo           | 0.581                      | 4.000                     | 4.801                        |
| San Benito          | 1.997                      | 5.000                     | 7.523                        |
| San Juan            | 1.997                      | 5.000                     | 7.523                        |
| Santa Rosa          | 1.070                      | 3.000                     | 4.243                        |
| Weslaco             | 1.997                      | 5.000                     | 7.523                        |

- 1/ The tax rates shown in columns (b) and (c) above are rates applied to “gross receipts” and are in addition to the revenues derived from general service rate schedules and the PGA adjustment. However, the State Comptroller has determined that beginning February 1, 1985, these taxes are includable when calculating “gross receipts”. This is accomplished by applying the “Billing Tax Factor” to all bills rendered by the Company for service within city limits. For example, for the City of Brownsville the 7.523% “Billing Tax Factor” added to a basic bill of \$100.00 would equal \$107.52.

|                                   |                 |
|-----------------------------------|-----------------|
| Bill Including Tax Adjustment     | \$107.52        |
| Less: State Occupancy Tax @1.997% | 2.15            |
| City Franchise Fee @5.000%        | 5.37            |
| Bill Before Tax Adjustment        | <u>\$100.00</u> |

## TEXAS GAS SERVICE COMPANY

### Rio Grande Valley Service Area

### RATE SCHEDULE 1EE

#### ENERGY EFFICIENCY PROGRAM RATE

##### A. APPLICABILITY

The Energy Efficiency Program (“EEP”) rate, calculated pursuant to Rate Schedule EEP, shall apply to the following rate schedules listed below for all incorporated areas served by the Company in its Rio Grande Valley Service Area which includes the incorporated areas of Alamo, Alton, Brownsville, Combes, Donna, Edcouch, Edinburg, Elsa, Harlingen, Hidalgo, La Feria, La Joya, La Villa, Laguna Vista, Los Fresnos, Lyford, McAllen, Mercedes, Mission, Palm Valley, Palmhurst, Palmview, Penitas, Pharr, Port Isabel, Primera, Progreso, Rancho Viejo, Raymondville, Rio Hondo, San Benito, San Juan, Santa Rosa, and Weslaco, Texas.

##### B. CURRENT EEP RATE

| <u>Rate</u>     |                       | <u>*EEP</u> |
|-----------------|-----------------------|-------------|
| <u>Schedule</u> | <u>Customer Class</u> | <u>Rate</u> |
| 10              | Residential Service   | \$ 0.0224   |
| 20              | Commercial            | \$ 0.0018   |

\*The Energy Efficiency Rate will change annually pursuant to Rate Schedule EEP.

**TEXAS GAS SERVICE COMPANY**  
**Rio Grande Valley Service Area**

**RATE SCHEDULE 10**

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**RESIDENTIAL SERVICE RATE**

**APPLICABILITY**

Applicable to a residential customer in a single dwelling, or in a dwelling unit of a multiple dwelling or residential apartment, for domestic purposes. A residential consumer includes an individually-metered residential unit or dwelling that is operated by a public housing agency acting as an administrator of public housing programs under the direction of the U.S. Department of Housing and Urban Development. This rate is only available to full requirements customers of Texas Gas Service Company.

**TERRITORY**

The Rio Grande Valley Service Area includes the incorporated areas of Alamo, Alton, Brownsville, Combes, Donna, Edcouch, Edinburg, Elsa, Harlingen, Hidalgo, La Feria, La Joya, La Villa, Laguna Vista, Los Fresnos, Lyford, McAllen, Mercedes, Mission, Palm Valley, Palmhurst, Palmview, Penitas, Pharr, Port Isabel, Primera, Progreso, Rancho Viejo, Raymondville, Rio Hondo, San Benito, San Juan, Santa Rosa, and Weslaco, Texas.

**COST OF SERVICE RATE**

During each monthly billing period:

|                                          |                   |
|------------------------------------------|-------------------|
| A Customer Charge per meter per month of | \$15.52 plus -    |
| All Ccf @                                | \$0.44453 per Ccf |

**OTHER ADJUSTMENTS**

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

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

Energy Efficiency Program: Adjustments in accordance with the provisions of the Energy Efficiency Program, Rate Schedule 1EE, if applicable.

Pipeline Integrity Testing Rider: The billing shall reflect adjustments in accordance with provisions of the Pipeline Integrity Testing Rider, Rate Schedule PIT.

Rate Schedule RCE: Adjustments in accordance with provisions of the Rate Case Expense Surcharge Rider.

Taxes: Plus applicable taxes and fees (including franchises fees) related to above.

**CONDITIONS**

Subject to all applicable laws and orders, and the Company's rules and regulations on file with the regulatory authority.

Supersedes Same Sheet Dated  
July 27, 2016

Meters Read On and After  
October 18, 2017



**TEXAS GAS SERVICE COMPANY**  
**Rio Grande Valley Service Area**

**RATE SCHEDULE 20**

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**COMMERCIAL SERVICE RATE**

**APPLICABILITY**

Applicable to commercial consumers and to consumers not otherwise specifically provided for under any other rate schedule. This rate is only available to full requirements customers of Texas Gas Service Company.

**TERRITORY**

The Rio Grande Valley Service Area includes the incorporated areas of Alamo, Alton, Brownsville, Combes, Donna, Edcouch, Edinburg, Elsa, Harlingen, Hidalgo, La Feria, La Joya, La Villa, Laguna Vista, Los Fresnos, Laguna Vista, Lyford, McAllen, Mercedes, Mission, Palm Valley, Palmhurst, Palmview, Penitas, Pharr, Port Isabel, Primera, Progreso, Rancho Viejo, Raymondville, Rio Hondo, San Benito, San Juan, Santa Rosa, and Weslaco, Texas.

**COST OF SERVICE RATE**

During each monthly billing period:

A Customer Charge per meter per month of \$70.00 plus (For Commercial Service)

\$40.00 plus (For Church Service)

All Ccf @ \$0.31593 per Ccf

**OTHER ADJUSTMENTS**

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

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

Energy Efficiency Program: Adjustments in accordance with the provisions of the Energy Efficiency Program, Rate Schedule 1EE, if applicable.

Pipeline Integrity Testing Rider: The billing shall reflect adjustments in accordance with provisions of the Pipeline Integrity Testing Rider, Rate Schedule PIT.

Rate Schedule RCE: Adjustments in accordance with provisions of the Rate Case Expense Surcharge Rider.

Taxes: Plus applicable taxes and fees (including franchises fees) related to above.

**CONDITIONS**

Subject to all applicable laws and orders, and the Company's rules and regulations on file with the regulatory authority.

Supersedes Same Sheet Dated  
July 27, 2016

Meters Read On and After  
October 18, 2017

**TEXAS GAS SERVICE COMPANY**  
**Rio Grande Valley Service Area**

**RATE SCHEDULE 30**

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**INDUSTRIAL SERVICE RATE**

**APPLICABILITY**

Applicable to any qualifying industrial customer whose primary business activity at the location served is included in one of the following classifications of the Standard Industrial Classification Manual of the U.S. Government.

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

**TERRITORY**

The Rio Grande Valley Service Area includes the incorporated areas of Alamo, Alton, Brownsville, Combes, Donna, Edcouch, Edinburg, Elsa, Harlingen, Hidalgo, La Feria, La Joya, La Villa, Laguna Vista, Los Fresnos, Laguna Vista, Lyford, McAllen, Mercedes, Mission, Palm Valley, Palmhurst, Palmview, Penitas, Pharr, Port Isabel, Primera, Progreso, Rancho Viejo, Raymondville, Rio Hondo, San Benito, San Juan, Santa Rosa, and Weslaco, Texas.

**COST OF SERVICE RATE**

During each monthly billing period:

A Customer Charge per meter per month of           \$150.00 plus  
All Ccf @   \$0.31229 per Ccf

**OTHER ADJUSTMENTS**

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

Pipeline Integrity Testing Rider: The billing shall reflect adjustments in accordance with provisions of the Pipeline Integrity Testing Rider, Rate Schedule PIT.

Rate Schedule RCE: Adjustments in accordance with provisions of the Rate Case Expense Surcharge Rider.

Taxes: Plus applicable taxes and fees (including franchises fees) related to above.

**CONDITIONS**

Subject to all applicable laws and orders, and the Company's rules and regulations on file with the regulatory authority.

Supersedes Same Sheet Dated  
July 27, 2016

Meters Read On and After  
October 18, 2017

**TEXAS GAS SERVICE COMPANY**  
**Rio Grande Valley Service Area**

**RATE SCHEDULE 40**

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**PUBLIC AUTHORITY SERVICE RATE**

**APPLICABILITY**

Applicable to any qualifying public authority, public and parochial schools and colleges, and to all facilities operated by Governmental agencies not specifically provided for in other rate schedules or special contracts. This rate is only available to full requirements customers of Texas Gas Service Company.

**TERRITORY**

The Rio Grande Valley Service Area includes the incorporated areas of Alamo, Alton, Brownsville, Combes, Donna, Edcouch, Edinburg, Elsa, Harlingen, Hidalgo, La Feria, La Joya, La Villa, Laguna Vista, Los Fresnos, Laguna Vista, Lyford, McAllen, Mercedes, Mission, Palm Valley, Palmhurst, Palmview, Penitas, Pharr, Port Isabel, Primera, Progreso, Rancho Viejo, Raymondville, Rio Hondo, San Benito, San Juan, Santa Rosa, and Weslaco, Texas.

**COST OF SERVICE RATE**

During each monthly billing period:

|                                          |                   |
|------------------------------------------|-------------------|
| A Customer Charge per meter per month of | \$45.00 plus      |
| All Ccf @                                | \$0.40819 per Ccf |

**OTHER ADJUSTMENTS**

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

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

Pipeline Integrity Testing Rider: The billing shall reflect adjustments in accordance with provisions of the Pipeline Integrity Testing Rider, Rate Schedule PIT.

Rate Schedule RCE: Adjustments in accordance with provisions of the Rate Case Expense Surcharge Rider.

Taxes: Plus applicable taxes and fees (including franchises fees) related to above.

**CONDITIONS**

Subject to all applicable laws and orders, and the Company's rules and regulations on file with the regulatory authority.

Supersedes Same Sheet Dated  
July 27, 2016

Meters Read On and After  
October 18, 2017

**TEXAS GAS SERVICE COMPANY**  
**Rio Grande Valley Service Area**

**RATE SCHEDULE EEP**  
**Page 1 of 2**

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**ENERGY EFFICIENCY PROGRAM**

**PURPOSE**

Texas Gas Service Company ("TGS") provides an Energy Efficiency Program which offers assistance to residential and commercial customers to encourage the most efficient use of energy, reduce net energy consumption, and lower energy utility bills. A customer rate component will provide funding for the program, and shall be included as a line item on the customers' monthly utility bill.

The programs offered under the Energy Efficiency Program (Rate Schedule EEP) will be consistent with similar energy efficiency programs in other TGS service areas and may include, but are not limited to, residential, new construction and commercial customer rebates for high-efficiency appliances and equipment, as well as a low-income appliance program.

**APPLICATION**

The EEP rate shall apply to the applicable residential and commercial rate schedules served by TGS in its incorporated areas of the Rio Grande Valley Service Area ("RGVSA") including the cities of Alamo, Alton, Brownsville, Combes, Donna, Edcouch, Edinburg, Elsa, Harlingen, Hidalgo, La Feria, La Joya, La Villa, Laguna Vista, Los Fresnos, Lyford, McAllen, Mercedes, Mission, Palm Valley, Palmhurst, Palmview, Penitas, Pharr, Port Isabel, Primera, Progreso, Rancho Viejo, Raymondville, Rio Hondo, San Benito, San Juan, Santa Rosa, and Weslaco, Texas. The Regulatory Body is defined as the Lower Rio Grande Valley Development Council, as agreed by each participating municipality to this tariff.

**COMPUTATION OF EEP RATE**

The EEP rate for a given year will be separately calculated for each individual customer class according to the following:

$$\text{EEP Rate} = \frac{\text{BCD} + \text{BA}}{\text{NV}}$$

BCD = The Budgeted Conservation Dollars (BCD) shall include all expected costs attributable to the Company's Energy Efficiency Program for the 12-month period ending December 31 of each year, including but not limited to: rebates paid; material costs; the cost of educational and consumer awareness materials related to energy conservation/efficiency; the planning, development, implementation and administration of the EEP; and two months of working program expenses (calculated by dividing the total expected annual expenses by 12 and multiplying by two). Direct program costs will be identified by class and common administrative costs will be allocated to each rate class pro-rata based upon the proportion of direct costs. Administrative costs shall not exceed 15% of total EEP costs.

**TEXAS GAS SERVICE COMPANY**  
**Rio Grande Valley Service Area**

**RATE SCHEDULE EEP**  
**Page 2 of 2**

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**ENERGY EFFICIENCY PROGRAM**  
**(Continued)**

BA = Balance adjustment. The BA shall compute differences between Rider EEP collections by class and expenditures by class for the 12-month period ending the prior (date) and collect the over/under recovery during the 12-month period beginning (date) of the following year.

NV = Actual volumes from the prior fiscal year (normalized for weather and growth/attrition) listed in Ccf for each rate class.

**PROGRAM SELECTION**

Program selection will be determined on an annual basis and a summary of programs selected for the upcoming 12-month period will be provided to the Regulatory Body by October 15 of each calendar year. The overall portfolio of program offerings will be designed to be impactful and cost-effective based on Texas Gas Service's knowledge of its customer base and experience administering various energy efficiency program initiatives. The Company shall, at least once every three years, be responsible for presenting an RGVSA Energy Efficiency Program summary at the Regulatory Body. The Regulatory Body is invited to provide its feedback on program growth, potential changes in the EE rate and the program parameters for the next three-year period at this stakeholder meeting. Individual cities will have the ability to opt-out of the RGVSA Energy Efficiency Program at the three-year mark by submitting this request in writing to the Company within the 10 days following the stakeholder meeting date. If no action is taken, the agreed-upon tariff will be implemented for the following three-year period.

**REPORTING**

The following documents will be filed with the Regulatory Body:

- a) A schedule indicating the new EEP rate for each of the affected rate classes, to be filed within 20 days of implementation.
  - b) An annual report of the prior fiscal year collections and disbursements, to be filed within the 120 days following the prior fiscal year end. The annual report will also be made available on the Company's website. The annual filing shall include detailed calculations of the BCD and the Balancing Adjustments, as well as data on the total cost of the Energy Efficiency Program. Detailed tracking and reporting of program administration costs is also provided.
  - c) An annual budget for the following year will be provided to the Regulatory Body by the Company by October 15 each calendar year.
-

**TEXAS GAS SERVICE COMPANY**  
**Rio Grande Valley Service Area**

**RATE SCHEDULE T-TERMS**  
**Page 1 of 6**

**GENERAL TERMS AND CONDITIONS**  
**FOR TRANSPORTATION SERVICE**

**1.1 REQUIREMENTS FOR TRANSPORTATION SERVICE**

Nothing shall be deemed to supersede the respective rights and obligations of Company and Customer as provided by Texas statutes, rules, and/or regulations. The Company reserves the right to seek modification or termination of transportation service or any of the tariffs to which it applies and the unilateral right to seek regulatory approval to make any changes to, or to supersede, the rates, charges and terms of transportation service.

**1.2 DEFINITIONS**

The following definitions shall apply to the indicated words as used in this Tariff:

|                                      |                                                                                                                                                                                                                                                                                                                                                                               |
|--------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <u>Adder:</u>                        | Shall mean the Company's incremental cost to purchase natural gas.                                                                                                                                                                                                                                                                                                            |
| <u>Aggregation Areas:</u>            | Shall mean aggregation pools established by the Company within geographic, operational, administrative, and/or other appropriate parameters, for the purposes of nominating and imbalances.                                                                                                                                                                                   |
| <u>Btu:</u>                          | Shall mean British thermal unit(s) and shall be computed on a temperature base of sixty degrees (60°) Fahrenheit and at the standard pressure base of the applicable service area and on a gross-real-dry basis and shall not be corrected for real water vapor as obtained by means commonly acceptable to the industry, and "MMBtu" shall mean one million (1,000,000) Btu. |
| <u>Commission or The Commission:</u> | The Railroad Commission of Texas.                                                                                                                                                                                                                                                                                                                                             |
| <u>Company:</u>                      | Texas Gas Service Company, a division of ONE Gas, Inc.                                                                                                                                                                                                                                                                                                                        |
| <u>Customer:</u>                     | Any person or organization now being billed for gas service whether used by him or her, or by others.                                                                                                                                                                                                                                                                         |
| <u>Cumulative Tolerance Limit:</u>   | Shall mean the percent of aggregate historical annual deliveries of a Qualified Supplier's Aggregation Area pool of customers for the most recent year ended on June 30. The Company, at its sole discretion, may make adjustments to the Cumulative Tolerance Limit.                                                                                                         |
| <u>Consumption Period:</u>           | Shall mean a volumetric billing period.                                                                                                                                                                                                                                                                                                                                       |
| <u>Day or Gas Day:</u>               | Shall mean the 24-hour period commencing at 9:00 a.m. (central clock time) on one calendar day and ending at 9:00 a.m. (central clock time) the following calendar day.                                                                                                                                                                                                       |
| <u>Dekatherm (Dth):</u>              | Shall mean 1,000,000 Btu's (1 MMBtu). This unit will be on a dry basis.                                                                                                                                                                                                                                                                                                       |

Initial

Meters Read On and After  
October 18, 2017

**TEXAS GAS SERVICE COMPANY**  
**Rio Grande Valley Service Area**

**RATE SCHEDULE T-TERMS**

**Page 1 of 6**

Electronic Flow Measurement (EFM):

A device that remotely reads a gas meter.

Gas or Natural Gas:

Shall mean the effluent vapor stream in its natural, gaseous state, including gas-well gas, casing head gas, residue gas resulting from processing both casing head gas and gas-well gas, and all other hydrocarbon and non-hydrocarbon components thereof.

Mcf:

Shall mean one thousand (1,000) cubic feet of Gas

Month:

Shall mean the period beginning at 9:00 a.m. central clock time on the first Day of each calendar month and ending at 9:00 a.m. Central clock time on the first Day of the next succeeding calendar month.

Monthly Tolerance Limit:

Shall mean five percent (5%) of the aggregate deliveries for a Qualified Suppliers Aggregation Area pool of customers for such month.

Payment in Kind (PIK):

Shall mean a reimbursement for lost and unaccounted for gas.

PDA:

Shall mean a predetermined allocation method.

Pipeline System:

Shall mean the current existing utility distribution facilities of Company located in the State of Texas.

Point of Delivery:

Shall mean the point or points where gas is delivered from the Pipeline System to Customer.

Point of Receipt:

Shall mean the point or points where Company shall receive Gas into the Pipeline System from Customer.

Point Operator:

Shall mean the person or entity that controls the Point of Receipt or Point of Delivery.

Qualified Supplier:

Shall mean an approved supplier of natural gas for transportation to customers through the Company's pipeline system.

Regulatory Authority:

The City Council or equivalent municipal governing body of each respective city in the Rio Grande Valley Service Area, or the Railroad Commission of Texas, as applicable.

Service Area:

The area receiving gas utility service provided by the Company under the terms of this Tariff.

Tariff:

Shall mean every rate schedule, or provision thereof, and all terms, conditions, rules and regulations for furnishing gas service filed with the regulatory authorities or agencies having jurisdiction over Company or the services provided hereunder.

Transportation Form:

Shall mean the Company approved selection of transportation service document.

Initial

Meters Read On and After  
October 18, 2017



**TEXAS GAS SERVICE COMPANY**  
**Rio Grande Valley Service Area**

**RATE SCHEDULE T-TERMS**  
**Page 1 of 6**

Transportation Rate Schedule:

A rate schedule designed for service to any Customer for the transportation of Customer-owned natural gas through the Company's distribution system.

Transportation Service:

The transportation by the Company of natural gas owned by someone other than the Company through the Company's distribution system.

Week:

Shall mean a period of seven (7) consecutive Days beginning at 9:00 a.m. central clock time on each Monday and ending at the same time on the next succeeding Monday.

Year:

Shall mean a period of three hundred sixty-five (365) consecutive Days, or three hundred sixty-six (366) consecutive Days when such period includes a February 29.

**1.3 COMPANY'S RESPONSIBILITY**

Company shall deliver to Customer, at the Point of Delivery, volumes of gas, as received from designated Qualified Supplier, for the Customer, at a mutually agreed upon Point of Receipt, less Payment in Kind (PIK).

- a) In no event shall Company be required to expand, modify, construct, rearrange, or change the operations of the Pipeline System in order to receive gas from or on behalf of Customer or in order to deliver gas to Customer at any existing Points of Delivery. Company reserves the right in its sole discretion to remove, relocate, expand, or rebuild, without approval of Customer, any portion of the Pipeline System. Customer shall make no alterations, additions, or repairs to or on the Pipeline System.

**1.4 CUSTOMER'S RESPONSIBILITY**

Customer, by selecting service under a transportation service rate schedule by completing a Transportation Form, warrants and agrees that:

- a) Gas received by Company for the Customer shall be free from all adverse claims, liens, and encumbrances;
- b) Customer shall indemnify and hold Company harmless from and against all suits, actions, causes of action, claims and demands, including attorneys' fees and costs, arising from or out of any adverse claims by third parties claiming ownership of, or an interest in said gas caused by the failure to provide clear title to the gas;
- c) Customer acknowledges Company shall not be responsible in any way for damages or claims relating to the Customer's gas or the facilities of the Customer or others containing such gas prior to receipt into Company's facilities or after delivery to the Customer;
- d) Customer must provide Company with a signed Transportation Form identifying its Qualified Supplier. Customer may designate no more than one Qualified Supplier. This authorization shall be in a form agreeable to Company and shall remain in effect until a signed replacement is received by Company;
- e) Customer acknowledges the Qualified Supplier's responsibilities under Section 1.5;

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**RATE SCHEDULE T-TERMS**  
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- f) Transportation Service is not available for a term less than twelve (12) months. Termination of transportation service may, at the Company's sole discretion, delay Customer's request to resume transportation service;
- g) Electronic flow measurement (EFM) may be required for Customers under transportation service, at the Company's sole discretion. The Customer may be required to reimburse the Company for any cost related to the installation of the EFM as well as provide for or reimburse the Company for any ongoing maintenance, repair, or communications costs;
- h) In the event Customer's source of gas supply is terminated by Customer's Qualified Supplier due to non-payment or other reasons, or if customer is otherwise unable to continue as a transportation customer, Customer may, upon the first of the month after thirty (30) calendar days advance notice to Company, obtain service from Company under the general sales tariff applicable to Customer. Prior to commencing such service, Company may, in its sole discretion, require Customer to post a deposit or bond.

**1.5 QUALIFIED SUPPLIER'S RESPONSIBILITY**

Qualified Supplier shall act on behalf of the Customer to procure gas supplies, deliver gas supplies plus Payment in Kind volume, into mutually agreed upon Points of Receipt and shall act as the Customer's agent with respect to nominations, operational notices and resolution of imbalances.

- a) Qualified Suppliers shall aggregate their Customers' volumes for balancing purposes, into Aggregation Areas, as determined, in the Company's sole discretion.
- b) Qualified Supplier shall submit nominations to the Company's gas scheduling department, in accordance with their currently effective nomination process, which can be provided to the parties upon request. Customer and Qualified Supplier shall exercise commercially reasonable best efforts to deliver to the Pipeline System Dths of gas that Company is to deliver from the Pipeline System to Customer during any particular Hour, Day, Week and Month, including but not limited to volumes needed for peak Day usage for Customer's facilities. Qualified Supplier shall not intentionally nominate more or less gas than is anticipated for consumption by Customer(s), except as may be needed for balancing purposes to the extent Company accepts such nomination.
- c) Before the start of the Gas Day, the Point Operator and Company shall establish a predetermined allocation (PDA) method to specify how gas received or delivered by Company shall be allocated in accordance with confirmed nominations at such point. Only one PDA methodology shall be applied per allocation period.
- d) Daily Quantity of Transportation Service Gas: Company shall receive and deliver gas hereunder as nearly as practicable at uniform hourly and daily rates of flow. It is recognized that it may be physically impracticable, because of measurement, gas control limitations and other operating conditions, to stay in zero (0) imbalance each hour and each day; therefore, the daily and hourly quantities received may, due to the aforementioned reasons, vary above or below the daily and hourly quantities delivered. If the quantities received and the quantities delivered hereunder should create an imbalance at the end of any hour, Day, Week, or Month, then Company and Customer shall adjust receipts and/or deliveries at any time to the end that the quantities received and delivered shall be kept as near to zero (0) imbalance as practicable.
- e) Quality of Transportation Service Gas: The gas procured by a Qualified Supplier, for receipt by Company, shall conform to the standards prescribed in Company's applicable rate schedules, Agreements, and applicable local, state or federal laws, rules and/or regulations.

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**1.6**     **IMBALANCES**

Qualified Supplier shall, to the extent practicable, not deliver into the Pipeline System more or less Dths of Gas than Company delivers to the Aggregation Area of Customers, at the Points of Delivery, during a Consumption Period. The following imbalance provisions shall be applied to the Qualified Supplier for its Aggregation Area of Customers.

- a) If Company receives less Dths of Gas than are delivered to the Aggregate Area Customers at the Points of Delivery in excess of the Monthly Tolerance Limit or Cumulative Tolerance Limit in any particular Consumption Period, then Qualified Supplier shall purchase such under-delivered volumes at 105% of the applicable index, plus the Adder.
- b) If Company receives more Dths of Gas than are delivered to the Aggregate Area Customers at the Points of Delivery in excess of the Monthly Tolerance Limit or Cumulative Tolerance Limit in any particular Consumption Period, Qualified Supplier shall sell such excess Gas to Company at 95% of the applicable index.
- c) The applicable index and Adder will be defined in the Qualified Supplier Agreement and amended from time to time.
- d) A proportional share of any upstream pipeline transportation service charges and penalties incurred by the Company, that in whole or in part, are the result of Qualified Supplier's scheduling and/or managing the upstream transportation of the Customer's gas to Company's interconnection point(s) with the upstream pipeline(s). Proceeds from this charge will be credited to the Reconciliation Account. The Company will bill Qualified Supplier for these charges and penalties manually on a separate bill. Payment shall be required in accordance with applicable Rules of Service.
- e) The Company will provide monthly imbalance statements along with calculations of the charges in accordance with the aforementioned provisions to the Qualified Supplier each month.
- f) Payments for imbalance settlements will be due each month within 15 business days of the imbalance statement date. The Company may elect at its sole discretion to accrue the imbalance settlement provisions each month and only require periodic settlement rather than monthly payments.
- g) On or about fifteen (15) days after the Company receives necessary volumetric information from other parties for each Consumption Period after commencement of Gas receipts and deliveries hereunder, Company shall render to the Qualified Supplier a statement for the preceding Consumption Period showing the total Dths of Gas received and delivered and each Point of Receipt and Point of Delivery. If information necessary for statement purposes is in the possession of Customer, Customer shall furnish such information to Company on or before the sixth (6th) Day of the Month in which the statement requiring such data is to be rendered.
- h) Both parties hereto shall have the right at any and all reasonable times within twenty four (24) months from the time period in question, to examine the books and records of the other to the extent necessary to verify the accuracy of any statement, computation, or demand made hereunder.

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**PIPELINE INTEGRITY TESTING (PIT) RIDER**

**PURPOSE**

The purpose of this Pipeline Integrity Testing Rider is to promote the public interest in pipeline safety by enabling the Company to recover the reasonable and necessary Pipeline Integrity Safety Testing expenses incurred by the Company during the prior year (including contractor costs but excluding the labor cost of TGS employees. These legally mandated operating and maintenance expenses shall be recovered through a separate monthly volumetric charge (the Pipeline Integrity Testing or “PIT” Surcharge) that shall be shown as a separate line item on the customer’s monthly bill and calculated for each customer class as described below. Capital expenditures associated with the Pipeline Integrity Program shall continue to be recovered through base rates and any interim rate adjustments implemented pursuant to Texas Utilities Code Section 104.301.

**APPLICABILITY**

This Rider shall be applied to all gas sales and transportation customers within the service territory designated below, except special contract customers.

**TERRITORY**

This Rider shall apply throughout the Company’s Rio Grande Valley Service Area (“RGVSA”), in the Incorporated Areas of Alamo, Alton, Brownsville, Combes, Donna, Edcouch, Edinburg, Elsa, Harlingen, Hidalgo, La Feria, La Joya, La Villa, Laguna Vista, Los Fresnos, Lyford, McAllen, Mercedes, Mission, Palm Valley, Palmhurst, Palmview, Penitas, Pharr, Port Isabel, Primera, Progreso, Rancho Viejo, Raymondville, Rio Hondo, San Benito, San Juan, Santa Rosa, and Weslaco, Texas.

**QUALIFYING EXPENSES**

This Rider applies only to the legally mandated safety testing of the Company’s transmission lines in the RGVSA under the Pipeline Integrity Safety Testing Program. The operating and maintenance expense items that qualify for recovery under this Rider shall include the contractor costs associated with land and leak survey, permitting, and job order preparation and completion; the clearing of right-of-way; any needed notifications to adjacent businesses and residences; traffic control equipment and personnel; Direct Current Voltage Gradient (“DCVG”), Close Interval (“CI”), and other surveys to ensure the integrity of the pipeline system; any required rigid bypasses; flushing of the lines and testing and disposal of the flush water; hydrostatic testing of the lines and analysis and disposal of the test water; any required “pigging” of the lines in connection with safety testing; any required x-ray welding; metallurgical testing of the pipeline or components thereof; site restoration, painting, and clean-up; expenses associated with providing a supply of compressed natural gas (“CNG”) to ensure uninterrupted service to customers during testing; and any other operating and maintenance expenses reasonably necessary to safely and

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effectively perform required safety testing of the Company's pipelines in the RGVSA. In addition, unrecovered 2016 PIT expenses shall be included for recovery. Neither capital expenditures by the Company, nor the labor cost of TGS employees, shall be recovered under this Rider.

**CALCULATION OF PIT SURCHARGES**

The Pipeline Integrity Testing Surcharges established under this Rider shall be designed so as to recover the Total Testing Expense incurred in the prior year for Pipeline Integrity Safety Testing, and shall be calculated as follows:

The Total Annual Testing Expense shall be divided by the estimated average annual usage to produce the annual PIT Surcharge.

$$\text{PIT Surcharge} = \frac{\text{Total Annual Testing Expense}}{\text{Estimated Annual Usage}}$$

Based upon customer data for the prior calendar year and any other relevant factors, the estimated annual usage may be revised annually to account for customer growth, and the resulting revised PIT Surcharge shall be applied to each class for the ensuing 12-month recovery period.

**ANNUAL RECONCILIATION**

After completion of each annual recovery period, the total revenues collected under this Rider for that year shall be reconciled against the revenues previously calculated to be collected for that year, and the PIT Surcharge for each class shall be adjusted upward or downward so that the Company recovers any under recoveries or refunds any over recoveries that may have accrued under the Rider, plus monthly interest on those under recoveries or over recoveries at the cost of long-term debt approved in the Company's most recent general rate case in which rates were set by the regulatory authority for application to customers in the RGVSA Cities. The reconciliation report shall be filed with the regulatory authority on or before February 1 of each year. The regulatory authority shall review the reconciliation report and may request additional data supporting the reconciliation. The regulatory authority shall complete its review of the reconciliation within sixty days of each year's filing, and will authorize the succeeding PIT Surcharge after ordering any necessary adjustments based on its review of the reconciliation report so that the Company can implement the reconciled PIT Surcharges beginning with the first billing cycle for April of each succeeding year.

**DEFERRED ACCOUNTING**

The Company is authorized and directed to defer, as a regulatory asset, all Pipeline Integrity Safety Testing expenses incurred during the testing cycle starting on January 1, 2016 and all revenues specifically collected under this Rider shall be applied to the deferred expense account. The Company shall not earn a return on any regulatory asset created under this provision, and no such regulatory asset shall be included in the Company's invested capital (rate base) for ratemaking purposes.

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**ANNUAL REPORT & APPLICABLE PSCC**

On or before February 1 after each calendar year, the Company shall file a reconciliation report with the RGVSA Cities showing all Pipeline Integrity Safety Testing expenses incurred during the previous calendar year and verifying the prior year's collections and any under recoveries or over recoveries accruing to date under this Rider. The report shall separately identify and list such expenses by account number and project number, and provide a description of each project. The report will also provide revenues collected by class by month for that year. Prior to the effective date of this Rider and on or before February 1st of each succeeding year while this Rider is in effect, the Company shall also file an Addendum to this Rider with the RGVSA Cities (a) identifying the PIT Surcharges that will be applied during the ensuing 12-month recovery period from April 1 through March 31 and (b) providing the underlying data and calculations on which each PIT Surcharge for that period is based.

**NOTICE TO AFFECTED CUSTOMERS**

In addition to the annual report and Addendum to this Rider required above, the Company shall provide, on or before March 31 after each calendar year, written notice to each affected customer of (a) the PIT Surcharge that will be applied during the ensuing 12-month period from April 1st through March 31, and (b) the effect the PIT Surcharge is expected to have on the average monthly bill for each affected customer class. The written notice shall be provided in both English and Spanish, shall be the only information contained on the piece of paper on which it is printed, and may be provided either by separate mailing or by insert included with the Company's monthly billing statements. The Company shall also file an affidavit annually with the RGVSA Cities certifying that notice has been provided to customers in this manner. The notice shall be presumed to be complete three calendar days after the date the separate mailing or billing statement is deposited in a postage-paid, properly addressed wrapper in a post office or official depository under care of the United States Postal Service. The initial notice shall be filed with, reviewed, and approved by the regulatory authority, and each subsequent notice shall follow the same format as that of the approved initial notice.

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**RATE SCHEDULE PIT-RIDER**

**PIPELINE INTEGRITY TESTING (PIT) SURCHARGE RIDER**

**A. APPLICABILITY**

The Pipeline Integrity Testing Surcharge (PIT) rate as set forth in Section (B) below is pursuant to Rate Schedule PIT. This rate shall apply to the following rate schedules of Texas Gas Service Company in the incorporated areas of the Rio Grande Valley Service Area (RGVSA): 10, 20, 30, 40, T-1.

**B. PIT RATE**

\$0.00 per Ccf

This rate will be in effect until all approved and expended pipeline integrity testing expenses are recovered under the applicable rate schedules.

**C. OTHER ADJUSTMENTS**

Taxes: Plus applicable taxes and fees (including franchise fees) related to above.

**D. CONDITIONS**

Subject to all applicable laws and orders, and the Company's rules and regulations on file with the regulatory authority.



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**RATE SCHEDULE PSF**  
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**PIPELINE SAFETY AND REGULATORY PROGRAM FEES**

**TEXAS ADMINISTRATIVE CODE**

**TITLE 16** ECONOMIC REGULATION

**PART 1** RAILROAD COMMISSION OF TEXAS

**CHAPTER 8** PIPELINE SAFETY REGULATIONS

**SUBCHAPTER C** REQUIREMENTS FOR NATURAL GAS PIPELINES ONLY

**Rule §8.201** Pipeline Safety and Regulatory Program Fees

(a) Application of fees. Pursuant to Texas Utilities Code, §121.211, the Commission establishes a pipeline safety and regulatory program fee, to be assessed annually against operators of natural gas distribution pipelines and pipeline facilities and natural gas master metered pipelines and pipeline facilities subject to the Commission's jurisdiction under Texas Utilities Code, Title 3. The total amount of revenue estimated to be collected under this section does not exceed the amount the Commission estimates to be necessary to recover the costs of administering the pipeline safety and regulatory programs under Texas Utilities Code, Title 3, excluding costs that are fully funded by federal sources for any fiscal year

(b) Natural gas distribution systems. The Commission hereby assesses each operator of a natural gas distribution system an annual pipeline safety and regulatory program fee of \$1.00 for each service (service line) in service at the end of each calendar year as reported by each system operator on the U.S. Department of Transportation (DOT) Gas Distribution Annual Report, Form PHMSA F7100.1-1 due on March 15 of each year.

(1) Each operator of a natural gas distribution system shall calculate the annual pipeline safety and regulatory program total to be paid to the Commission by multiplying the \$1.00 fee by the number of services listed in Part B, Section 3, of Form PHMSA F7100.1-1, due on March 15 of each year.

(2) Each operator of a natural gas distribution system shall remit to the Commission on March 15 of each year the amount calculated under paragraph (1) of this subsection.

(3) Each operator of a natural gas distribution system shall recover, by a surcharge to its existing rates, the amount the operator paid to the Commission under paragraph (1) of this subsection. The surcharge:

(A) shall be a flat rate, one-time surcharge;

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**PIPELINE SAFETY PROGRAM FEES**  
**(Continued)**

(B) shall not be billed before the operator remits the pipeline safety and regulatory program fee to the Commission;

(C) shall be applied in the billing cycle or cycles immediately following the date on which the operator paid the Commission;

(D) shall not exceed \$1.00 per service or service line ***(For calendar year 2016 the annual pipeline safety program fee, billed effective with meters read on and after March 29, 2017, Texas Gas Service Company will bill all customers a one-time customer charge per bill of \$0.94, based on \$1.00 per service line)***; and

(E) shall not be billed to a state agency, as that term is defined in Texas Utilities Code, §101.003.

(4) No later than 90 days after the last billing cycle in which the pipeline safety and regulatory program fee surcharge is billed to customers, each operator of a natural gas distribution system shall file with the Commission's Gas Services Division and the Pipeline Safety Division a report showing:

(A) the pipeline safety and regulatory program fee amount paid to the Commission;

(B) the unit rate and total amount of the surcharge billed to each customer;

(C) the date or dates on which the surcharge was billed to customers; and

(D) the total amount collected from customers from the surcharge.

(5) Each operator of a natural gas distribution system that is a utility subject to the jurisdiction of the Commission pursuant to Texas Utilities Code, Chapters 101 - 105, shall file a generally applicable tariff for its surcharge in conformance with the requirements of §7.315 of this title, relating to Filing of Tariffs.

(6) Amounts recovered from customers under this subsection by an investor-owned natural gas distribution system or a cooperatively owned natural gas distribution system shall not be included in the revenue or gross receipts of the system for the purpose of calculating municipal franchise fees or any tax imposed under Subchapter B, Chapter 182, Tax Code, or under Chapter 122, nor shall such amounts be subject to a sales and use tax imposed by Chapter 151, Tax Code, or Subtitle C, Title 3, Tax Code.

(c) Natural gas master meter systems. The Commission hereby assesses each natural gas master meter system an annual pipeline safety and regulatory program fee of \$100 per master meter system.

(1) Each operator of a natural gas master meter system shall remit to the Commission the annual pipeline safety and regulatory program fee of \$100 per master meter system no later than June 30 of each year.

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**PIPELINE SAFETY PROGRAM FEES**  
**(Continued)**

- (2) The Commission shall send an invoice to each affected natural gas master meter system operator no later than April 30 of each year as a courtesy reminder. The failure of a natural gas master meter system operator to receive an invoice shall not exempt the natural gas master meter system operator from its obligation to remit to the Commission the annual pipeline safety and regulatory program fee on June 30 each year.
- (3) Each operator of a natural gas master meter system shall recover as a surcharge to its existing rates the amounts paid to the Commission under paragraph (1) of this subsection.
- (4) No later than 90 days after the last billing cycle in which the pipeline safety and regulatory program fee surcharge is billed to customers, each natural gas master meter system operator shall file with the Commission's Gas Services Division and the Pipeline Safety Division a report showing:
  - (A) the pipeline safety and regulatory program fee amount paid to the Commission;
  - (B) the unit rate and total amount of the surcharge billed to each customer;
  - (C) the date or dates on which the surcharge was billed to customers; and
  - (D) the total amount collected from customers from the surcharge.
- (d) Late payment penalty. If the operator of a natural gas distribution system or a natural gas master meter system does not remit payment of the annual pipeline safety and regulatory program fee to the Commission within 30 days of the due date, the Commission shall assess a late payment penalty of 10 percent of the total assessment due under subsection (b) or (c) of this section, as applicable, and shall notify the operator of the total amount due to the Commission.

**Source Note:** The provisions of this §8.201 adopted to be effective September 8, 2003, 28 TexReg 7682; amended to be effective November 24, 2004, 29 TexReg 10733; amended to be effective May 15, 2005, 30 TexReg 2849; amended to be effective December 19, 2005, 30 TexReg 8428; amended to be effective April 18, 2007, 32 TexReg 2136; amended to be effective November 12, 2007, 32 TexReg 8121; amended to be effective September 21, 2009, 34 TexReg 6446; amended to be effective August 30, 2010, 35 TexReg 7743; amended to be effective November 14, 2011, 36 TexReg 7663

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**RATE SCHEDULE RCE – INC.**

**RATE CASE EXPENSE SURCHARGE**

**A. APPLICABILITY**

The Rate Case Expense Surcharge (RCE) rate as set forth in Section (B) below is pursuant to City Ordinances. This rate shall apply to the following rate schedules of Texas Gas Service Company in the following incorporated areas of Alamo, Alton, Brownsville, Combes, Donna, Edcouch, Edinburg, Elsa, Harlingen, Hidalgo, La Feria, La Joya, La Villa, Laguna Vista, Los Fresnos, Lyford, McAllen, Mercedes, Mission, Palm Valley, Palmhurst, Palmview, Penitas, Pharr, Port Isabel, Primera, Progreso, Rancho Viejo, Raymondville, Rio Hondo, San Benito, San Juan, Santa Rosa, and Weslaco, Texas: 10, 20, 30, 40 and T-1.

**B. RCE RATE**

All Ccf during each billing period:                      \$0.0107 per Ccf

This rate will be in effect until all approved and expended rate case expenses are recovered under the applicable rate schedules. Texas Gas Service Company will recover \$293,930 in actual expense and up to \$70,000 in estimated expense, not to exceed actual expense. In addition, TGS will recover \$54,900 in requested regulatory expenses. The Rate Case Expense Surcharge will be a separate line item on the bill.

**C. OTHER ADJUSTMENTS**

Taxes: Plus applicable taxes and fees (including franchise fees for customers in incorporated areas) related to above.

**D. CONDITIONS**

Subject to all applicable laws and orders, and the Company's rules and regulations on file with the regulatory authority.

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TEXAS GAS SERVICE COMPANY

RULES AND REGULATIONS

RIO GRANDE VALLEY SERVICE AREA

Incorporated Areas of Alamo, Alton, Brownsville, Combes, Donna, Edcouch, Edinburg, Elsa, Harlingen, Hidalgo, La Feria, La Joya, La Villa, Laguna Vista, Los Fresnos, Lyford, McAllen, Mercedes, Mission, Palm Valley, Palmhurst, Palmview, Penitas, Pharr, Port Isabel, Primera, Progreso, Rancho Viejo, Raymondville, Rio Hondo, San Benito, San Juan, Santa Rosa, and Weslaco, Texas

Effective for Meters Read On and After October 18, 2017

Supersedes and Replaces Rules and Regulations pages dated January 27, 2014

Communications Regarding this Tariff  
Should Be Addressed To:

Texas Gas Service Company  
P. O. Box 531827  
Harlingen, Texas 78553-1827

TEXAS GAS SERVICE COMPANY  
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Applicant: Any person, organization or group of persons or organizations making a formal request either orally or in writing for gas service from the Company.



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|                                       |                                                                                                                                                                                                                                                                                                                                                                               |
|---------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <u>Automated Meter Reading (AMR):</u> | A device that remotely reads a gas meter.                                                                                                                                                                                                                                                                                                                                     |
| <u>Average Day Usage:</u>             | The gas demand of a given Customer for gas in any one month divided by 30. Gas demand is considered to be equivalent to consumption during each billing month, provided however, that when service has been curtailed, demand shall be considered to be actual consumption plus estimated curtailment during the period.                                                      |
| <u>Blanket Builder:</u>               | A builder or someone acting for a builder who is invoiced for the installation of yardlines.                                                                                                                                                                                                                                                                                  |
| <u>Btu:</u>                           | Shall mean British thermal unit(s) and shall be computed on a temperature base of sixty degrees (60°) Fahrenheit and at the standard pressure base of the applicable service area and on a gross-real-dry basis and shall not be corrected for real water vapor as obtained by means commonly acceptable to the industry, and "MMBtu" shall mean one million (1,000,000) Btu. |
| <u>Commercial Service:</u>            | Service to Consumers engaged primarily in the sale or furnishing of goods and services and any usage not otherwise provided for.                                                                                                                                                                                                                                              |
| <u>Commission or The Commission:</u>  | The Railroad Commission of Texas.                                                                                                                                                                                                                                                                                                                                             |
| <u>Company:</u>                       | Texas Gas Service Company.                                                                                                                                                                                                                                                                                                                                                    |
| <u>Consumer:</u>                      | Any person or organization receiving gas service from the Company for his or her own appliances or equipment whether or not the gas is billed directly to him or her. (For example, a rental unit where the utilities are part of the rent, the landlord is a Customer and the tenant is a Consumer.)                                                                         |
| <u>Consumption Period:</u>            | Shall mean a volumetric billing period.                                                                                                                                                                                                                                                                                                                                       |
| <u>Customer:</u>                      | Any person or organization now being billed for gas service whether used by him or her, or by others.                                                                                                                                                                                                                                                                         |
| <u>Cumulative Tolerance Limit:</u>    | Shall mean the percent of aggregate historical annual deliveries of a Qualified Supplier's Aggregation Area pool of customers for the most recent year ended on June 30. The Company, at its sole discretion, may make adjustments to the Cumulative Tolerance Limit.                                                                                                         |
| <u>Day or Gas Day:</u>                | Shall mean the 24-hour period commencing at 9:00 a.m. (central clock time) on one calendar day and ending at                                                                                                                                                                                                                                                                  |

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9:00 a.m. (central clock time) the following calendar day.

Dekatherm (Dth):

Shall mean 1,000,000 Btu's (1 MMBtu). This unit will be on a dry basis.

Domestic Service:

Service to any Consumer which consists of gas service used directly for heating, air conditioning, cooking, water heating and similar purposes whether in a single or multiple dwelling unit.

Electronic Document:

Any document sent electronically via email or the internet.

Electronic Flow Measurement (EFM):

A device that remotely reads a gas meter.

Electronic Fund Transfer (EFT):

The process to convert a paper check or electronic bill payment request to an electronic transfer. Paper checks received by Company or their agents are destroyed.

Electronic Radio Transponder (ERT):

A device that remotely reads a gas meter.

Excess Flow Valve (EFV):

A safety device installed below ground inside the natural gas service line between the main and the meter intended to reduce the risk of accidents in limited situations.

Expedited Service:

Customer request for same day service or service during non-business hours for connection or reconnection of gas service.

Gas or Natural Gas:

Shall mean the effluent vapor stream in its natural, gaseous state, including gas-well gas, casing head gas, residue gas resulting from processing both casing head gas and gas-well gas, and all other hydrocarbon and non-hydrocarbon components thereof.

General Rate Schedule:

A rate schedule available to all Customers of the appropriate class or classes for usages indicated therein.

Industrial Service:

Service to Consumers engaged primarily in a process which changes raw or unfinished materials into another form of product. This classification shall embrace all Consumers included in Division A (except Major Groups 01 and 02) and Division D of the Standard Industrial Classification Manual.

Irrigation or Irrigation Pumping Service:

(SIC Division A - Major Group 01) who use gas for operating engine-driven pumping equipment.

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|                                  |                                                                                                                                                                                                                                                                                 |
|----------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <u>Mcf:</u>                      | Shall mean one thousand (1,000) cubic feet of Gas.                                                                                                                                                                                                                              |
| <u>Month:</u>                    | Shall mean the period beginning at 9:00 a.m. central clock time on the first Day of each calendar month and ending at 9:00 a.m. Central clock time on the first Day of the next succeeding calendar month.                                                                      |
| <u>Monthly Tolerance Limit:</u>  | Shall mean five percent (5%) of the aggregate deliveries for a Qualified Suppliers Aggregation Area pool of customers for such month.                                                                                                                                           |
| <u>Optional Rate Schedule:</u>   | A General Rate Schedule which may be selected by a Customer in lieu of another general schedule but which may require installation of special equipment.                                                                                                                        |
| <u>Overtime Rate:</u>            | The fee charged by the Company to perform work outside its normal business hours or on holidays and includes changes to previously scheduled work that must be performed outside the Company's normal business hours.                                                           |
| <u>Payment in Kind (PIK):</u>    | Shall mean a reimbursement for lost and unaccounted for gas.                                                                                                                                                                                                                    |
| <u>PDA:</u>                      | Shall mean a predetermined allocation method.                                                                                                                                                                                                                                   |
| <u>Pipeline System:</u>          | Shall mean the current existing utility distribution facilities of the Company located in the State of Texas.                                                                                                                                                                   |
| <u>Point of Delivery:</u>        | Shall mean the point or points where gas is delivered from the Pipeline System to Customer.                                                                                                                                                                                     |
| <u>Point of Receipt:</u>         | Shall mean the point or points where the Company shall receive Gas into the Pipeline System from Customer.                                                                                                                                                                      |
| <u>Point Operator:</u>           | Shall mean the person or entity that controls the Point of Receipt or Point of Delivery.                                                                                                                                                                                        |
| <u>Power Generation Service:</u> | Service to Consumers for the purpose of generating electricity. This service may be further divided into direct generation in which the gas is used to power the prime mover and indirect generation in which the gas is burned in a boiler and the generator is steam powered. |
| <u>Qualified Supplier:</u>       | Shall mean an approved supplier of natural gas for transportation to customers through the Company's pipeline system.                                                                                                                                                           |

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|                                      |                                                                                                                                                                                                                                                              |
|--------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <u>Regulatory Authority:</u>         | The City Council or equivalent municipal governing body of each respective city in the Rio Grande Valley Service Area, or the Railroad Commission of Texas, as applicable.                                                                                   |
| <u>Service Area:</u>                 | The area receiving gas utility service provided by the Company under the terms of this Tariff.                                                                                                                                                               |
| <u>Special Rate Schedule:</u>        | A rate schedule designed for a specific Customer.                                                                                                                                                                                                            |
| <u>System:</u>                       | Any group of interconnected pipelines and appurtenances owned or operated by the Company and independent from any other such group of facilities.                                                                                                            |
| <u>Tariff:</u>                       | Shall mean every rate schedule, or provision thereof, and all terms, conditions, rules and regulations for furnishing gas service filed with the regulatory authorities or agencies having jurisdiction over the Company or the services provided hereunder. |
| <u>Temporary Service:</u>            | Any service which will not be utilized continuously at the same location for a period of two or more years.                                                                                                                                                  |
| <u>Transportation Form:</u>          | Shall mean the Company approved selection of transportation service document.                                                                                                                                                                                |
| <u>Transportation Rate Schedule:</u> | A rate schedule designed for service to any Customer for the transportation of Customer-owned natural gas through the Company's distribution system.                                                                                                         |
| <u>Transportation Service:</u>       | The transportation by the Company of natural gas owned by someone other than the Company through the Company's distribution system.                                                                                                                          |
| <u>Week:</u>                         | Shall mean a period of seven (7) consecutive Days beginning at 9:00 a.m. Central clock time on each Monday and ending at the same time on the next succeeding Monday.                                                                                        |
| <u>Year:</u>                         | Shall mean a period of three hundred sixty-five (365) consecutive Days, or three hundred sixty-six (366) consecutive Days when such period includes a February 29.                                                                                           |

Section 2. [Reserved for future rules]

Section 3: RATES AND UTILITY CHARGES

Please see current Rate Schedules on file with each applicable Regulatory Authority.

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CONDITIONS OF SERVICE

4.1 PROVISION OF SERVICE

The Company will provide gas service to any person or organization located within the Rio Grande Valley Service Area from the Company's facilities or in certain cases, the facilities of its supplier, in accordance with the provisions of this Tariff including Rate Schedules and Rules of Service.

4.2 FEES AND CHARGES

All fees and charges made by the Company to provide and maintain utility services as provided for in this Tariff. If the Customer elects transportation service, the commodity cost of gas shall be determined between the Customer and the Customer's selected supplier.

4.3 RESALE OF GAS

Gas delivered by the Company shall not be redelivered or resold for the use thereof by others unless otherwise expressly agreed to in writing by the Company - except, however, that those Customers receiving gas for redistribution to the Customer's tenants may separately meter each tenant's distribution point for the purpose of prorating the Customer's actual amount of gas delivered among the various tenants on a per unit basis.

4.4 CONTINUITY OF SERVICE

- a) Service interruptions
  - i) The Company shall make all reasonable efforts to prevent interruptions of service. When interruptions occur, the Company will reestablish service within the shortest possible time consistent with prudent operating principles so that the smallest number of Customers is affected.
  - ii) The Company shall make reasonable provisions to meet emergencies resulting from failure of service, and will issue instructions to its employees covering procedures to be followed in the event of an emergency in order to prevent or mitigate interruption or impairment of service.
  - iii) In the event of emergency or local disaster resulting in disruption of normal service, the Company may, in the public interest, interrupt service to other Customers to provide necessary service to civil defense or other emergency service agencies on a temporary basis until normal service to these agencies can be restored.
- b) Record of interruption. Except for momentary interruptions which do not cause a major disruption of service, the Company shall keep a complete record of all interruptions, both emergency and scheduled. This record shall show the cause of interruptions, date, time

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duration, location, approximate number of Customers affected, and, in cases of emergency interruptions, the remedy and steps taken to prevent recurrence, if applicable.

- c) Report to Railroad Commission of Texas. The Commission shall be notified in writing within 48 hours of interruptions in service affecting the entire system or any major division thereof lasting more than four continuous hours. The notice shall also state the Company's belief as to the cause of such interruptions. If any service interruption is reported to the Commission otherwise (for example, as a curtailment report or safety report), such other report is sufficient to comply with the terms of this paragraph.
- d) The procedure under which curtailments of service will be made is described in the Curtailment Plan on file with the Railroad Commission of Texas.
- e) The Company does not guarantee uninterrupted service to any Customer and shall not be liable for damages resulting from any loss of service to any Customer.

4.5 AVAILABILITY OF TARIFF

A copy of this Tariff including all applicable rates can be requested through TGS's customer service number at 1-800-700-2443 (non-emergency number) or requested under the 'Contact Us' section of [www.texasgasservice.com](http://www.texasgasservice.com). Upon the request of any Customer or Applicant, the Company shall make copies of the Tariff which may be purchased by the Customer or Applicant through TGS's customer service. The Company may charge a fee for each copy not in excess of the Company's reasonable cost to reproduce the material.

4.6 CUSTOMER INFORMATION

The Company shall make available, during normal business hours, such additional information on Rates and Services as any Customer or Applicant may reasonably request. Upon any Customer's request, the Company shall inform the Customer how to read the Customer's meter. The Company shall annually provide each Customer with notice of the availability of a concise description in English and Spanish of the Customer's rights and the Company's obligations under this Tariff. A new Customer shall be provided with an informational brochure in the mail after requested service initiation or included with the first bill mailed.

4.7 CUSTOMER COMPLAINTS

Upon receipt of a complaint, either in writing or by telephone, from the Regulatory Authority on behalf of a Customer, the Company will make a suitable investigation and advise the Regulatory Authority and complainant of the results thereof. An initial response must be made by the next business day. The Company must make a final and complete response within 15 days from the date of the complaint, unless additional time is granted within the 15 day period.

4.8 LIMITATION OF LIABILITY

The Customer assumes all responsibility for all facilities and their installation, maintenance, operation, functionality, testing and condition thereof on the Customer's side of the point of delivery of gas to the property of the Customer or to the premises of the Consumer, as defined in Section 6.2. The Company is not liable to a Customer, and Customer shall indemnify, hold harmless, and defend

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the Company and its employees or agents from any and all claims or liability for personal injury, damage to property, or any incidental, consequential, business interruption, or other economic damages or losses in any manner directly or indirectly connected to, arising from, or caused by acts or omissions of any person or party on the Customer's side of said point of delivery, as defined in Section 6.2.

The Company shall be liable to the Customer or Consumer only for personal injury or property damages from or caused directly by the negligent acts or omissions of the Company or its employees occurring on the Company's side of the point of delivery. The Company shall not be liable or responsible for personal injury, property damages, or any other loss or damages arising from or caused by the negligent or intentional act or omission of any person, other than an employee of the Company, who adjusts, repairs, disconnects, changes, alters, or tampers with the Company's meter or facilities in any way.

The Company shall be liable to third parties only for personal injury or property damage directly arising from the negligence or gross negligence of the Company or its employees when acting within the scope of their employment.

In no event shall the Company or its employees be liable for incidental, consequential, business interruption, or other economic damages or losses of Customer, Consumer, or third parties in any manner, directly or indirectly, arising from, caused by, or growing out of the interruption or termination of gas utility service.

The Customer shall make or procure conveyance to the Company of perpetual right-of-way across the property owned or controlled by the Customer that is satisfactory to the Company, provides clear access to Company's facilities, and enables the Company to provide service to Customer's property or the premises of the Consumer.

## INITIATION OF SERVICE

### 5.1 REGULAR SERVICE

Application for service can be made by telephone or through the internet. Each Applicant must comply with the appropriate requirements of this Tariff before service shall be instituted. No written agreement shall be required for residential service under the standard provisions of this Tariff; commencement of service by the Company and the use of gas service by the Customer shall be evidence of such agreement. Any Customer requesting service under any special provision of this Tariff must execute a written agreement for service in the form prescribed by the Company designating those provisions which shall apply. Each Applicant may be required to produce an identification card bearing a photograph of Applicant and verifiable proof of their right to occupy a specific service address as of a specific date of occupancy.

### 5.2 SPECIAL CONTRACTS

Under certain special conditions, the Company may agree to rates, terms or conditions of service other than those provided in this Tariff. Such service must be established under the terms of a special contract or service agreement. To the extent that the provisions of any special contract are at variance with this Tariff, the provisions of the contract shall apply.



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5.3 TEMPORARY SERVICE

Temporary Service shall be furnished under the same rate schedules applicable to regular service of a similar kind.

5.4 FEES AND CHARGES

The Company shall charge a non-refundable fee to each Applicant to compensate for the cost involved in initiation or reconnection of service or when service is transferred from one name to another at any location, or whenever a meter is reset or relocated on the same premises at the request of the Customer, all as specified in Section 21.1 of this Tariff.

Whenever the Applicant requests expedited service, the Company will accomplish the work as expeditiously as possible and the Customer will be charged at the Company's approved rate for service work. Expedited service and the charges therefore shall be made only on request of the Applicant. Whenever service is furnished from the facilities of a third party and the Company must pay any special fees to that third party, the Company may, at its option, pass that charge plus 20 percent for handling through to the Applicant requesting service. See Section 21.1 relating to fees for the above.

5.5 ESTABLISHMENT OF CREDIT

Each Applicant for service shall be required to make a security deposit in accordance with Section 10 of this Tariff to establish and maintain a satisfactory credit standing.

These deposits shall be computed in the same manner for the same class of service, provided however, that a deposit shall be waived if:

- a) The Applicant has been a Customer for the same kind of service within the last two years and did not have more than one occasion in which a bill for service from any such utility service account was delinquent and no disconnection for non-payment was made;
- b) The Applicant furnishes an acceptable letter of credit;
- c) The Applicant demonstrates a satisfactory credit rating by presentation of satisfactory credit references capable of quick, inexpensive verification (applicable to residential Customers only);
- d) The Applicant is 65 years of age or older and has no outstanding balance for natural gas utility service which accrued within the last two years (applicable to residential Customers only);
- e) The application is made for and in the name of an organization with an acceptable credit rating from an agency providing a credit rating service on a national basis;
- f) The application is made for or guaranteed by an agency of the federal, state or local government; or
- g) The Applicant has been determined to be a victim of family violence as defined by TEX. FAM. CODE ANN. § 71.004. This determination shall be evidenced by the applicant/s submission of a

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certification letter developed by the Texas Council on Family Violence (made available on its Web site).

5.6 GROUND FOR REFUSAL TO SERVE

The Company may refuse service to any Applicant for any of the following reasons:

- a) Failure to pay fees, advances or contributions or to make any deposit required for service under this Tariff;
- b) Failure of the Applicant to furnish any service or meter location specified for service under this Tariff;
- c) Existence of an unsafe condition such as a leak in the Applicant's piping system which, in Company's sole opinion, may endanger life or property;
- d) The Applicant is indebted to the Company for the same class of utility service at the same or another service location within the Company's system; or
- e) Delinquency in payment for gas service by another occupant if that person still resides at the premises to be served.

The right to refuse service shall terminate when the Applicant has complied with the Company's requirements or corrected the cause for the refusal to serve.

5.7 REASONABLE TIME

The Company shall have a reasonable amount of time to institute service following application therefore or execution of an agreement for service. The time may vary depending on approvals and permits required, the extent of the facilities to be built, and the Company's workload at the time.

METERING AND DELIVERY OF GAS

6.1 METER LOCATION

The Company shall have the sole right to determine the location of the meter in accordance with the needs of the service.

Each Applicant shall furnish and subsequently maintain a suitable location on his or her premises for the Company's meter and related facilities at a point selected by the Company. Meters shall be located where they will be safely accessible for reading and service, adequately ventilated and not subject to damage. Meters shall not be located within any enclosed area unless the enclosure is solely intended as a meter house. It may be necessary for the Company to install bollards or guard posts around the meters for safety.

6.2 POINT OF DELIVERY

The point of delivery of gas sold by the Company to the Customer shall be at the outlet side of the Company's meter, provided that in those cases in which the Customer owns a section of the

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underground pipe between the Customer's property line and the meter, the point of delivery shall be at the property line. The title of all gas sold by the Company to the Consumer shall pass from the Company at the point of delivery. The point(s) of delivery and point(s) of redelivery for Transportation Service shall be as provided in the contract entered into between the Customer and the Company.

6.3 MULTIPLE METERS

Each Customer or group of Customers located on the same lot or tract of land may be served from a single meter location. The Company may, at its option, permit additional meter locations to simplify installation of facilities or provide better service. Whenever more than one meter location is permitted for the same Customer, the Company shall bill the usage through each meter separately, provided that any combined billings in effect at the time of adoption of this Tariff may be continued until the affected Customer discontinues service or upon order by the Regulatory Authority.

6.4 CONNECTION TO COMPANY FACILITIES

No Consumer shall make any connection or alteration of any kind on any of the Company's facilities upstream of the Company's meter or shall permit any other person to make such connection or alteration.

INSTALLATION OF EQUIPMENT

7.1 EQUIPMENT FURNISHED BY THE COMPANY

The Company shall furnish and install at its expense, the service pipe from the Company's existing main to the property line nearest the meter and the equipment related thereto, including meter valve and service regulator. Whenever the meter is located at any point other than the property line, the Company shall determine the estimated cost of that portion of the service between the property line and the meter set. This estimate shall be based on the size and footage to be installed, and charged in accordance with Section 8 and other applicable provisions of this Tariff. Although affixed to or buried in the Customer's property, the entire service and meter set shall become the property of the Company and shall be operated and maintained by the Company.

7.2 EQUIPMENT FURNISHED BY THE APPLICANT

The Applicant shall furnish and install at his or her expense, all piping and equipment required to conduct and utilize the gas furnished, from the outlet of the meter set to the point(s) of utilization and those portions of the service line and meter set not furnished by the Company as described in Section 7.1 above. The adequacy, safety and compliance with applicable codes and ordinances shall be the responsibility of the Applicant and no action of the Company in accordance with this Tariff shall release the Applicant of the responsibility for the facilities installed by him or her.

7.3 STATUTES, CODES AND ORDINANCES

All piping and installations owned by the Applicant shall comply with all applicable legal requirements, whether federal, state, county, municipal or otherwise and shall be properly designed for the pressures and volumes to be handled. In those locations where there are no applicable state or

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local requirements the applicable provisions of the National Fuel Gas Code 54; ANSI Z223.1 and any amendments thereto shall apply.

7.4 CHECKS AND TESTS

The Company shall have the right to check new installations prior to initiation of service and to make any test of the Applicant's facilities it deems necessary.

7.5 REFUSAL TO SERVE

The Company shall refuse service to any Applicant who refuses entry for observation or whose facilities do not comply with the applicable provisions of this Tariff. The right to refuse service shall terminate with the correction of the condition(s) which was cause for refusal. Initiation of service, however, shall not be considered to be acceptance or approval by the Company of such facilities.

EXTENSION OF FACILITIES

8.1 EXTENSION OF MAINS

The Company shall install the necessary facilities to provide service to Applicants whose premises are located beyond the Company's existing distribution facilities in accordance with the provisions of this Section. The expenditure for such extensions must either be cost justified or the Applicant(s) and Company must mutually agree to terms that justify the installation.

8.2 DESIGN AND COST OF FACILITIES

As soon as practical after an application for service is received, the Company shall determine the extent of the facilities required to serve the new business and the cost thereof. This cost shall include all amounts to be spent for system improvements necessary to deliver the required gas, such as mains, regulator and meter stations, upgrading and/or reinforcement, all in accordance with the Company's current practice. Whenever the Company chooses to install facilities of greater capacity than would be required to serve the new business for which the application is being made or to permit supply from another source, the estimate of costs shall be based on only the size and capacity normally used to serve requirements similar to that of the Applicant.

8.3 ALLOWANCE FOR NEW BUSINESS

The Company shall also determine the number of existing permanent Customers located along the route of the extension expected to be served therefrom. To be included, the occupant of each premise must request service and demonstrate capability for using such service through a major gas burning appliance. Single or groups of individually owned mobile homes shall be included only if the wheels and hitch have been removed from each mobile home and/or substantial improvements have been made to the property. Mobile home parks may be served either through a master meter or individual meters served by a Company-owned system, provided that required mains can be installed and dedicated streets or rights-of-way have been provided to the Company for installation of facilities as evidenced by agreement executed on the Company's form. An allowance to be determined by the Company may be given for each Customer whose premises exist at the time of application to be served from the proposed main extension. In order to qualify for this allowance, the Customer must file an application and agree to initiate gas service upon completion of the Company's facilities.

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8.4 ADVANCES

The mutually agreed upon terms will determine the amount of advance required. The Applicant shall have 30 calendar days after notification of the amount required to execute an extension agreement on the Company's form and pay the required advance. At the end of that time, the Company may revise its estimates to reflect any changes in costs or conditions which will affect the amount of the advance. The Company may waive collection of any advance based on an economic analysis of the project.

8.5 CONSTRUCTION OF FACILITIES

As soon as practical after the advance has been paid or it has been determined that no advance will be required, the Company shall begin construction of the required facilities and thereafter prosecute the work with reasonable diligence. The Company shall not be responsible for delays in the construction of the facilities occasioned by events or conditions reasonably beyond the Company's control. Whenever the construction of the new facilities requires the acquisition of rights-of-way across the Applicant(s) land(s), these rights-of-way shall be provided by the Applicant(s) in the Company's name and on its form at no cost to the Company (except for fees involved in the recording of documents).

8.6 REVIEW OF ADVANCES

The Company shall review each extension agreement on the first anniversary of the signing of that agreement. Upon the Applicant(s) request if the extension provided for in the agreement has not been installed through no fault of the Company, the agreement shall be considered to be terminated and a complete refund made to the Applicant(s). Once the extension has been installed and service has been initiated, the Company shall thereafter review the extension agreement at its second through fifth execution date. At each review, the number of Customers then served directly from the extension shall be compared with the number served on the last prior anniversary date. A refund, shall be given for each additional Customer served, based on mutually agreed upon terms provided that the total of the refunds given does not exceed the cost of the extension of facilities.

8.7 REFUND LIMITATIONS

The Company may, at its sole option, make a refund at any time. In no case, however, shall a refund be given unless the number of Customers then served is greater than the number for whom refunds have previously been given. No refund shall be given which shall cause the total refunds to be greater than the total amount of the advance. No interest shall be paid on any advance made under the provisions of this Section. At the end of the five year period, any remaining amount of the advance shall be retained by the Company as a contribution in aid of construction.

8.8 DELIVERY OF REFUNDS

Upon Applicant(s) request, when a refund is due, a check in the appropriate amount and a letter setting forth the method of calculation of the refund and the balance remaining un-refunded shall be made to the person or business in whose name the extension agreement is made or to his or her assignee. If that letter is returned undelivered, the check shall be cancelled and the next review made without regard to that refund. All sums described in this Section which are returned undelivered and remain unclaimed in the Company's possession for a period of six months following expiration of the

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five year period of the extension agreement shall be retained by the Company and considered a contribution in aid of construction.

CUSTOMER-OWNED SYSTEMS

9.1 INDIVIDUALLY METERED SYSTEMS

The Company shall not render service to any Customer through a meter not connected to a system owned by the Company or one of the Company's suppliers.

9.2 MASTER METERS

The Company shall provide service through a master meter into the piping systems of others to be distributed to more than one Consumer, except when the gas served is resold to those Consumers on either a commodity or separate cost of service basis; provided, however, that those Customers purchasing gas for redistribution to the Customer's own tenants only on the Customer's premises may separately meter each tenant distribution point for the purpose of prorating the Consumer's actual purchase price of gas delivered among the various tenants on a per unit basis, and further provided that the provisions of this Section 9 shall not preclude the Company from supplying natural gas to a third party for resale to the public as fuel for natural gas powered vehicles (NGV's).

SECURITY DEPOSITS

10.1 REQUIREMENTS

The Company shall require a security deposit from any present or prospective Customer in accordance with Sections 5.5 and 19.1 of this Tariff to guarantee payment of bills, and from any present Customer who during the last 12 consecutive months has on more than one occasion paid their utility bill after becoming delinquent. However, the deposit requirement may, at the option of the Company be based on annual usage experienced at the particular address with application of one-sixth of the annual amount as determined as the required deposit. If actual use is at least twice the amount of the estimated billings, a new deposit requirement may be calculated and an additional deposit may be required within two days. The deposit shall be refunded to residential Customers when the Customer has paid 12 consecutive bills without having service disconnected for non-payment, and without having one or more occasion in which a bill was delinquent or a payment was returned, and the Customer is not currently delinquent.

10.2 RECEIPTS

The Company shall maintain such records as may be necessary to permit any Customer to receive any deposit return to which he or she is entitled without presentation of the receipt. A record of any unclaimed deposits shall be maintained by the Company for at least 4 years.

10.3 INTEREST

The Company shall pay interest on all security deposits for the time held at the rate as set by the Public Utility Commission annually except when

- a) The deposit is held 30 days or less;

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- b) Notice is sent to the Customer's last known address that the deposit is no longer required;
- c) The service to which the deposit relates has been discontinued; or
- d) All or any part of the deposit has been applied to a delinquent account.

Interest on deposits earned during the preceding year shall be paid to the Customer during the first quarter of each calendar year. Payment shall be made either by check or as a credit on the monthly bill at the Company's option.

10.4 RETURN OF DEPOSITS

Deposits on residential accounts returned to the Customer in accordance with Section 10.1 above shall be applied in the first calendar quarter following the month in which the good payment record is established. Whenever the deposit of any Customer is returned to the Customer, the Company shall pay all previously unpaid interest with the payment.

10.5 ACCEPTABLE FORMS OF DEPOSIT

Any one of the following forms of credit security may be accepted from Customers and Applicants for service:

- a) A cash deposit of as much as one-sixth (1/6) the estimated annual billings for service requested; but no less than the minimum deposit set forth in Section 21.2;
- b) A nontransferable, irrevocable letter of credit from an established financial institution, payable for as much as one-sixth (1/6) the estimated annual billings for services requested and, which can be drawn on for a minimum of two (2) years; but no less than the minimum deposit set forth in Section 21.2; or
- c) A surety bond issued by a reputable insurance company which can be drawn on for a minimum of 2 years.

10.6 FRANCHISE AGREEMENTS

To the extent the terms of a franchise agreement are inconsistent with this Section, the terms of the franchise agreement controls.

GAS MEASUREMENT

11.1 PRESSURE

The standard serving and measurement pressure shall be 4 ounces (0.25 psig) or 7" Water Column above the standard atmospheric pressure in the area served. The atmospheric pressure and the standard serving pressure determined to be the average in the cities and environs of the Rio Grande Valley Service Area are 14.40 psia and 14.65 psia, respectively.

The Consumer and the Company may, at the Company's option, agree to a higher serving pressure. Service regulators shall be set as close as practical to the standard serving pressure under a load

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condition of approximately 10 percent of meter capacity. Increases in serving pressure because of the inadequacy of the Consumer's facilities shall not be permitted.

11.2 UNIT OF MEASUREMENT

The standard unit of measurement shall be one hundred cubic feet (Ccf). A cubic foot shall be defined as the amount of gas which occupies a volume of one cubic foot at the standard serving pressure and at a temperature of 60 degrees Fahrenheit. Whenever the Company delivers gas at any pressure other than the standard serving pressure, volumes shall be corrected to the standard serving pressure in the manner provided in this Tariff, provided however, that such correction may be made to any other standard provided in the rate schedules or special agreement under which the Customer is served. The Company may, at its sole option, waive the correction of measurement for temperature deviation.

11.3 BILLING UNIT

Unless otherwise specified on the rate schedules or by special agreement, Customers shall be billed on the basis of Ccf measured at or corrected to the standard serving pressure. The index of the meter shall be the sole determinant of volumes passing through the meter. Whenever the meter reads directly in hundreds or smaller units, a reading of one-half a billing unit or more (500 Ccf or more) shall be considered a whole billing unit. Readings of less than one-half a unit shall be disregarded for billing. In those cases in which heating value is used as the billing unit, the calculation of the heating value in BTU's shall be made in accordance with Section 11.7 of this Tariff.

11.4 PRESSURE CORRECTION - STANDARD METERING

Whenever gas is delivered to any Customer served under a rate schedule which provides for standard metering, the Company shall correct actual volumes measured to volumes which would have been measured if the gas had been delivered at the standard serving pressure. Corrections shall be made by one of the following methods:

- a) The Company may install pressure or pressure and temperature compensating measurement equipment whenever the cost of this equipment is justified by the volumes served. Such measurements shall be equipped with devices which mechanically or electronically correct the actual measured volumes in accordance with Boyle's Law. Variations in actual atmospheric pressure shall not be considered.
- b) The Company may use factor billing whenever the volumes to be delivered are too small to justify special metering. The factor shall be determined by dividing the actual serving pressure by the standard serving pressure, both expressed in absolute units based on the standard atmospheric pressure in the area as specified in Section 11.1 hereof. This factor shall be applied to the measured volumes to determine the correct number of billing units.

11.5 METERING - SPECIAL POSITIVE DISPLACEMENT

Whenever gas is delivered to any Customer served under a rate schedule which provides for special metering and positive displacement or turbine type metering is used, all volumes shall be determined in accordance with the recommendations of the manufacturer of the meter. Meters may be read in actual volumes which shall then be corrected to the standard billing unit or may be furnished with



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devices designed to correct the actual volumes to the standard billing units. The following criteria shall be used in the correction of volumes or design and calibration of correcting devices:

- a) Pressure correction shall be made in accordance with Boyle's Law. Calculations based on pressure reading on a continuously recording chart shall use the average pressure indicated thereon applied to the measured volumes. Correcting devices shall be set at the specified serving pressure and the service regulators shall be adjusted as close to that pressure as practical. Corrections for deviations from Boyle's Law ("supercompressability") may be made whenever the volumes delivered justify the cost of making such corrections;
- b) The flowing temperature of the gas shall be assumed to be 60 degrees Fahrenheit unless temperature correction is provided. Corrections shall be made in accordance with Charles' Law.
- c) Whenever a continuously recording instrument is used, the average temperature indicated thereon shall be applied to the measured volumes. The specific gravity of the gas shall be assumed to be the value last indicated by test or reported by the upstream pipeline supplier prior to the installation of the metering facilities. Whenever subsequent reports or tests indicate significant changes in gravity, volume calculations shall be changed prospectively to reflect the new gravity.

11.6 METERING - SPECIAL ORIFICE

Whenever gas is delivered to any Customer served under a rate schedule with provisions for special metering and orifice metering is used, all volumes shall be determined in accordance with the recommendations for measuring gas contained in the American Gas Association's Gas Measurement Committee Report No. 3, Orifice Metering of Natural Gas (1992), and subsequent revisions thereof. Orifice meter charts shall be calculated using a standard integrating device or other method recognized in the industry. The following criteria shall be used in the correction of volumes or design and calibration of orifice metering:

- a) Correction for deviation of gas from Boyle's Law shall be made in accordance with Report No. 3.
- b) Temperature of gas passing the meter shall be assumed to be 60 degrees Fahrenheit unless suitable equipment has been installed to measure actual flowing temperature. The arithmetical average of the temperature recorded during each meter charge period while the gas is flowing shall be used in the computations of volumes during the period.
- c) The standard atmospheric pressure for the area served shall be used for measurement irrespective of any variation in the actual barometric pressure.
- d) The specific gravity of the gas shall be assumed to be the value last obtained in a spot test made with a gravity balance, impact type unit or other acceptable method. Tests shall be made as frequently as found necessary to assure accurate measurement.

11.7 BTU MEASUREMENT

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The heating value of gas for use in billing shall be defined as the gross thermal value of one cubic foot of gas at a pressure of 14.65 psia and temperature of 60 degrees Fahrenheit on a dry basis. The number of billing units delivered shall be determined by multiplying the heating value determined in accordance with this Section by the volumes delivered during the period, expressed in the same units and measured at, or corrected to 14.65 psia and 60 degrees Fahrenheit, and multiplying by the factor necessary to convert the heating value/measurement units to the billing units provided in the appropriate rate schedule. The heating value of the gas shall be determined using one of the following methods:

- a) Processing a continuous sample of the main stream at the meter location through a recording calorimeter of a standard type;
- b) Analysis of gas samples accumulated from the main stream at the meter location in a sample bottle of an approved type:
  - i) passing the sample through a recording calorimeter of a standard type;
  - ii) passing the sample through a flow calorimeter of a standard type; or
  - iii) passing the sample through a chromatograph to determine the chemical composition and calculating the total heating value from the sum of the constituents.

11.8 CUSTOMER-OWNED METERS

A Customer may install and operate a meter or any other device to measure gas volumes, pressure, temperature, BTU content or specific gravity downstream of the point of delivery. Unless expressly otherwise agreed to by the Company and Customer, however, the Company's meter and equipment shall be the sole determinant of volumes for Company's billing purposes.

METER READING AND ACCURACY

12.1 METER READING

Meters shall be read as nearly as may be practical on the same day of each calendar month. Whenever a reading of a general service meter is missed or the meter is not registering, the Company shall estimate the amount of gas used during the period. Such estimates shall be based on either -

- a) That Customer's use of gas during the same period(s) in previous years;
- b) That Customer's normal use of gas during preceding months; or
- c) The use of a similar Customer for the period missed.

If practical, an actual reading shall be made after two consecutive estimated bills. All meters in Special Service shall be read at least once a month. Whenever such a meter fails to register or is misread, the amount of gas used during the preceding period shall be estimated using data applicable to that Special Service Customer only. The Company will make a special reading of any meter upon request and payment of a service charge will be made in accordance with Section 21.1. The time of the special reading shall be agreed upon with the Customer so that he or she may be present. If the original reading was in error (subject to consumption between the two readings) the service charge will be refunded to the Customer.

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12.2 ACCESS TO THE METER

The Customer shall permit the Company safe access to the meter at all reasonable times for reading thereof and at all reasonable times for reading, maintenance, testing, or replacement of the meter. Upon the Customer's failure or refusal to grant such access, the Company may issue a written notice to the Customer, advising them the situation must be corrected and access granted within 20 days and that failure to do so can result in the disconnection of service and removal of the meter. Additional fees may apply and will be assessed to such Customer as specified in Section 21.1.

12.3 METER ACCURACY

The accuracy limit of all Company meters is established at two percent (2%) fast or slow. Any meter found to be registering outside of the limits of accuracy shall immediately be removed or repaired. As long as the meter is operating within the limits of accuracy, it shall be the conclusive determination as to the quantities of gas delivered to the Customer on whose service it is set.

12.4 METER TESTING AT CUSTOMER REQUESTS

The Company shall have the right to remove and/or test the meter used to determine the quantity of gas delivered. The Customer may request that the Company make a special test of the meter through which he or she is served. Requests for such tests shall be made in writing and the Company shall have 10 days after receipt of the request to remove the meter for testing or to test the meter in place. Tests on removed meters shall be conducted within a reasonable time. If the test is to be performed after the period of presumed accuracy listed by the manufacturer or if the test is to be performed for a residential or small commercial Customer for whom no such test has been performed within the previous four (4) years for the same Customer at the same location, no service charge will be assessed. Otherwise, the Customer shall pay a service charge for such test as specified in Section 21.1.

12.5 BILLING ADJUSTMENTS - GENERAL SERVICE

Whenever it has been determined that a meter reading and the subsequent billing has been in error, the Company shall recalculate the affected bill(s). If the date and amount of the error can be definitely fixed, the Company shall refund or may bill the affected Customer for the entire difference between the actual bills rendered and the amount which should have been billed. If a meter is found to have registered inaccurately (such as a meter found to be registering fast or slow), the Company shall refund or bill an amount equal to the difference between the actual bills rendered and the amount which would have been billed if the meter was 100 percent accurate during the time since the last previous test or six months, whichever is less. If the meter is found not to have registered, then the rebilling shall be limited to a three-month period previous to the time the meter is found not to be registering. The determination of amounts used but not metered is to be based on consumption during other like periods by the same Customer at the same location, when available, and on consumption under similar conditions at the same location or of other similarly situated Customers, when not available. Undercharges billed to the Customer may be repaid in a series of equal installments over a reasonable period of time. This Section shall not apply to meter errors found as a result of routine testing in the Company's or its designee's meter shop.

12.6 PROVISIONS FOR SPECIAL SERVICE

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The following modifications shall apply to the provisions of this Section for all Special Service rate schedules and service under special written agreements:

- a) Orifice and turbine meters shall be tested at least four times per year at intervals not to exceed 120 days. Should the Customer so elect, tests shall be made in the presence of his or her representative.
- b) Whenever a meter is found to be registering above or below the limits of accuracy, adjustment of the bill (either up or down) shall be limited to the monthly billing subsequent to the last meter test. The adjustment shall be made upon the basis of the best data available, using the first of the following methods, whichever is most appropriate:
  - i) by using registration of Customer's check meter(s);
  - ii) by correcting the error, if the percentage of error is ascertainable by calibration test or mathematical calculation; or
  - iii) by estimating the quantity of gas delivered by comparison with deliveries during the preceding period under similar conditions when accurate registration was obtained.

12.7 PERIODIC TESTS

The Company shall make periodic tests of meters, associated devices and instruments to assure their accuracy. Such tests shall be scheduled within the calendar year or earlier, when the interval is stated in years; or within the calendar month, or earlier when the interval is stated in months. The basic periodic test interval shall be no longer than provided for in the manufacturer's recommendations, a copy of which is available upon request.

BILLING AND PAYMENT OF BILLS

13.1 RENDERING OF BILLS

Bills for all service shall be rendered monthly as promptly as feasible after the meter has been read. Bills shall be due and payable in full on or before the due date, which shall be stated on the face of the bill and shall not be earlier than fifteen (15) days after the bill is mailed (including electronic mail). Bills shall be considered to have been rendered when deposited in the United States Mail with postage prepaid thereon or, when the customer has elected to receive billings via electronic mail, when the electronic document has been sent. Payment shall be considered received when the correct amount has been received through a company authorized payment method. If not paid by the date due, the bill shall be considered delinquent.

13.2 BILLING PERIOD

Bills shall be rendered at regular monthly intervals unless otherwise authorized or unless service is rendered for a period of less than a month.

13.3 ESTIMATED BILLS

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In the event any meter cannot be read at the end of the billing period, the Company shall bill the Customer on the basis of an estimated consumption determined in accordance with Section 12.1 of this Tariff. The next bill based on actual reading after an estimated bill shall make any corrections necessary to bring the Customer's account to a current status for the actual consumption.

13.4 DISPUTED BILLS

- a) In the event of a dispute between the Customer and the Company regarding the bill, the Company will make such investigation as is required by the particular case and report the results to the Customer. If the Customer wishes to obtain the benefits of subsection b) of this Section, notification of the dispute must be given to the Company prior to the date the bill becomes delinquent. In the event the dispute is not resolved, the Company shall inform the Customer of the complaint procedures of the appropriate regulatory authority.
- b) Notwithstanding any other subsection of this section, the Customer shall not be required to pay the disputed portion of the bill which exceeds the amount of that Customer's average usage for the billing period at current rates until the earlier of the following: resolution of the dispute or the expiration of the 60-day period beginning on the day the disputed bill is issued. For purposes of this section only, the Customer's average usage for the billing period shall be the average of the Customer's usage for the same billing period during the preceding two years. Where no previous usage history exists, the average usage shall be estimated on the basis of usage levels of similar Customers and under similar conditions.

13.5 PAYMENT RE-PROCESSING FEE

The Company may charge or add to the Customer's account and collect a fee (as provided in Section 21.1d) to recover costs for reprocessing any payment, including paper check, electronic transfer payment, and debit and credit card payment, that has been rejected or returned to the Company by the bank for any reason other than bank error.

13.6 E-BILL

The Customer may at its option receive bills and notices via electronic mail, thereby eliminating paper bills and notices.

13.7 ALTERNATIVE PAYMENT OPTIONS

The Company may, at its option and discretion, contract with vendors to provide various payment options to Customers for paying their bills for gas service and to collect such payments. These alternative payment options may be performed electronically, telephonically, and/or may include payment by automatic bank draft, credit card, debit card, check, or cash.

QUALITY OF GAS

14.1 HEATING VALUE

Gas delivered to Consumers in all service areas shall have an average gross heating value of at least 900 British Thermal Units per cubic foot measured when saturated with water vapor at a pressure of 14.65 psia and temperature of 60 degrees Fahrenheit. Gas of lesser heating value may be delivered

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for short periods, providing that the average heating value for the calendar month in which the reduction occurs is equal to or greater than the standard and that the burning characteristics of the gas are not significantly altered.

14.2 CHARACTER OF GAS

All gas furnished to Consumers in the Rio Grande Valley Service Area shall be of merchantable quality suitable for use in standard gas burning appliances. Merchantable quality shall mean that the gas must be commercially free from dust, resins, water and hydrocarbons in liquid form at the pressure and temperature at which the gas is delivered.

14.3 ODORIZATION

All gas shall be odorized with a chemical odorant at a sufficient rate to make it readily detectable. Gas containing enough natural odorant as prescribed by the Railroad Commission of Texas need not be odorized unless the odorant level drops below the acceptable level.

SERVICE WORK

15.1 CERTAIN SERVICES PROVIDED AT NO CHARGE

When a Customer or Consumer smells or detects natural gas and contacts the Company, the Company shall provide to the Consumer at no-charge to the Customer or Consumer leakage and pressure investigations to ensure that unsafe conditions do not exist. Where leakage or unsafe conditions are determined by the Company to be in the Customer's or Consumer's piping or equipment, the Customer or Consumer will be so advised and service will be discontinued until such time that all leakage and other unsafe conditions have been properly corrected by the Customer or Consumer. In addition, when service is initiated, gas air adjustments on a standard domestic and commercial gas range and water heater will be made.

Any other work performed on any Consumer's appliances or housepiping will be on a charge basis.

15.2 OTHER SERVICE

The Company may have personnel available for and may undertake other service work on the Consumer's premises on a charge basis, as time permits. Charges shall be made at the Company's standard rate in the Service Area and such work and the associated revenues and costs shall be considered non-utility.

15.3 EXPEDITED SERVICE

A Customer may request an expedited service. Charges may apply. (See Section 21 – Fees and Deposits)

15.4 NO ACCESS

A fee may be charged to a Customer who requests a specific time for service, if the Company agrees to the time, sends appropriate personnel to the appointed location and the Customer is not present to allow access to the premises. (See Section 21 – Fees and Deposits)

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15.5 MATERIALS OR EQUIPMENT FURNISHED BY THE COMPANY

The Company shall furnish and install the service pipe, and equipment related thereto, including meter valve and service regulator, from the Company's main to the Customer's meter. Although affixed to or buried in the Customer's property, the entire service line and meter set shall become the property of the Company and shall be operated and maintained by the Company.

15.6 MATERIALS OR EQUIPMENT FURNISHED BY THE APPLICANT

The Applicant shall furnish and install at his or her expense all piping, conversions of existing equipment, and appliances required to conduct and utilize the gas furnished by the Company. The adequacy, safety, and compliance with applicable codes and ordinances of piping, conversion equipment and appliances shall remain the responsibility of the Applicant and no action of the Company in accordance with this Tariff shall release the Applicant of the responsibility to furnish and install the facilities required by this Section.

15.7 CODES AND ORDINANCES

All piping, installations, and conversion equipment owned by the Applicant shall comply with all applicable federal, state, and city ordinances and shall be properly designed for the pressures and volumes to be handled. Where there are no appropriate ordinances, the applicable provisions of the National Fuels Gas Code 54; ANSI Z223.1, and any amendments thereto shall apply.

15.8 INSPECTIONS AND TESTS

The Company shall have the right to inspect new installations and/or conversions of appliances and equipment prior to initiation of service and to require any test or repair of the Applicant's facilities it deems necessary.

15.9 REFUSAL TO SERVE

The Company shall refuse service to any Applicant who refuses Company or Company's representatives access to or entry for observation or whose facilities do not comply with the applicable provision of this Tariff. The right to refuse service shall terminate upon satisfactory correction of the condition that was the cause for refusal. Initiation of service, however, shall not be considered acceptance or approval by the Company of such facilities.

MAINTENANCE OF EQUIPMENT

16.1 MAINTENANCE BY COMPANY

The Company shall maintain all facilities owned by it and shall be responsible for the safe conduct and handling of the gas until it passes the point of delivery. The Company's representative shall have the right to enter the Customer's premises at any reasonable time, in the event of an emergency at any time, to read the meter or make any necessary inspection, repair, adjustment, or replacement of any property owned by the Company.

16.2 MAINTENANCE BY THE CUSTOMER

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The Customer shall maintain all facilities owned by him or her and shall be responsible for the safe conduct and handling of the gas after it passes the point of delivery. The Customer shall remove, repair or adjust any Customer-owned property which may pose a threat of damage to the property of the Company. The Customer shall take all reasonable means to assure that no one other than an employee of the Company shall adjust, repair, disconnect or change the meter or other Company facilities in any way. In case of loss or damage to the Company's property from the negligence or willful acts of the Customer or Consumer or the Customer's or Consumer's representatives, the Customer will reimburse the Company for all costs of repairing or replacing the damaged property, including any costs of collection such as attorney's fees.

16.3 LEAKS - RIGHT TO DISCONNECT FOR

The Customer or Consumer shall give the Company notice of any leaking or escaping gas as soon as it is detected. Upon receipt of this notice, the Company shall investigate the matter as promptly as feasible under the circumstances. If the Company's test indicates leakage in the Customer's or Consumer's facilities, the Company shall have the right to disconnect service immediately until the Customer or Consumer has had the condition corrected. If leakage is found to be from Company owned facilities, the Company shall have the right to disconnect service for a reasonable period of time until it can be corrected by the Company. The Company shall have the right to disconnect service immediately if any of the Customer's or Consumers appliances or equipment is, in the Company's opinion, operating in an unsafe manner.

16.4 FACILITIES CURRENTLY OWNED BY THE CUSTOMER

Any facilities downstream of the meter installed by the Customer shall remain the property and responsibility of the Customer. Whenever the condition of the facility is such that replacement is required, the work shall be done by the Company pursuant to the provisions of Section 16.7 of this Tariff. New facilities will continue to be installed pursuant to Sections 7.1 and 7.2 of this Tariff.

16.5 RESPONSIBILITY

Nothing in this Section shall make the Company responsible for the safe upkeep of any Customer or Consumer-owned facilities.

16.6 RELOCATION OF COMPANY FACILITIES

- a) A charge of not more than actual cost may be made for relocating a meter or other Company equipment on the same premises at the request of the Customer or Consumer.
- b) If the Company shall for its own convenience and not for the safety or convenience of the Customer, change the point of delivery or change the location of its equipment on private property, the Company shall bear the expense.

16.7 REPLACEMENT OF CUSTOMER-OWNED PIPING

- a) When repair or replacement of Customer-owned piping becomes necessary due to deterioration of the line, damage to the line (except when caused by Customer or Customer's agent), relocation of the Company's distribution main, or for other safety reasons, the Company will relocate



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Customer's meter to the exterior of the building wall, as close as possible to the existing stub out (where piping exits the structure), and will replace the service piping up to the stub out. The Company will own and be responsible for all service piping from the main line to the meter, and Customer will own and be responsible for all piping from the meter to the building.

- b) The Customer may be billed for all costs of the meter relocate and pipeline replacement.
- c) In the absence of any provision contained in a deed of dedication authorizing the Company to install the service piping and meter on Customer's premises, the owner of the premises shall execute an agreement establishing the meter location, authorizing the Company to install or replace the line, and granting Company access for such work. If the Customer or owner of the premises refuses to give Company personnel or Company authorized personnel appropriate access to the property for purposes of installation, the Customer will retain responsibility for his/her facilities and shall bear the expense of any replacement or repairs.

DISCONTINUANCE OF SERVICE

17.1 BY CUSTOMER

The Customer shall be responsible for all charges for gas service from the time Customer gives notice of the intention to discontinue service until the Company has read the meter or for five working days from the date of such notice, whichever is the shorter period of time.

17.2 FOR NON-PAYMENT

The Company shall have the right to discontinue service to any Customer for non-payment of bills or other charges authorized by this Tariff or the applicable rate schedules, following the due date specified in Section 13.1 hereof. Before discontinuing service for non-payment, the Company shall mail a separate written notice to the Customer in English and Spanish with the words "TERMINATION NOTICE" or similar language prominently displayed. This notice shall include a telephone number to contact the Company, the amount of the delinquent bill and the date by which the bill must be paid to avoid disconnection; and a statement of how to contact the Company in case of illness or other emergency. If a representative of the Company makes an attempt to collect a past due amount, a collection fee per visit shall be assessed to such Customers as specified in Section 21.1.

No Customer shall be disconnected for non-payment:

- a) Within a period of 5 working days after mailing of the notice or the day following the date indicated in the notice, whichever is the later time.
- b) After full payment of the delinquent bill except when there is not sufficient time to advise Company's service personnel of receipt of the payment.
- c) Before 7:00 AM or after 7:00 PM on any day or on Friday, Saturday, Sunday, Holiday, or day before a holiday unless Company personnel are available the following day for the purpose of making collections or reconnecting service.
- d) If within 5 working days after the date of delinquency of the bill the Company receives a written request from the Customer not to discontinue service for health reasons and the request

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is accompanied by a written statement from a licensed physician. Upon receipt of such request, the Company will suspend termination of service for a period up to 20 days. The Customer shall sign an installment agreement which provides for payment of such service along with timely payments for subsequent monthly billings.

17.3 SPECIAL CONDITIONS

The Company shall have the right to discontinue service to any Consumer for any of the following reasons:

- a) Without notice for the presence of what the Company considers to be an unsafe condition on the Consumer's premises or if an emergency exists;
- b) Without notice for willful destruction or damage to or tampering with the Company's property by the Consumer or by others with knowledge or negligence of the Consumer;
- c) Within 5 working days after written notice if the Consumer uses his or her equipment in any way which causes or creates a potential for adverse affect on the Company's service to others;
- d) Without notice if failure to curtail by such Consumer endangers the supply to Consumers in Priority Class A or B;
- e) 5 working days after written notice from the Company for refusal to grant Company personnel or its designee's access to the Consumer's premises at any reasonable time for any lawful purpose;
- f) 5 working days after written notice from the Company for use, sale or delivery of gas in violation of the provisions of this Tariff or violation of any applicable laws, orders or ordinances, provided that disconnection may be made without notice if the violation creates an unsafe condition;
- g) For Customers acquiring their own supplies of gas, the Company may discontinue service upon request of a Supplier, provided however, that the Supplier represents to the Company that notice has been given to the Customer by the Supplier of delinquency in payment at least five working days prior to Supplier's request for disconnection, and provided that Supplier agrees to indemnify and hold harmless the Company from any potential resulting liability;
- h) If a Customer fails to uphold the terms of an individual installment agreement or contract; or within 5 working days after written or electronic notice, for Consumers enrolled in e-bill, that any payment including paper check, electronic transfer payment, and debit or credit card payment, that has been rejected or returned to the Company by the bank.

17.4 RIGHT OF ENTRY

The Company shall have the right to enter the Consumer's premises at any reasonable time to shut off service in accordance with this Tariff and to remove its meter and any other Company property. If the Company is required to take legal action to enforce its rights hereunder, the Company shall be entitled to recover all of its necessary expenses and fees including, but not limited to attorneys' fees.

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17.5 ABANDONMENT OF SERVICE

Unless requested by the Customer, service shall not be abandoned (permanent disconnection of any Customer other than a temporary Customer) without permission of the Regulatory Authority. Failure of the Customer to request reinstitution of service within a reasonable period of time after disconnection shall be considered a request for permanent discontinuance of service.

RE-ESTABLISHMENT OF SERVICE

18.1 FOR NON-PAYMENT

When service has been disconnected for non-payment, the Company shall require that the Customer pay the total amount of his or her account then due plus the prescribed reconnect fee or make satisfactory arrangements for that payment before service is reinstituted. In addition, the Company shall require that the Customer re-establish satisfactory credit in accordance with Section 5 of this Tariff.

18.2 FOR OTHER REASONS

If disconnection has been made by the Company for reasons other than non-payment, service shall not be reinstated until the condition for which it was terminated has been corrected to the Company's satisfaction. The Customer shall also be required to pay a reconnect fee before service is turned on. When service has been disconnected at the Customer's request for a period of one year or more, the request for service shall be treated as a new application. When service has been disconnected for less than one year, the request shall be treated in the same manner as a disconnection for non-payment.

18.3 RECONNECTION

The Company shall restore service as soon as feasible after receipt of a reconnection request and compliance with the requirements of this Section. The Company shall charge a non-refundable reconnection fee for all Customers in accordance with Section 21.1. The restoration of service will be accomplished as expeditiously as scheduling permits. If the Customer requests service after hours or earlier than reconnection would otherwise be scheduled, the Company shall offer expedited service in accordance with Section 21.1. Customer shall be advised that an additional fee will be charged and must agree to pay such charge. In the event the Company is required to make more than one call because the reason for disconnection has not been properly corrected, the reconnect fee may be charged for each call made. No fee shall be charged for any reconnection made after disconnection due to Company's operation. See Section 21.1 for fees.

NOTICE

19.1 GENERAL

Notice is required for all matters in this Tariff other than billing and payment of bills, which shall be deemed to have been given by the Customer when a letter with postage prepaid has been deposited in the United States Mail addressed to the Company at the office specified on the front sheet of this Tariff, and to the Customer when addressed to Customer at his or her last known service address, or to either party when directly communicated to the other party in person or by telephone.

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AVERAGE BILL CALCULATION PLAN

20.1 DESCRIPTION-RESIDENTIAL

Any residential Customer may elect to participate in the Company's Average Bill Calculation Plan ("ABC Plan"), or as such ABC Plan may be modified from time to time for payment of charges for gas service. In the event the Company modifies the ABC Plan, the Company shall notify individual Customers of those changes when the Customer requests enrollment. In general, the conditions under which a Customer may participate in the ABC Plan are set forth below:

- a) The Company reserves the right to adjust the monthly ABC Plan payments of any Customer at any time for changes in conditions or rates;
- b) The Company shall advise each Customer in the ABC Plan of the monthly ABC Plan payment to be paid by the Customer. Each participating Customer will receive a regular monthly gas bill which will reflect actual consumption and charges for that billing month and the amount of any debit or credit balance before the payment of that month's ABC Plan payment. The Customer shall continue to pay the monthly ABC Plan payment amount each month for gas service, notwithstanding the current gas service charge shown on the bill;
- c) In addition to the monthly ABC Plan amount, any other charges incurred by the Customer shall be paid monthly when due;
- d) Interest shall neither be charged to the Customer on accrued ABC Plan debit balances nor paid by the Company on accrued ABC Plan credit balances;
- e) Any amount due the Customer or the Company will be settled and paid at the time a Customer, for any reason, ceases to be a participant in the ABC Plan;
- f) Any Customer's participation in the ABC Plan may be discontinued by the Company if the monthly plan payment has not been paid on or before the due date of the monthly plan payment; and
- g) If any Customer in the ABC Plan shall cease, for any reason, to participate in the ABC Plan, then the Company may deny that Customer's reentry into the ABC Plan until the following year.

FEES AND DEPOSITS

21.1 FEES

a) Initiation of Service:

- i) Connect: (Section 5.4) \$35.00

A connection fee shall be charged to any Applicant for the cost involved in initiation of service. This fee shall be charged when a meter is set and/or gas turned on.

- ii) Read-In: (Section 5.4) \$10.00

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A read-in fee shall be charged to any Applicant for the cost involved in initiation of service. This fee shall be charged when only a meter reading is required.

iii) Special Handling & Expedited Service: (Sections 5.4 and 15.3)

In addition to initiation of service fee above, a fee may be charged to any Applicant whose request to initiate service cannot be worked during normal business hours or requires special handling. Applicant must be advised that an additional fee will be charged and must agree to pay such charge. These charges include:

- |    |                  |        |
|----|------------------|--------|
| 1) | Special Handling | \$6.00 |
|----|------------------|--------|

The Company may, at Applicant or Customer's request, provide special handling in order to meet the Applicant or Customer's requirements. Special handling does not include calling the Applicant/Customer in advance or A.M. or P.M. scheduling.

- |    |                                     |         |
|----|-------------------------------------|---------|
| 2) | Expedited Service and Overtime Rate | \$67.50 |
|----|-------------------------------------|---------|

The Applicant or Customer's request for expedited service may be scheduled at any time to fit the Company's work schedule, and an Expedited Service charge shall be collected. The Company shall not be obligated to provide Expedited Service when the personnel and resources to do so are not reasonably available.

- |    |                          |                 |
|----|--------------------------|-----------------|
| b) | <u>Services - Others</u> | As stated below |
|----|--------------------------|-----------------|

Whenever service is furnished from the facilities of others and the Company must pay any special fees to the supplying Company, the Applicant may be requested to reimburse the Company for such charge.

- |    |                                                      |
|----|------------------------------------------------------|
| c) | <u>Customer Requested Meter Test:</u> (Section 12.4) |
|----|------------------------------------------------------|

| Positive Displacement          | <u>Charge</u> |
|--------------------------------|---------------|
| Up to 1500 cubic feet per hour | \$80.00       |
| Over 1500 cubic feet per hour  | \$100.00      |
| Orifice Meters                 |               |
| All sizes                      | \$100.00      |

- |    |                                                  |         |
|----|--------------------------------------------------|---------|
| d) | <u>Payment Re-processing Fee:</u> (Section 13.5) | \$25.00 |
|----|--------------------------------------------------|---------|

- |    |                                       |         |
|----|---------------------------------------|---------|
| e) | <u>Collection Fee:</u> (Section 17.2) | \$12.00 |
|----|---------------------------------------|---------|

A Collection Fee shall be charged to any Customer whose failure to respond to a termination notice necessitates the dispatch of a Company representative to attempt collection of payment from Customer.

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- f) Reconnect Fees: (Section 13.3) \$35.00

A reconnect fee shall be charged to any Customer whose service is terminated and then re-initiated unless terminated in error by the Company. This fee is the same as the Standard Initiation Fee charged for new service.

- (i) Regular Labor and After Hours Rates \$45.00 (Regular)  
\$67.50 (After Hours)

Charge for non-routine services including but not limited to repeat high bill investigations and building meter loops.

- g) Special Read: (Section 12.1) \$10.00

A special read fee shall be charged for customer requested reading of a meter of which estimated billing has been made. This is not in connection with Section 12.4.

- h) Meter Exchange (Customer Request): (Section 16.6) \$100.00 without ERT  
\$150.00 with ERT

A fee will be charged for customers requested meter exchanges when a meter is working properly or is done for the customer's convenience.

- i) Unauthorized Consumption (Section 16.2) \$20 plus expenses

Charges for the replacement of an illegally broken meter seal or locking device to the Customer who could be reasonably expected to benefit from gas service received through said meter.

- j) No Access Fee (Section 15.4) \$10.00

A fee charged to a Customer who schedules an appointment but fails to appear.

- k) Meter Removal Fee (Section 12.2) \$50.00

- l) Account Research Fee \$25.00/hr

A fee will be charged for Customer account information requiring research of accounting/billing information.

- m) Excess Flow Valve Installation Fee \$400.00

Pursuant to Code of Federal Regulations, §192.383(d) a fee for installation of an excess flow valve (EFV) will be assessed when a Customer requests such installation on the Customer's service line. The EFV will be installed at a date mutually agreeable to both Company and Customer, but after January 1, 2018. The Company reserves the sole right to conduct any required maintenance that may result from the installation. The customer shall be assessed a one-time installation fee.

TEXAS GAS SERVICE COMPANY  
Rio Grande Valley Service Area

- n)      Meter Tampering – Residential: (Section 16.2)      \$100.00

A fee will be charged to repeat customers who knowingly tamper with Company property (i.e. broken meter locks, broken stop cocks, tampered meter dials, and broken meter blind seals).

21.2    DEPOSITS

- a)      Advances: (Section 8.4)      As stated below

Estimated expenditure to serve the premises of new business beyond the existing distribution facilities of the Company.

- b)      Customer Deposits: (Section 10.1)      As stated below

Minimum deposit residential:      \$75.00  
Minimum non residential deposit:      \$250.00

**TEXAS GAS SERVICE COMPANY**  
**Rio Grande Valley Service Area**

**RATE SCHEDULE NO. 1-INC**  
**Page 1 of 4**

**COST OF GAS CLAUSE**

**A. APPLICABILITY**

This Cost of Gas Clause shall apply to all general service rate schedules of Texas Gas Service Company ("Company") in all its incorporated areas in the Rio Grande Valley Service Area including Alamo, Alton, Brownsville, Combes, Donna, Edcouch, Edinburg, Elsa, Harlingen, Hidalgo, La Feria, La Joya, La Villa, Laguna Vista, Los Fresnos, Lyford, McAllen, Mercedes, Mission, Palm Valley, Palmhurst, Palmview, Penitas, Pharr, Port Isabel, Primera, Progreso, Rancho Viejo, Raymondville, Rio Hondo, San Benito, San Juan, Santa Rosa, and Weslaco, Texas.

**B. DEFINITIONS**

1. Cost of Gas - The rate per billing unit or the total calculation under this clause, consisting of the Commodity Cost, the Reconciliation Component, any surcharges or refunds, Uncollectible Cost of Gas, and the revenue associated fees and taxes.
2. Commodity Cost - The Cost of Purchased Gas multiplied by the Purchase Sales Ratio plus an adjustment for any known and quantifiable under or over collection prior to the end of the reconciliation period.
3. Cost of Purchased Gas – The estimated cost for gas purchased by the Company from its suppliers or the estimated weighted average cost for gas purchased by the Company from all sources where applicable. Such cost shall include not only the purchase cost of natural gas, but shall also include all reasonable costs for services such as gathering, treating, processing, transportation, capacity and/or supply reservation, storage, balancing including penalties, and swing services necessary for the movement of gas to the Company's city gate delivery points. The cost of purchased gas may also include costs related to the purchase and transportation of Renewable Natural Gas (RNG). Renewable Natural Gas is the term used to describe pipeline-quality biomethane produced from biomass. The cost of purchased gas shall also include the value of gas withdrawn from storage and shall include gains or losses from the utilization of natural gas financial instruments which are executed by the Company in an effort to mitigate price volatility.
4. Reconciliation Component - The amount to be returned to or recovered from customers each month from December through August as a result of the Reconciliation Audit.
5. Reconciliation Audit - An annual review of the Company's books and records for each twelve-month period ending with the production month of August to determine the amount of over or under collection occurring during such twelve-month period. The audit shall determine: (a) the total amount paid for gas purchased by the Company (per Section B(3) above) to provide



**TEXAS GAS SERVICE COMPANY**  
**Rio Grande Valley Service Area**

**RATE SCHEDULE NO. 1-INC**  
**Page 2 of 4**

**COST OF GAS CLAUSE**  
**(Continued)**

service to its general service customers during the period, including prudently incurred gains or losses on the use of natural gas financial instruments, (b) the revenues received from operation of the provisions of this cost of gas clause reduced by the amount of revenue associated fees and taxes paid by the Company on those revenues, (c) the total amount of refunds made to customers during the period and any other revenues or credits received by the Company as a result of relevant gas purchases or operation of this Cost of Gas Clause, (d) the total amount accrued during the period for imbalances under the transportation rate schedule(s) net of fees and applicable taxes, (e) the total amount of Uncollectible Cost of Gas during the period and (f) an adjustment, if necessary, to remove lost and unaccounted for gas during the period for volumes in excess of five (5) percent of purchases.

6. Purchase/Sales Ratio - A ratio determined by dividing the total volumes purchased by general service customers during the twelve (12) month period ending June 30 by the sum of the volumes sold to general service customers. For the purpose of this computation all volumes shall be stated at 14.65 psia. Such ratio as determined shall in no event exceed 1.0526 i.e.  $1/(1 - .05)$  unless expressly authorized by the applicable regulatory authority.
7. Reconciliation Account - The account maintained by the Company to assure that over time it will neither over nor under collect revenues as a result of the operation of the Cost of Gas Clause. Entries shall be made monthly to reflect: (a) the total amounts paid to the Company's supplier(s) for gas applicable to general service customers as recorded on the Company's books and records (per Section B(3) above), including prudently incurred gains or losses on the use of natural gas financial instruments, (b) the revenues produced by the operation of this Cost of Gas Clause, (c) refunds, payments, or charges provided for herein or as approved by the regulatory authority, (d) amounts accrued pursuant to the treatment of imbalances under any transportation rate schedule(s), and (e) total amount of Uncollectible Cost of Gas during the period.
8. Uncollectible Cost of Gas – The amounts actually written off after the effective date of this rate schedule related to cost of gas.

**C. COST OF GAS**

In addition to the cost of service as provided under its general service rate schedules, the Company shall bill each general service customer for the Cost of Gas incurred during the billing period. The Cost of Gas shall be clearly identified on each customer bill.

**TEXAS GAS SERVICE COMPANY**  
**Rio Grande Valley Service Area**

**RATE SCHEDULE NO. 1-INC**  
**Page 3 of 4**

**COST OF GAS CLAUSE**  
**(Continued)**

**D. DETERMINATION AND APPLICATION OF THE RECONCILIATION COMPONENT**

If the Reconciliation Audit reflects either an over-recovery or under-recovery of revenues, such amount, plus or minus the amount of interest calculated pursuant to Section E below, if any, shall be divided by the general service sales volumes, adjusted for the effects of weather, growth, and conservation for the period beginning with the December billing cycle through the August billing cycle preceding the filing of the Reconciliation Audit. The Reconciliation Component so determined to collect any revenue shortfall or to return any excess revenue shall be applied, subject to refund, for a nine (9) month period beginning with the December billing cycle and continuing through the next August billing cycle at which time it will terminate.

**E. INTEREST ON FUNDS**

Concurrently with the Reconciliation Audit, the Company shall determine the amount by which the Cost of Gas was over or under collected for each month within the period of audit. The Company shall debit or credit to the Reconciliation Account for each month of the reconciliation period: (1) an amount equal to the outstanding over collected balance multiplied by interest of 6 % per annum compounded monthly; or (2) an amount equal to the outstanding under collected balance multiplied by interest of 6 % per annum compounded monthly. The Company shall also be allowed to recover a carrying charge calculated based on the arithmetic average of the beginning and ending balance of gas in storage inventory for the prior calendar month times the authorized rate of return of 7.35 %.

**F. SURCHARGE OR REFUND PROCEDURES**

In the event that the rates and charges of the Company's supplier are retroactively reduced and a refund of any previous payments is made to the Company, the Company shall make a similar refund to its general service customers. Similarly, the Company may surcharge its general service customers for retroactive payments made for gas previously delivered into the system. Any surcharge or refund amount will be included in the Reconciliation Account.

Refunds or charges shall be entered into the Reconciliation Account as they are collected from or returned to the customers. For the purpose of this Section F, the entry shall be made on the same basis used to determine the refund or charge component of the Cost of Gas and shall be subject to the calculation set forth in Section (E) Interest on Funds, above.

**G. COST OF GAS STATEMENT**

The Company shall file a Cost of Gas Statement with the Regulatory Authority by the beginning of each billing month. The Cost of Gas Statement shall set forth: (a) the estimated Cost of Purchased

**TEXAS GAS SERVICE COMPANY**  
**Rio Grande Valley Service Area**

**RATE SCHEDULE NO. 1-INC**  
**Page 4 of 4**

**COST OF GAS CLAUSE**  
**(Continued)**

Gas; (b) that cost multiplied by the Purchase/Sales Ratio; (c) the amount of the Cost of Gas caused by any surcharge or refund; (d) the Reconciliation Component; (e) the revenue associated fees and taxes to be applied to revenues generated by the Cost of Gas; (f) the Cost of Gas calculation, including gains and losses from hedging activities for the month; and (g) the beginning and ending date of the billing period. The statement shall include all data necessary for the Regulatory Authority to review and verify the calculations of the Cost of Gas.

**H. ANNUAL RECONCILIATION REPORT**

The Company shall file an Annual Reconciliation Report with the Regulatory Authority which shall include, but not necessarily be limited to:

1. A tabulation of volumes of gas purchased and costs incurred by month for the twelve months ending August 31.
2. A tabulation of gas units sold to general service customers and related Cost of Gas clause revenues.
3. A description of all other costs and refunds made during the year and their effect on the Cost of Gas Clause to date.
4. A description of the imbalance payments made to and received from the Company's transportation customers within the service area, including monthly imbalances incurred, the monthly imbalances resolved, and the amount of the cumulative imbalance. The description should reflect the system imbalance and imbalance amount for each supplier using the Company's distribution system during the reconciliation period.
5. A description of Uncollectible Cost of Gas during the period and its effect on the Cost of Gas Clause to date.

This report shall be filed concurrently with the Cost of Gas Statement for December. If the Regulatory Authority determines that an adjustment to the Reconciliation Component is required, such adjustment shall be included in the Reconciliation Component for the next annual Reconciliation Audit following the date of such determination.

**TEXAS GAS SERVICE COMPANY**  
**Rio Grande Valley Service Area**

**RATE SCHEDULE T-1**  
**Page 1 of 2**

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**TRANSPORTATION SERVICE RATE**

**APPLICABILITY**

Applicable to customers who have elected Transportation Service not otherwise specifically provided for under any other rate schedule.

Service under this rate schedule is available for the transportation of customer-owned natural gas through the Company's distribution system. The customer must arrange with its gas supplier to have the customer's gas delivered to one of the Company's existing receipt points for transportation by the Company to the customer's facilities at the customer's delivery point. The receipt points shall be specified by the Company at its reasonable discretion, taking into consideration available capacity, operational constraints, and integrity of the distribution system.

**AVAILABILITY**

Natural gas service under this rate schedule is available to any individually metered, non-residential customer for the transportation of customer owned natural gas through the Company's Rio Grande Valley distribution system which includes the incorporated areas of Alamo, Alton, Brownsville, Combes, Donna, Edcouch, Edinburg, Elsa, Harlingen, Hidalgo, La Feria, La Joya, La Villa, Laguna Vista, Los Fresnos, Lyford, McAllen, Mercedes, Mission, Palm Valley, Palmhurst, Palmview, Penitas, Pharr, Port Isabel, Primera, Progreso, Rancho Viejo, Raymondville, Rio Hondo, San Benito, San Juan, Santa Rosa, and Weslaco, Texas. Such service shall be provided at any point on the Company's System where adequate capacity and gas supply exists, or where such capacity and gas supply can be provided in accordance with the applicable rules and regulations and at a reasonable cost as determined by the Company in its sole opinion.

**COST OF SERVICE RATE**

During each monthly billing period, a customer charge per meter per month listed by customer class as follows:

|                  |                     |
|------------------|---------------------|
| Commercial       | \$ 400.00 per month |
| Industrial       | \$ 400.00 per month |
| Public Authority | \$ 400.00 per month |

Plus – All Ccf per monthly billing period listed by customer class as follows:

|            |                      |                    |
|------------|----------------------|--------------------|
| Commercial | The First 5000 Ccf @ | \$ 0.31593 per Ccf |
|            | All Over 5000 Ccf @  | \$ 0.04346 per Ccf |

**TEXAS GAS SERVICE COMPANY**  
**Rio Grande Valley Service Area**

**RATE SCHEDULE T-1**  
**Page 2 of 2**

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**TRANSPORTATION SERVICE RATE**

**(Continued)**

|                  |                      |                    |
|------------------|----------------------|--------------------|
| Industrial       | The First 5000 Ccf @ | \$ 0.31229 per Ccf |
|                  | All Over 5000 Ccf @  | \$ 0.04346 per Ccf |
| Public Authority | The First 5000 Ccf @ | \$ 0.40819 per Ccf |
|                  | All Over 5000 Ccf @  | \$ 0.04346 per Ccf |

**ADDITIONAL CHARGES**

- 1) A charge will be made each month to recover the cost of taxes paid to the State of Texas pursuant to Texas Utilities Code, Chapter 122 as such may be amended from time to time which are attributable to the transportation service performed hereunder.
- 2) A charge will be made each month to recover the cost of any applicable franchise fees paid to the cities.
- 3) In the event the Company incurs a demand or reservation charge from its gas supplier(s) or transportation providers in the unincorporated areas of the Rio Grande Valley Service Area, the customer may be charged its proportionate share of the demand or reservation charge based on benefit received by the customer.
- 4) Adjustments in accordance with provisions of the Rate Case Expense Surcharge Rider RCE.
- 5) The billing shall reflect adjustments in accordance with provisions of the Pipeline Integrity Testing Rider, Rate Schedule PIT.

**SUBJECT TO**

- 1) Tariff T-TERMS, General Terms and Conditions for Transportation.
- 2) Transportation of natural gas hereunder may be interrupted or curtailed at the discretion of the Company in case of shortage or threatened shortage of gas supply from any cause whatsoever, to conserve gas for residential and other higher priority customers served. The curtailment priority of any customer served under this schedule shall be the same as the curtailment priority established for other customers served pursuant to the Company's rate schedule which would otherwise be available to such customer.
- 3) Subject to all applicable laws and orders, and the Company's rules and regulations on file with the regulatory authority.

**TEXAS GAS SERVICE COMPANY**  
**Rio Grande Valley Service Area**

**RATE SCHEDULE WNA**  
**Page 1 of 2**

**WEATHER NORMALIZATION ADJUSTMENT CLAUSE**

**APPLICABILITY**

The Weather Normalization Adjustment Clause (WNA) shall apply to the following general service rate schedules of Texas Gas Service Company in the Incorporated Areas of Alamo, Alton, Brownsville, Combes, Donna, Edcouch, Edinburg, Elsa, Harlingen, Hidalgo, La Feria, La Joya, La Villa, Laguna Vista, Los Fresnos, Lyford, McAllen, Mercedes, Mission, Palm Valley, Palmhurst, Palmview, Penitas, Pharr, Port Isabel, Primera, Progreso, Rancho Viejo, Raymondville, Rio Hondo, San Benito, San Juan, Santa Rosa, and Weslaco, Texas. Texas Rate Schedules 10, 20, and 40. The WNA shall be effective during the September through May billing cycles.

**PURPOSE**

The WNA refunds over-collections or surcharges under-collections of revenue due to colder or warmer-than-normal weather, as established in the Company's most recent rate filing.

**WNA MECHANISM**

In order to reflect weather effects in a timely and accurate manner, the WNA adjustment shall be calculated separately for each billing cycle and rate schedule. The weather factor, determined for each rate schedule in the most recent rate case, shows the effect of one heating degree day on consumption for that rate schedule. During each billing cycle, the weather factor is multiplied by the difference between normal and actual heating degree days for the billing period and by the number of customers billed. This WNA volume adjustment is priced at the current cost of service rate per Ccf to determine a WNA revenue adjustment, which is spread to the customers in the billing cycle on a prorata basis. The WNA for each billing cycle and rate schedule shall be based on the following formula:

$$\text{WNA Rate} = \frac{\text{WNAD}}{\text{CV}}, \text{ where}$$

WNAD = Weather Normalization Adjustment Dollars to be collected from each billing cycle and rate schedule. This factor shall be based on the following formula:

$$\text{WNAD} = (\text{HDD Diff} * \text{CB} * \text{WF}) * \text{COS rate, where}$$

HDD Diff = (Normal HDD – Actual HDD), the difference between normal and actual heating degree days for the billing period.

CB = Number of customers billed for the billing period.

**WEATHER NORMALIZATION ADJUSTMENT CLAUSE**  
**(Continued)**

Supersedes same Rate Schedule dated  
September 1, 2009 (Incorporated)

Meters Read On and After  
October 18, 2017

**TEXAS GAS SERVICE COMPANY**  
**Rio Grande Valley Service Area**

**RATE SCHEDULE WNA**  
**Page 2 of 2**

WF = Weather factor determined for each rate schedule in the most recent rate case.

Residential 0.07259; Commercial 0.98320; Church 0.09139; Public Authority 1.42468

CV = Current Volumes for the billing period.

**FILING WITH THE CITIES AND THE RAILROAD COMMISSION OF TEXAS (RRC)**

The Company will file monthly reports showing the rate adjustments for each applicable rate schedule. Supporting documentation will be made available for review upon request. By each October 1, the Company will file with the Cities and the RRC an annual report verifying the past year's WNA collections or refunds.

TEXAS GAS SERVICE COMPANY - RIO GRANDE VALLEY SERVICE AREA  
Test Year Ended December 31, 2016  
**Proof of Revenue - With Rate Schedule PIT**

| Line | Description<br>(a)                | Bills<br>(b) | Volumes<br>(c) | (d)        | Recommended Rates         |                         | Calculated Revenue at<br>Recommended Rates<br>(g) | Assigned<br>Revenue<br>(i) | Rounding<br>Diff.<br>(j) |
|------|-----------------------------------|--------------|----------------|------------|---------------------------|-------------------------|---------------------------------------------------|----------------------------|--------------------------|
|      |                                   |              |                |            | Customer<br>Charge<br>(e) | Usage<br>Charges<br>(f) |                                                   |                            |                          |
| 1    | Residential                       | 746,422      |                |            | \$ 15.52                  |                         | 11,584,465                                        |                            |                          |
| 2    | Residential Total                 |              | All Ccf        | 8,944,256  |                           | 0.44453                 | 3,975,990                                         |                            |                          |
| 3    |                                   |              |                |            |                           |                         | 15,560,455                                        | 15,560,488                 | (33)                     |
| 4    |                                   |              |                |            |                           |                         |                                                   |                            |                          |
| 5    | Commercial                        |              |                |            |                           |                         |                                                   |                            |                          |
| 6    | Commercial                        | 41,931       |                |            | \$ 70.00                  |                         | 2,935,157                                         |                            |                          |
| 7    | Commercial Church                 | 3,402        |                |            | \$ 40.00                  |                         | 136,068                                           |                            |                          |
| 8    | Commercial Total                  |              | All Ccf        | 17,977,986 |                           | 0.31593                 | 5,679,785                                         |                            |                          |
| 9    |                                   |              |                |            |                           |                         | 8,751,011                                         | 8,751,085                  | (75)                     |
| 10   |                                   |              |                |            |                           |                         |                                                   |                            |                          |
| 11   | Industrial                        | 562          |                |            | \$ 150.00                 |                         | 84,370                                            |                            |                          |
| 12   | Industrial Total                  |              | All Ccf        | 1,790,252  |                           | 0.31229                 | 559,078                                           |                            |                          |
| 13   |                                   |              |                |            |                           |                         | 643,448                                           | 643,447                    | 0                        |
| 14   |                                   |              |                |            |                           |                         |                                                   |                            |                          |
| 15   | Public Authority                  | 6,307        |                |            | \$ 45.00                  |                         | 283,815                                           |                            |                          |
| 16   | Public Authority Total            |              | All Ccf        | 1,965,782  |                           | 0.40819                 | 802,412                                           |                            |                          |
| 17   |                                   |              |                |            |                           |                         | 1,086,228                                         | 1,086,227                  | 1                        |
| 18   |                                   |              |                |            |                           |                         |                                                   |                            |                          |
| 19   | Transportation - Commercial       | 240          |                |            | \$ 400.00                 |                         | 96,000                                            |                            |                          |
| 20   | Transportation - Commercial       |              | First          | 1,185,015  |                           | 0.31593                 | 374,382                                           |                            |                          |
| 21   | Transportation - Commercial       |              | Over           | 2,609,528  |                           | 0.04346                 | 113,410                                           |                            |                          |
| 22   | Transportation - Industrial       | 444          |                |            | \$ 400.00                 |                         | 177,600                                           |                            |                          |
| 23   | Transportation - Industrial       |              | First          | 1,786,659  |                           | 0.31229                 | 557,956                                           |                            |                          |
| 24   | Transportation - Industrial       |              | Over           | 8,010,267  |                           | 0.04346                 | 348,126                                           |                            |                          |
| 25   | Transportation - Public Authority | 84           |                |            | \$ 400.00                 |                         | 33,600                                            |                            |                          |
| 26   | Transportation - Public Authority |              | First          | 409,919    |                           | 0.40819                 | 167,325                                           |                            |                          |
| 27   | Transportation - Public Authority |              | Over           | 473,112    |                           | 0.04346                 | 20,561                                            |                            |                          |
| 28   | Transportation Total              |              |                |            |                           |                         | 1,888,960                                         | 1,888,964                  | (4)                      |
| 29   | Total Revenue - All Classes       |              |                |            |                           |                         | 27,930,101                                        | 27,930,211                 |                          |
| 30   | Recommended Rate Revenue          |              |                |            |                           |                         | 25,733,032                                        | 25,733,032                 |                          |
| 31   | Current Rate Revenue              |              |                |            |                           |                         | 2,197,069                                         | 2,197,179                  | (110)                    |
| 32   | Revenue Change                    |              |                |            |                           |                         |                                                   |                            |                          |



**TEXAS GAS SERVICE COMPANY  
RIO GRANDE SERVICE AREA  
SETTLED DEPRECIATION/AMORTIZATION RATES FOR RATE FILING WITH TEST YEAR END DECEMBER 31, 2016**

**DEPRECIATION/AMORTIZATION RATES FOR RGVSA DIRECT, TGS DIVISION AND ONE GAS CORPORATE**

| LINE NO.                                | DESCRIPTION                                   | RGVSA DIRECT<br>ANNUAL<br>DEPR/AMORT<br>RATES<br>(a) | TGS DIVISION<br>ANNUAL<br>DEPR/AMORT<br>RATES<br>(b) | ONE GAS CORPORATE<br>ANNUAL<br>DEPR/AMORT<br>RATES<br>(c) |
|-----------------------------------------|-----------------------------------------------|------------------------------------------------------|------------------------------------------------------|-----------------------------------------------------------|
| <b>GATHERING AND TRANSMISSION PLANT</b> |                                               |                                                      |                                                      |                                                           |
| 1                                       | (366) Meas/Reg Station Structures             | 2.7900%                                              |                                                      |                                                           |
| 2                                       | (367) Mains                                   | 2.2900%                                              |                                                      |                                                           |
| 3                                       | (368) Compressor Station Equip                | 2.3500%                                              |                                                      |                                                           |
| 4                                       | (369) Measure/Reg. Station Equipment 2)       | 4.0500%                                              |                                                      |                                                           |
| 5                                       | (371) Other Equipment                         | 5.0400%                                              |                                                      |                                                           |
| <b>DISTRIBUTION PLANT</b>               |                                               |                                                      |                                                      |                                                           |
| 6                                       | (375.1) Structures & Improvements             | 2.4200%                                              |                                                      |                                                           |
| 7                                       | (376) Mains                                   | 1.8500%                                              |                                                      |                                                           |
| 8                                       | (376.9) Mains - Cathodic Protection Anodes 3) | 6.6667% (Note 1)                                     |                                                      |                                                           |
| 9                                       | (378) Meas. & Reg. Station - General          | 2.1400%                                              |                                                      |                                                           |
| 10                                      | (379) Meas. & Reg. Station - C.G.             | 1.7000%                                              |                                                      |                                                           |
| 11                                      | (380) Services                                | 2.3100%                                              |                                                      |                                                           |
| 12                                      | (381) Meters                                  | 3.8600%                                              |                                                      |                                                           |
| 13                                      | (382) Meter Installations                     | 3.8600%                                              |                                                      |                                                           |
| 14                                      | (383) House Regulators                        | 2.8800%                                              |                                                      |                                                           |
| 15                                      | (385) Indust. Meas. & Reg. Stat. Equipment    | 2.1100%                                              |                                                      |                                                           |
| 16                                      | (386) Other Property on Customer Premises     | 2.4400%                                              |                                                      |                                                           |
| <b>GENERAL PLANT</b>                    |                                               |                                                      |                                                      |                                                           |
| 17                                      | (390.1) Structures & Improvements             | 3.5100%                                              | 2.7700%                                              |                                                           |
| 18                                      | (390.2) Leasehold Equipment                   |                                                      | 17.3913%                                             | 10.1500%                                                  |
| 19                                      | (391.1) Office Furniture & Fixtures           | 6.6667%                                              | 6.6667%                                              | 6.6667%                                                   |
| 20                                      | (391.3) Office Machines                       |                                                      |                                                      | 5.0000%                                                   |
| 21                                      | (391.4) Audio Visual Equipment                |                                                      |                                                      | 20.0000%                                                  |
| 22                                      | (391.6) Purchased Software                    |                                                      |                                                      | 7.6923%                                                   |
| 23                                      | (391.6) Banner Software                       |                                                      |                                                      | 7.6923%                                                   |
| 24                                      | (391.6) PowerPlant System                     |                                                      |                                                      | 7.6923%                                                   |
| 25                                      | (391.6) Riskworks                             |                                                      |                                                      | 7.6923%                                                   |
| 26                                      | (391.6) Maximo                                |                                                      |                                                      | 7.6923%                                                   |
| 27                                      | (391.6) Dynamic Risk Assessment               |                                                      |                                                      | 7.6923%                                                   |
| 28                                      | (391.6) Concur Project                        |                                                      |                                                      | 7.6923%                                                   |
| 29                                      | (391.6) Journey-Employee Count                |                                                      |                                                      | 7.6923%                                                   |
| 30                                      | (391.6) Journey-Employee-ODC Distrigas        |                                                      |                                                      | 7.6923%                                                   |
| 31                                      | (391.6) Ariba Software                        |                                                      |                                                      | 7.6923%                                                   |
| 32                                      | (391.8) Micro Computer Software               |                                                      |                                                      | 20.0000%                                                  |
| 33                                      | (391.9) Computer & Equipment                  | 10.0000%                                             | 14.2857%                                             |                                                           |
| 34                                      | (392) Transportation Equipment                | 12.3000%                                             |                                                      |                                                           |
| 35                                      | (393) Stores Equipment                        | 6.6667%                                              |                                                      |                                                           |
| 36                                      | (394) Tools, Shop & Garage                    | 6.6667% (Note 2)                                     | 6.6667%                                              |                                                           |
| 37                                      | (394.1) Tools, Shop & Garage                  | 6.6667% (Note 2)                                     |                                                      |                                                           |
| 38                                      | (396) Major Work Equipment                    | 11.6800%                                             |                                                      |                                                           |
| 39                                      | (397) Communication Equipment                 | 6.6667%                                              | 6.6667%                                              | 5.0000%                                                   |
| 40                                      | (398) Miscellaneous General Plant             |                                                      | 6.6667%                                              |                                                           |

Note 1: The recommended amortization period for Acct 376.9 is 15 years. The test year plant balance includes vintages older than the amortization period of 15 years; therefore, an accrual rate of 5.4800% was utilized in the cost of service schedules. Once the amortization period is approved, the retirements will be made and Dr. White's recommended amortization of 15 years (or rate of 6.6667%) will be utilized to calculate depreciation expense.

Note 2: The recommended amortization period for Acct 394 and 394.1 is 15 years. The test year plant balance includes vintages older than the amortization period of 15 years; therefore, an accrual rate of 6.6200% was utilized in the cost of service schedules. Once the amortization period is approved, the retirements will be made and Dr. White's recommended amortization of 15 years (or rate of 6.6667%) will be utilized to calculate depreciation expense.

**RIO GRANDE VALLEY SERVICE AREA**  
**SETTLED NET PLANT FOR RATE FILING WITH TEST YEAR END DECEMBER 31, 2016**

**NET PLANT FOR RGVSA DIRECT, TGS DIVISION AND ONEGAS CORPORATE**

| LINE NO.                                      | DESCRIPTION | TOTAL RGVSA<br>PLANT<br>(a) | TOTAL RGVSA CCNC<br>(b) | TOTAL RGVSA<br>PLANT AND CCNC<br>(c) | TOTAL RGVSA<br>ACCUMULATED<br>RESERVES<br>(d) | TOTAL RGVSA NET<br>PLANT<br>(e) |
|-----------------------------------------------|-------------|-----------------------------|-------------------------|--------------------------------------|-----------------------------------------------|---------------------------------|
| <b>INTANGIBLE PLANT</b>                       |             |                             |                         |                                      |                                               |                                 |
| 1 (301) Organization                          | \$          | -                           | \$                      | -                                    | \$                                            | -                               |
| 2 (302) Franchises & Consents                 |             | -                           | -                       | -                                    | -                                             | -                               |
| 3 (303) Misc. Intangible                      |             | -                           | -                       | -                                    | -                                             | -                               |
| 4 Total Intangible Plant                      | \$          | -                           | \$                      | -                                    | \$                                            | -                               |
| <b>GATHERING AND TRANSMISSION PLANT</b>       |             |                             |                         |                                      |                                               |                                 |
| 5 (325) Land & Land Rights                    | \$          | -                           | \$                      | -                                    | \$                                            | -                               |
| 6 (327) Field Comprss Station Strcutres       |             | -                           | -                       | -                                    | -                                             | -                               |
| 7 (328) Field Meas/Reg Station Structures     |             | -                           | -                       | -                                    | -                                             | -                               |
| 8 (329) Other Structures                      |             | -                           | -                       | -                                    | -                                             | -                               |
| 9 (332) Field Lines                           |             | -                           | -                       | -                                    | -                                             | -                               |
| 10 (333) Field Compressor Station Equip       |             | -                           | -                       | -                                    | -                                             | -                               |
| 11 (336) Purification Equipment               |             | -                           | -                       | -                                    | -                                             | -                               |
| 12 (337) Other Equip                          |             | -                           | -                       | -                                    | -                                             | -                               |
| 13 (365) Land & Land Rights                   |             | 60,856                      | -                       | 60,856                               | -                                             | 60,856                          |
| 14 (366) Meas/Reg Station Structures          |             | 27,231                      | -                       | 27,231                               | (7,345)                                       | 19,886                          |
| 15 (367) Mains                                |             | 15,196,063                  | 1,654,346               | 16,850,409                           | 3,499,208                                     | 20,349,617                      |
| 16 (368) Compressor Station Equip             |             | 19,687                      | -                       | 19,687                               | (6,277)                                       | 13,410                          |
| 17 (369) Measure/Reg. Station Equipment       |             | 5,814,167                   | 486,056                 | 6,300,223                            | 606,042                                       | 6,906,265                       |
| 18 (371) Other Equipment                      |             | 53,866                      | 1,638                   | 55,504                               | 298                                           | 55,802                          |
| 19 (334) Field Meas/Reg Station Equipment     |             | -                           | -                       | -                                    | 0                                             | 0                               |
| 20 Total Gathering and Transmission Plant     | \$          | 21,171,871                  | \$                      | 2,142,040                            | \$                                            | 23,313,911                      |
| <b>DISTRIBUTION PLANT</b>                     |             |                             |                         |                                      |                                               |                                 |
| 21 (374) Land & Land Rights                   | \$          | -                           | \$                      | -                                    | \$                                            | -                               |
| 22 (374.1) Land & Land Rights                 |             | 4,952                       | -                       | 4,952                                | -                                             | 4,952                           |
| 23 (374.2) Land & Land Rights                 |             | 35,457                      | -                       | 35,457                               | (38,497)                                      | (3,040)                         |
| 24 (375) Structures & Improvements            |             | -                           | -                       | -                                    | (91,633)                                      | (91,633)                        |
| 25 (375.1) Structures & Improvements          |             | 114,218                     | -                       | 114,218                              | -                                             | 114,218                         |
| 26 (375.2) Other Distr Systems Struct         |             | -                           | -                       | -                                    | -                                             | -                               |
| 27 (376) Mains                                |             | 39,253,191                  | 2,119,017               | 41,372,208                           | (11,736,272)                                  | 29,635,936                      |
| 28 (376.9) Mains - Cathodic Protection Anodes |             | 6,330,140                   | -                       | 6,330,140                            | -                                             | 6,330,140                       |
| 29 (377) Compressor Station Equipment         |             | -                           | -                       | -                                    | -                                             | -                               |
| 30 (378) Meas. & Reg. Station - General       |             | 2,923,018                   | 127,404                 | 3,050,421                            | (43,120)                                      | 3,007,301                       |
| 31 (379) Meas. & Reg. Station - C.G.          |             | 799,981                     | 692,538                 | 1,492,519                            | 21,378                                        | 1,513,897                       |
| 32 (380) Services                             |             | 28,084,419                  | 359,200                 | 28,443,619                           | (6,290,501)                                   | 22,153,118                      |
| 33 (380.1) Ind Service Line Equip             |             | -                           | 53,820                  | 53,820                               | -                                             | 53,820                          |
| 34 (380.2) Comm Service Line Equip            |             | (3,147)                     | 79,584                  | 76,437                               | -                                             | 76,437                          |
| 35 (380.4) Yard Lines-Customer Svc            |             | -                           | 5,615                   | 5,615                                | -                                             | 5,615                           |
| 36 (380.6) Services - Tie-Ins Total           |             | -                           | -                       | -                                    | -                                             | -                               |
| 37 (381) Meters                               |             | 10,999,635                  | 103,163                 | 11,102,797                           | (5,548,068)                                   | 5,554,729                       |
| 38 (382) Meter Installations                  |             | -                           | 3,245                   | 3,245                                | (3,572)                                       | (327)                           |
| 39 (383) House Regulators                     |             | 3,361,895                   | 4,175                   | 3,366,069                            | (2,006,332)                                   | 1,359,738                       |
| 40 (385) Indust. Meas. & Reg. Stat. Equipment |             | 623,549                     | 208,813                 | 832,362                              | 167,365                                       | 999,728                         |
| 41 (386) Other Property on Customer Premises  |             | 6,144                       | -                       | 6,144                                | (6,144)                                       | -                               |
| 42 (387) Meas. & Reg. Stat. Equipment         |             | -                           | -                       | -                                    | -                                             | -                               |
| 43 Total Distribution Plant                   | \$          | 92,533,451                  | \$                      | 3,756,573                            | \$                                            | 96,290,024                      |
| <b>GENERAL PLANT</b>                          |             |                             |                         |                                      |                                               |                                 |
| 44 (389) Land & Land Rights                   |             | -                           | -                       | -                                    | -                                             | -                               |
| 45 (389.1) Land & Land Rights                 |             | 127,368                     | -                       | 127,368                              | -                                             | 127,368                         |
| 46 (390) Structures & Improvements            |             | -                           | -                       | -                                    | -                                             | -                               |
| 47 (390.1) Structures & Improvements          |             | 1,650,526                   | -                       | 1,650,526                            | (784,317)                                     | 866,209                         |
| 48 (390.2) Leasehold Improvements             |             | 116,353                     | 442                     | 116,795                              | (27,605)                                      | 89,190                          |
| 49 (391) Office Furniture & Equipment         |             | -                           | (22)                    | (22)                                 | -                                             | (22)                            |
| 50 (391.1) Office Furniture & Equipment       |             | 306,706                     | -                       | 306,706                              | (116,735)                                     | 189,970                         |

**RIO GRANDE VALLEY SERVICE AREA  
SETTLED NET PLANT FOR RATE FILING WITH TEST YEAR END DECEMBER 31, 2016**

**NET PLANT FOR RGVSA DIRECT, TGS DIVISION AND ONEGAS CORPORATE**

| LINE NO.    | DESCRIPTION                   | TOTAL RGVSA<br>PLANT  | TOTAL RGVSA CCNC    | TOTAL RGVSA<br>PLANT AND CCNC | TOTAL RGVSA<br>ACCUMULATED<br>RESERVES | TOTAL RGVSA NET<br>PLANT |
|-------------|-------------------------------|-----------------------|---------------------|-------------------------------|----------------------------------------|--------------------------|
|             |                               | (a)                   | (b)                 | (c)                           | (d)                                    | (e)                      |
| 51 (391.19) | Airplane Hanger Furniture     | -                     | -                   | -                             | -                                      | -                        |
| 52 (391.2)  | Data Processing Equipment     | -                     | -                   | -                             | -                                      | -                        |
| 53 (391.3)  | Office Machines               | 79,669                | -                   | 79,669                        | (6,173)                                | 73,496                   |
| 54 (391.4)  | Audio Visual Equipment        | 32,544                | 81,776              | 114,321                       | (8,973)                                | 105,348                  |
| 55 (391.5)  | Artwork                       | -                     | -                   | -                             | -                                      | -                        |
| 56 (391.6)  | Ariba Software                | 1,891                 | -                   | 1,891                         | (749)                                  | 1,143                    |
| 57 (391.6)  | Banner Software               | 1,527,018             | 125,770             | 1,652,788                     | (1,329,195)                            | 323,593                  |
| 58 (391.6)  | Concur Project                | 1,341                 | -                   | 1,341                         | (1,341)                                | -                        |
| 59 (391.6)  | Dynamic Risk Assessment       | -                     | -                   | -                             | -                                      | -                        |
| 60 (391.6)  | Journey-Employee Count        | 52,025                | -                   | 52,025                        | (12,456)                               | 39,570                   |
| 61 (391.6)  | Journey-Employee-ODC Dstrigas | 1,751,039             | -                   | 1,751,039                     | (290,901)                              | 1,460,138                |
| 62 (391.6)  | Maximo                        | 79,272                | -                   | 79,272                        | (40,528)                               | 38,744                   |
| 63 (391.6)  | PowerPlant System             | 20,832                | -                   | 20,832                        | (4,253)                                | 16,579                   |
| 64 (391.6)  | Purchased Software            | 1,215,411             | 161,375             | 1,376,786                     | (340,474)                              | 1,036,312                |
| 65 (391.6)  | Riskworks                     | -                     | -                   | -                             | -                                      | -                        |
| 66 (391.8)  | Micro Computer Software       | 76,210                | -                   | 76,210                        | (31,766)                               | 44,444                   |
| 67 (391.9)  | Computer & Equipment          | 1,782,687             | -                   | 1,782,687                     | (915,925)                              | 866,762                  |
| 68 (392)    | Transportation Equipment      | 3,018,607             | 202,674             | 3,221,281                     | (5,244)                                | 3,216,037                |
| 69 (392.2)  | Pickup Trucks & Vans          | -                     | 32,868              | 32,868                        | -                                      | 32,868                   |
| 70 (392.6)  | Aircraft                      | -                     | -                   | -                             | -                                      | -                        |
| 71 (393)    | Stores Equipment              | 13,701                | -                   | 13,701                        | (9,357)                                | 4,344                    |
| 72 (394)    | Tools, Shop & Garage          | 2,509,410             | 6,475               | 2,515,885                     | (1,086,779)                            | 1,429,106                |
| 73 (394.1)  | Tools                         | -                     | 66,822              | 66,822                        | -                                      | 66,822                   |
| 74 (394.2)  | Shop Equipment                | -                     | -                   | -                             | -                                      | -                        |
| 75 (395)    | CNG Equipment                 | -                     | -                   | -                             | -                                      | -                        |
| 76 (396)    | Major Work Equipment          | 367,978               | 26,348              | 394,326                       | -                                      | 394,326                  |
| 77 (397)    | Communication Equipment       | 4,432,667             | -                   | 4,432,667                     | (607,313)                              | 3,825,354                |
| 78 (397.2)  | Telephone Equipment           | -                     | -                   | -                             | -                                      | -                        |
| 79 (398)    | Miscellaneous General Plant   | -                     | -                   | -                             | 631                                    | 631                      |
| 80          | Total General Plant           | <u>\$ 19,163,254</u>  | <u>\$ 704,528</u>   | <u>\$ 19,867,782</u>          | <u>\$ (5,619,451)</u>                  | <u>\$ 14,248,331</u>     |
| 81          | Total Plant In Service        | <u>\$ 132,868,576</u> | <u>\$ 6,603,141</u> | <u>\$ 139,471,717</u>         | <u>\$ (27,102,922)</u>                 | <u>\$ 112,368,795</u>    |

**TEXAS GAS SERVICE COMPANY, A DIVISION OF ONE GAS, INC., STATEMENT OF  
INTENT TO INCREASE GAS UTILITY RATES WITHIN THE INCORPORATED  
AREAS OF THE RIO GRANDE VALLEY SERVICE AREA**

**AFFIDAVIT OF KATE NORMAN**

Before me, the undersigned authority, on this date personally appeared Kate Norman, known to me to be the person whose name is subscribed below, and being by me first duly sworn, stated upon oath as follows:

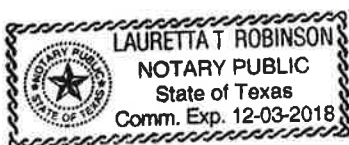
1. “My name is Kate Norman. I am over 18 years of age, of sound mind and fully competent to make this affidavit. Each statement of fact herein is true and of my own personal knowledge.
2. I am a partner with the Austin, Texas law firm of Parsley Coffin Renner LLP and have practiced law in Travis County since 2005. I have extensive experience representing and defending clients before the Railroad Commission of Texas (“Commission”) and Public Utility Commission of Texas.
3. I am counsel of record for Texas Gas Service Company, a division of ONE Gas, Inc. (“TGS” or the “Company”) for its Statement of Intent to Increase Gas Utility Rates Within the Incorporated Areas of the Rio Grande Valley Service Area (“RGVSA”). My firm was engaged to assist in the presentation of the Company’s rate filing involving the RGVSA, which was filed with the cities of Alamo, Alton, Brownsville, Combes, Donna, Edcouch, Edinburg, Elsa, Harlingen, Hidalgo, La Feria, Laguna Vista, La Joya, La Villa, Los Fresnos, Lyford, McAllen, Mercedes, Mission, Palm Valley, Palmhurst, Palmview, Penitas, Pharr, Port Isabel, Primera, Progreso, Rancho Viejo, Raymondville, Rio Hondo, San Benito, San Juan, Santa Rosa, and Weslaco, Texas on June 15, 2017. Attached to this Affidavit are invoices supporting the \$250,854 in rate case expenses incurred by TGS in this proceeding and which TGS seeks to recover through a surcharge for Company, consultant and legal expenses through August 31, 2017. This amount includes legal expenses incurred preparing the filing, expenses incurred by professional consultants retained to provide testimony, public notice costs, and incidental expenses. The invoices are detailed and itemized and support \$75,957.55 in actual legal expenses, \$120,538.73 in actual consulting expenses and \$54,358.21 in actual Company expenses.
4. I have reviewed the billings of Parsley Coffin Renner LLP submitted to TGS for legal services performed in this proceeding, and I affirm that those billings accurately reflect the time spent and expenditures incurred by Parsley Coffin Renner LLP on TGS’s behalf. The charges and rates of my firm are reasonable and consistent with those billed by others for similar work, and the rates are comparable to rates charged by other professionals with the same level of expertise and experience. The hours spent to perform the tasks assigned to Parsley Coffin Renner LLP were necessary to complete those tasks in a professional manner on a timely basis and the nature of the work performed is typical of a rate proceeding such as this case. The nature of this work included the preparation of testimony and other aspects of the Company’s rate filing package, answering discovery questions, and addressing settlement issues. There was no duplication of services, and the Company’s request for a rate change was warranted.

Further, the work was relevant and reasonably necessary to the proceeding, and the complexity and expense of the work was commensurate with both the complexity of the issues in the proceedings and the amount of the rate increase sought and granted.

5. In addition to the amounts incurred through August 31, 2017, TGS has and will continue to incur additional expenses for work performed to finalize settlement documents and seek approval of the settlement agreement by the RGV Cities of Alamo, Alton, Brownsville, Edcouch, Edinburg, Elsa, Harlingen, Hidalgo, La Feria, Laguna Vista, Los Fresnos, Lyford, McAllen, Mercedes, Mission, Palm Valley, Palmhurst, Pharr, Port Isabel, Rancho Viejo, San Benito, and Weslaco, Texas. Based on my experience in administrative proceedings, including proceedings in which the parties seek approval of a Unanimous Settlement Agreement as in this case, I estimate those expenses from September 1, 2017 through completion of the case will be approximately \$35,000, bringing the total amount of actual and estimated TGS costs necessary to complete this proceeding to \$285,854.
6. In addition to legal expenses, TGS incurred other rate case expenses, which included expenses incurred by professional consultants retained to provide testimony, preparation of the filing, public notice, responding to discovery, and incidental expenses. Actual detailed and itemized invoices supporting these expenses through August 31, 2017 are attached. The total amount of other rate case expenses incurred through August 31, 2017, is \$174,896.94.
7. No portion of the fees or expenses that TGS seeks to recover is or will be for luxury items, such as limousine service, sporting events, alcoholic beverages, hotel movies, or other entertainment. The charges for copies, printing, overnight courier service, transcripts, and other expenses and costs were necessary for the prosecution of the case and are reasonable.
8. TGS's total amount of rate case expenses as reflected in the Unanimous Settlement Agreement and for which TGS requests recovery is \$285,854, which includes \$35,000 in estimated expenses.
9. TGS seeks recovery only of those expenses that are actually incurred, and any rate case expense surcharge will collect from ratepayers only the amount actually incurred and authorized for recovery. I note, however, that the estimated expenses presume approval of the Unanimous Settlement Agreement. TGS reserves the right to revise this estimate to the extent that additional litigation becomes necessary."

  
\_\_\_\_\_  
Kate Norman

**SWORN TO AND SUBSCRIBED** before me on this 27<sup>th</sup> day of September 2017, by Kate Norman.



  
\_\_\_\_\_  
Notary Public in and for the State of Texas

**Reliance Energy Services, LLC.**

Keweenaw Centre Ct., Ste 110  
Keweenaw, TX 78734  
45-2804221

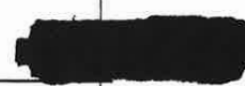
Phone # 512-261-4152  
Fax # 512-233-2597

| Date      | Invoice # |
|-----------|-----------|
| 4/30/2017 | 111808    |

**Bill To**

Texas Gas Services  
Attn: Stacey McTaggart  
1301 S. Mopac Expressway, Suite 400  
Austin, TX 78746

| Due Date  | Project       |
|-----------|---------------|
| 4/30/2017 | RGV Rate Case |

| Serviced                                            | Resource                                                                            | Description                                                                                         | Qty  | Rate         | Amount          |
|-----------------------------------------------------|-------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------|------|--------------|-----------------|
| 1/31/2017                                           | JMS                                                                                 | Phone call with Stacey B. re rate case timeline.                                                    | 0.25 | 165.00       | 41.25           |
| 3/22/2017                                           | JMS                                                                                 | Update ADIT calculation to include Stacey B. adjustments to plant and accumulated depreciation.     | 0.5  | 165.00       | 82.50           |
| 3/23/2017                                           | JMS                                                                                 | Adjust update for difference in corporate allocation factors. Send update ADIT amounts to Stacey B. | 0.75 | 165.00       | 123.75          |
| 4/21/2017                                           | JMS                                                                                 | Draft RGV rate case ADIT testimony and send to team.                                                | 1    | 165.00       | 165.00          |
| 2017 RIO GRANDE VALLEY SA IS RATE CASE TYE DEC 2016 |                                                                                     |                                                                                                     |      |              |                 |
| 091.082.7700.010002 Task: 718662                    |                                                                                     |                                                                                                     |      |              |                 |
| Consultants                                         |                                                                                     |                                                                                                     |      |              |                 |
| Exp. org: 7022                                      |                                                                                     |                                                                                                     |      |              |                 |
| X                                                   |  |                 |      |              |                 |
| Thank you for your business.                        |                                                                                     |                                                                                                     |      | <b>Total</b> | <b>\$412.50</b> |

**Reliance Energy Services, LLC.**

Highway Centre Ct., Ste 110  
Highway, TX 78734  
45-2804221

Phone # 512-261-4152  
Fax # 512-233-2597

| Date      | Invoice # |
|-----------|-----------|
| 5/31/2017 | 111818    |

**Bill To**

Texas Gas Services  
Attn: Stacey McTaggart  
1301 S. Mopac Expressway, Suite 400  
Austin, TX 78746

| Due Date  | Project       |
|-----------|---------------|
| 5/31/2017 | RGV Rate Case |

| Served                                                                                                                           | Resource                                                                            | Description                                                                          | Qty  | Rate         | Amount          |
|----------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------|------|--------------|-----------------|
| 5/8/2017                                                                                                                         | JMS                                                                                 | Respond to e-mail from Stacey B.                                                     | 0.5  | 165.00       | 82.50           |
| 5/9/2017                                                                                                                         | JMS                                                                                 | Conference call re testimony.                                                        | 0.75 | 165.00       | 123.75          |
| 5/10/2017                                                                                                                        | JMS                                                                                 | Updates to testimony.                                                                | 3.25 | 165.00       | 536.25          |
| 5/18/2017                                                                                                                        | JMS                                                                                 | Review e-mail from Stacey re testimony. Make revision and send to team.              | 1.5  | 165.00       | 247.50          |
| <p>2017 Rio Grande Valley I/S Rate Case TYE Dec 2016<br/>091.082.7700.010002 Task: 718662<br/>Consultants<br/>Exp. org: 7022</p> |                                                                                     |                                                                                      |      |              |                 |
| X                                                                                                                                |  |  |      |              |                 |
| Thank you for your business.                                                                                                     |                                                                                     |                                                                                      |      | <b>Total</b> | <b>\$990.00</b> |

FINANCIAL CONCEPTS AND APPLICATIONS, INC.  
3907 RED RIVER  
AUSTIN, TEXAS 78751

(512) 458-4644

fincap@texas.net  
Fax (512) 458-4768

April 30, 2017

Ms. Stacey L. McTaggart  
Director of Financial and Regulatory Analysis  
Texas Gas Services Company  
1301 South MoPac Boulevard  
Suite 400  
Austin, Texas 78746

**DUE ON RECEIPT**

Reference No.: 01843  
Taxpayer ID No.: [REDACTED]

**Consulting Services:**

Research, Analysis, and Testimony  
Preparation Re: Rate of Return for Texas Gas  
Service's Rio Grande Valley Service Area

For the Period:  
through April 30, 2017

**Professional Time:**

Bruce H. Fairchild  
14.5 hours @ \$ 400 \$ 5,800

**Total**

\$ 5,800

2017 Rio Grande Valley I/S Rate Case TYE Dec 2016  
091.082.7700.010002 Task: 718662  
Consultants  
Exp. org: 7022

*Bruce H. Fairchild*  
Bruce H. Fairchild

**Attachment**

X *[Signature]* [REDACTED]  
X *[Signature]* [REDACTED]



**FINCAP, INC.**  
**TIME LOG FOR TEXAS GAS SERVICE -- Rio Grande Valley**  
**February - April 2017**

| <b>Month</b>              | <b>Date</b> | <b>Description</b>                                     | <b>Time</b> |
|---------------------------|-------------|--------------------------------------------------------|-------------|
| <b>Bruce H. Fairchild</b> |             |                                                        |             |
| Feb                       | 2           | Call with SB re: RGV case participation and scheduling | 0.5         |
| Mar                       | 5           | Preparation of draft schedules                         | 1.0         |
|                           | 6           | Preparation of draft schedules                         | 4.0         |
|                           | 7           | Preparation of draft schedules                         | 1.0         |
|                           | 24          | Conference call re: preliminary analyses               | 1.0         |
| Apr                       | 11          | Preparation of draft testimony                         | 2.0         |
|                           | 13          | Preparation of draft testimony                         | 1.0         |
|                           | 27          | Preparation of final schedules                         | 1.5         |
|                           | 28          | Preparation of final schedules                         | 2.5         |
| <b>Total</b>              |             |                                                        | <b>14.5</b> |

FINANCIAL CONCEPTS AND APPLICATIONS, INC.  
3907 RED RIVER  
AUSTIN, TEXAS 78751

(512) 458-4644

fincap2@texas.net  
Fax (512) 458-4768

May 31, 2017

Ms. Stacey L. McTaggart  
Director of Financial and Regulatory Analysis  
Texas Gas Services Company  
1301 South MoPac Boulevard  
Suite 400  
Austin, Texas 78746

**DUE ON RECEIPT**

Reference No.: 01843  
Taxpayer ID No.: [REDACTED]

Consulting Services:

Research, Analysis, and Testimony  
Preparation Re: Rate of Return for Texas Gas  
Service's Rio Grande Valley Service Area

For the Period:  
May 1 through May 31, 2017

Professional Time:

Bruce H. Fairchild  
15.0 hours @ \$ 400 \$ 6,000

**Total**

**\$ 6,000**

2017 Rio Grande Valley I/S Rate Case TYE Dec 2016

091.082.7700-010002

Task: 718662

Consultants

Exp. org: 7022

*Bruce H. Fairchild*  
Bruce H. Fairchild

Attachment

X *[Signature]* [REDACTED]  
X *[Signature]* [REDACTED]

**FINCAP, INC.**  
**TIME LOG FOR TEXAS GAS SERVICE -- Rio Grande Valley**  
**May 2017**

| <b>Month</b>              | <b>Date</b> | <b>Description</b>                                            | <b>Time</b> |
|---------------------------|-------------|---------------------------------------------------------------|-------------|
| <b>Bruce H. Fairchild</b> |             |                                                               |             |
| May                       | 3           | Draft testimony                                               | 1.0         |
|                           | 4           | Draft testimony                                               | 3.5         |
|                           | 5           | Draft testimony and review schedules                          | 3.5         |
|                           | 8           | Draft testimony and review schedules                          | 1.0         |
|                           | 10          | Calls re: status of filing and schedule                       | 0.5         |
|                           | 12          | Preparation of final testimony and schedules                  | 1.0         |
|                           | 19          | Conference call; preparation of final testimony and schedules | 2.0         |
|                           | 23          | Finalize testimony and schedules, prepare workpapers          | 2.5         |
| <b>Total</b>              |             |                                                               | <b>15.0</b> |

**Foster Associates Consultants, LLC**

17595 S. Tamiami Trail, Suite 260  
Fort Myers, FL 33908

(239) 267-1600

**Invoice**

Invoice No: 1874

Date: 3/8/2017

Work Order No: 3355

**Bill To:**

Texas Gas Service  
Attn: Accounts Payable  
1301 South Mopac Expressway, Suite 400  
Austin, TX 78746

| Description                                                                                                                                                                                                                                           | Hours            | Rate   | Amount     |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------|--------|------------|
| For professional services rendered from January 1 through February 28, 2017 for telephone discussions, development of statements, review of prior filing and research of reserve transfers for the 2017 technical update for Texas Gas Service - RGV. |                  |        |            |
| Agreement No. ENTPSA-101-2014-11429-3<br>Contact: Stacey Metaggart                                                                                                                                                                                    |                  |        |            |
| Labor:                                                                                                                                                                                                                                                |                  |        |            |
| Senior Consultant                                                                                                                                                                                                                                     | 16.5             | 395.00 | 6,517.50   |
| Consultant                                                                                                                                                                                                                                            | 3.5              | 290.00 | 1,015.00   |
| 2017 Rio Grande Valley SA 11 Rate Case TYE Dec 2016<br>091.082.7700.010002 TASK: 718662<br>Consultants<br>Exp org: 7022<br><br>x [Signature] [Redacted]<br>x [Signature] [Redacted] 3/10/2017                                                         |                  |        |            |
|                                                                                                                                                                                                                                                       | TOTAL AMOUNT DUE |        | \$7,532.50 |

**Foster Associates Consultants, LLC**

17595 S. Tamiami Trail, Suite 260  
Fort Myers, FL 33908

(239) 267-1600

**Invoice**

Invoice No: 1893

Date: 4/13/2017

Work Order No: 3355

**Bill To:**

Texas Gas Service  
Attn: Accounts Payable  
1301 South Mopac Expressway, Suite 400  
Austin, TX 78746

| Description                                                                                                                                                                                                                                                 | Hours | Rate   | Amount      |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------|--------|-------------|
| For professional services rendered from March 1 through March 31, 2017 for database development and reconciliation including the development of the 2017 update and testimony for the Texas Gas RGV service area and conference calls regarding 2015 study. |       |        |             |
| Agreement No. ENTPSA-101-2014-11429-3<br>Contact: Stacey Metaggart                                                                                                                                                                                          |       |        |             |
| Labor:                                                                                                                                                                                                                                                      |       |        |             |
| Senior Consultant                                                                                                                                                                                                                                           | 67.5  | 395.00 | 26,662.50   |
| Consultant                                                                                                                                                                                                                                                  | 40    | 290.00 | 11,600.00   |
| Support Staff                                                                                                                                                                                                                                               | 2     | 130.00 | 260.00      |
| 2017 Rio Grande Valley 1/5 Rate Case TVE Dec. 2016<br>091.082.7700.010002 TASK: 718662<br>Consultants<br>Exp. Org: 7022<br>x [Signature] [Redacted]<br>x [Signature] [Redacted] 4/18/2017                                                                   |       |        |             |
| TOTAL AMOUNT DUE                                                                                                                                                                                                                                            |       |        | \$38,522.50 |

**Foster Associates Consultants, LLC**

17595 S. Tamiami Trail, Suite 260  
Fort Myers, FL 33908

(239) 267-1600

**Invoice**

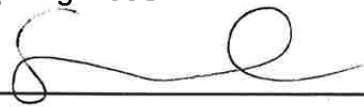
**Invoice No:** 1904

**Date:** 5/8/2017

**Work Order No:** 3355

**Bill To:**

Texas Gas Service  
Atten: Accounts Payable  
1301 South Mopac Expressway, Suite 400  
Austin, TX 78746

| Description                                                                                                                                                                                                                                                                                                                         | Hours                   | Rate             | Amount             |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------|------------------|--------------------|
| For professional services rendered from April 1 through April 30, 2017 for telephone consultations, preparation of testimony and work papers for the 2017 technical update for Texas Gas Service RGV.<br><br>Agreement No. ENTPSA-101-2014-11429-3<br>Contact: Stacey Metaggart<br><br>Labor:<br>Senior Consultant<br>Support Staff | 9<br>4                  | 395.00<br>130.00 | 3,555.00<br>520.00 |
| 2017 RIO GRANDE VALLEY SA IS RATE CASE TYE DEC 2016<br><br>091.082.7700.010002      Task: 718662<br>Consultants<br>Exp. org: 7022<br><br>X                    |                         |                  |                    |
|                                                                                                                                                                                                                                                                                                                                     | <b>TOTAL AMOUNT DUE</b> |                  | <b>\$4,075.00</b>  |

**Foster Associates Consultants, LLC**

17595 S. Tamiami Trail, Suite 260  
Fort Myers, FL 33908

(239) 267-1600

**Invoice**

Invoice No: 1932

Date: 6/8/2017

Work Order No: 3355

**Bill To:**

Texas Gas Service  
Atten: Accounts Payable  
1301 South Mopac Expressway, Suite 400  
Austin, TX 78746

| Description                                                                                                                                                                                                                                                                                                     | Hours            | Rate   | Amount     |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------|--------|------------|
| For professional services rendered from May 1 through May 31, 2017 for telephone consultations, testimony and exhibits for 2017 RGV technical update.<br><br>Agreement No. ENTPSA-101-2014-11429-3<br>Contact: Stacey Metaggart<br><br>Labor:<br>Senior Consultant                                              | 5.5              | 395.00 | 2,172.50   |
| 2017 RIO GRANDE VALLEY SA IS RATE CASE TYE DEC 2016<br>091.082.7700.010002      Task: 718662<br>Consultants<br>Exp. org: 7022<br><br>X   |                  |        |            |
|                                                                                                                                                                                                                                                                                                                 | TOTAL AMOUNT DUE |        | \$2,172.50 |

**F. Jay Cummings, Consulting Economist**

January 30, 2017

**INVOICE**

Re: 2017 Rio Grande Valley Rate Case

Billing Period: January 2017

**Billing Period Professional Services**

|                                                                      |               |
|----------------------------------------------------------------------|---------------|
| Fees for Professional Services                                       | \$ 4,666.66   |
| Federal Income Tax Withholding on Fees for Professional Services (1) | \$ (1,306.66) |
| Fees for Professional Services Net of Income Tax Withholding         | \$ 3,360.00   |

|                                           |             |
|-------------------------------------------|-------------|
| Reimbursable Expenses (receipts attached) | \$ -        |
| Total Payment Due for Billing Period (2)  | \$ 3,360.00 |

(1) Federal income tax withheld at a rate of 28% per Consulting Agreement Between Texas Gas Service, a Division of ONE Gas, Inc. and F. Jay Cummings, Consulting Economist, dated November 25, 2015. Tax withheld on behalf of Francis J. Cummings.

(2) Fees for Professional Services Net of Income Tax Withholding plus Reimbursable Expenses.  
Remit Total Payment Due payable to Francis J. Cummings to:

F. Jay Cummings  
2619 Colby Street, No. C  
Dallas, Texas 75204

017 Rio Grande Valley IS Rate Case TYE Dec. 2014

091.082.7700.010002 → \$4,666.66

Task: 718662

Consultants

Exp. org: 7022

(\$1,306.66) ← tax withholding  
091.0000.0000.2320120.00  
000000  
\$3,360.00

X 



**F. Jay Cummings, Consulting Economist**  
**2619 Colby Street, No. C**  
**Dallas, Texas 75204**

RE: 2017 Rio Grande Valley Rate Case

| <u>Date</u>                                               | <u>Description</u>                                                                                                                                                                       | <u>Hours</u> | <u>Amount</u>             |
|-----------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------|---------------------------|
| 1/2/2017                                                  | Prepare initial data requirements for class cost of service ("CCOS") study                                                                                                               | 1.00         | \$ 250.00                 |
| 1/3/2017                                                  | Telephone call with Teresa Serna re: CCOS study initial data requirements                                                                                                                | 0.75         | 187.50                    |
| 1/3/2017                                                  | Prepare CCOS study model template with links and classification and allocation factors consistent with GUD No. 10506                                                                     | 4.50         | 1,125.00                  |
| 1/4/2017                                                  | Prepare transportation rate design model, based on individual customer usage, accommodating rate consolidation with rate blocks; test revenue calculation accuracy with historical usage | 3.75         | 937.50                    |
| 1/7/2017                                                  | Prepare transportation rate design model, based on individual customer usage, accommodating rate consolidation with rate blocks; test revenue calculation accuracy with historical usage | 3.25         | 812.50                    |
| 1/24/2017                                                 | Review mains data and identify issues for resolution                                                                                                                                     | 0.50         | 125.00                    |
| 1/24/2017                                                 | Analyze January 2016 usage by class, review meters and regulators cost data, and prepare weighted meters and regulator factors by class                                                  | 2.33         | 583.33                    |
| 1/24/2017                                                 | Review services cost data and prepare weighted factors by class                                                                                                                          | 0.25         | 62.50                     |
| 1/26/2017                                                 | Review updated mains footage and cost date; prepare zero-intercept and minimum system studies for distribution mains                                                                     | 1.75         | 437.50                    |
| 1/27/2017                                                 | Telephone call with Stacey McTaggart re: case issues                                                                                                                                     | 0.25         | 62.50                     |
| 1/30/2017                                                 | Telephone call with Stacey Borgstadt, Sephanie Houle, Teresa Serna, and Crystal Turner re: case scheduling and issues                                                                    | 0.33         | 83.33                     |
| Total Professional Services                               |                                                                                                                                                                                          | 18.67        | \$ 4,666.66               |
| Federal Tax Withholding on Fees for Professional Services |                                                                                                                                                                                          |              | <u>\$ (1,306.66)</u>      |
| Fees for Professional Services Net of Tax Withholding     |                                                                                                                                                                                          |              | \$ 3,360.00               |
| Reimbursable Expenses (receipts attached):                |                                                                                                                                                                                          |              | \$ -                      |
| Billing Period Total Due (Net of Tax Withholding)         |                                                                                                                                                                                          |              | <u><u>\$ 3,360.00</u></u> |

**F. Jay Cummings, Consulting Economist**

March 1, 2017

**INVOICE**

Re: 2017 Rio Grande Valley Rate Case

Billing Period: February 2017

**Billing Period Professional Services**

|                                                                      |               |
|----------------------------------------------------------------------|---------------|
| Fees for Professional Services                                       | \$ 3,762.50   |
| Federal Income Tax Withholding on Fees for Professional Services (1) | \$ (1,053.50) |
| Fees for Professional Services Net of Income Tax Withholding         | \$ 2,709.00   |

Reimbursable Expenses (receipts attached) \$ -

Total Payment Due for Billing Period (2) \$ 2,709.00

(1) Federal income tax withheld at a rate of 28% per Consulting Agreement Between Texas Gas Service, a Division of ONE Gas, Inc. and F. Jay Cummings, Consulting Economist, dated November 25, 2015. Tax withheld on behalf of Francis J. Cummings.

(2) Fees for Professional Services Net of Income Tax Withholding plus Reimbursable Expenses.  
Remit Total Payment Due payable to Francis J. Cummings to:

F. Jay Cummings  
2619 Colby Street, No. C  
Dallas, Texas 75204

2017 Rio Grande Valley 15 Rate Case TVE Dec. 2016

0911.082.7700.010002 → \$3,762.50

Task: 718662

(1,053.50) ← Tax withholding

0911.0000.0000.2320120.00.00001

consultants

CP- org- 7022

\$ 2,709.00

**F. Jay Cummings, Consulting Economist**  
**2619 Colby Street, No. C**  
**Dallas, Texas 75204**

RE: 2017 Rio Grande Valley Rate Case

| Date                                                      | Description                                                                                                                                                                                                             | Hours | Amount                    |
|-----------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------|---------------------------|
| 2/16/2017                                                 | Prepare 10-year rate history by class for incorporated areas and the environs                                                                                                                                           | 1.50  | \$ 375.00                 |
| 2/21/2017                                                 | Review customer deposit, service order, and pay agreement data; prepare deposit and Account 903 allocation factors                                                                                                      | 0.75  | 187.50                    |
| 2/21/2017                                                 | Review odorization plant and expense data; incorporate data by account into the class cost of service ("CCOS") study model                                                                                              | 1.75  | 437.50                    |
| 2/21/2017                                                 | Prepare portions of draft direct testimony; research Railroad Commission orders, and outline issues to be addressed                                                                                                     | 3.50  | 875.00                    |
| 2/22/2017                                                 | Prepare class revenue allocation, rate design, proof of revenue, and customer bill impact model template                                                                                                                | 2.25  | 562.50                    |
| 2/28/2017                                                 | Review class weather normalization and billing determinant data and prepare system peak demand and non-residential demand allocation factors                                                                            | 1.00  | 250.00                    |
| 2/28/2017                                                 | Review proof of revenue by class and incorporate margin and unadjusted and adjusted volumes by class in the CCOS study model                                                                                            | 1.25  | 312.50                    |
| 2/28/2017                                                 | Review class service charge data from the call center and prepare class direct assignments of service charges with Company recommended charge changes                                                                   | 0.05  | 12.50                     |
| 2/28/2017                                                 | Incorporate class billing determinant data into rate design and customer bill impact model; prepare transportation rate design analysis template with and without consolidation of the two current transportation rates | 3.00  | 750.00                    |
| Total Professional Services                               |                                                                                                                                                                                                                         | 15.05 | \$ 3,762.50               |
| Federal Tax Withholding on Fees for Professional Services |                                                                                                                                                                                                                         |       | <u>\$ (1,053.50)</u>      |
| Fees for Professional Services Net of Tax Withholding     |                                                                                                                                                                                                                         |       | \$ 2,709.00               |
| Reimbursable Expenses (receipts attached):                |                                                                                                                                                                                                                         |       | \$ -                      |
| Billing Period Total Due (Net of Tax Withholding)         |                                                                                                                                                                                                                         |       | <u><u>\$ 2,709.00</u></u> |

**F. Jay Cummings, Consulting Economist**

April 1, 2017

**INVOICE**

Re: 2017 Rio Grande Valley Rate Case

Billing Period: March 2017

**Billing Period Professional Services**

|                                                                      |               |
|----------------------------------------------------------------------|---------------|
| Fees for Professional Services                                       | \$ 5,416.66   |
| Federal Income Tax Withholding on Fees for Professional Services (1) | \$ (1,516.66) |
| Fees for Professional Services Net of Income Tax Withholding         | \$ 3,900.00   |

Reimbursable Expenses (receipts attached) \$ 50.87

Total Payment Due for Billing Period (2) \$ 3,950.87

(1) Federal income tax withheld at a rate of 28% per Consulting Agreement Between Texas Gas Service, a Division of ONE Gas, Inc. and F. Jay Cummings, Consulting Economist, dated November 25, 2015. Tax withheld on behalf of Francis J. Cummings.

(2) Fees for Professional Services Net of Income Tax Withholding plus Reimbursable Expenses. Remit Total Payment Due payable to Francis J. Cummings to:

F. Jay Cummings  
2619 Colby Street, No. C  
Dallas, Texas 75204

017 Rio Grande Valley IS Rate Case Tye Dec. 2016

091.082.7700.010002 → \$5,416.53

Task: 718662

(\$1,516.66) ← Tax withholding

Consultants

091.0000.0000.2320120.00.000000

Exp. org: 7022

X  

**F. Jay Cummings, Consulting Economist**  
**2619 Colby Street, No. C**  
**Dallas, Texas 75204**

RE: 2017 Rio Grande Valley Rate Case

| <u>Date</u> | <u>Description</u>                                                                                                                                                                                                                                              | <u>Hours</u> | <u>Amount</u> |
|-------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------|---------------|
| 3/1/2017    | Prepare transportation rate design and bill impact model that incorporates both rate schedule consolidation and retention of separate T-1 and T-2 rates                                                                                                         | 1.50         | \$ 375.00     |
| 3/13/2017   | Telephone call with Teresa Serna re: case issues                                                                                                                                                                                                                | 0.33         | 83.33         |
| 3/15/2017   | Review service line composition data and incorporate into class allocation factor calculations                                                                                                                                                                  | 0.25         | 62.50         |
| 3/15/2017   | Review accounting schedule model and incorporate plant and expense account structure into class cost of service ("CCOS") study model                                                                                                                            | 2.00         | 500.00        |
| 3/15/2017   | Prepare preliminary links between accounting schedules and CCOS study plant, reserve, other rate base, operating expense, and depreciation expense components                                                                                                   | 2.75         | 687.50        |
| 3/15/2017   | Identify depreciation expense differences within the accounting schedules and communicate and explain source of some differences                                                                                                                                | 0.75         | 187.50        |
| 3/15/2017   | Analyze administrative and general expense components and incorporate into CCOS study model                                                                                                                                                                     | 0.50         | 125.00        |
| 3/15/2017   | Prepare preliminary class revenue allocation and rate design by class based on current accounting schedules and CCOS study                                                                                                                                      | 2.25         | 562.50        |
| 3/21/2017   | Telephone call with Stacey Borgstat re: case issues                                                                                                                                                                                                             | 0.33         | 83.33         |
| 3/23/2017   | Telephone call with Teresa Serna re: case issues                                                                                                                                                                                                                | 0.25         | 62.50         |
| 3/23/2017   | Telephone call with Stacey Borgstat re: case issues                                                                                                                                                                                                             | 0.50         | 125.00        |
| 3/23/2017   | Revise CCOS study model to incorporate revised accounting schedule cost components and to link to schedule components                                                                                                                                           | 0.67         | 166.67        |
| 3/23/2017   | Telephone call with Stacey McTaggart re: case issues                                                                                                                                                                                                            | 0.33         | 83.33         |
| 3/23/2017   | Update CCOS study model with revised accounting schedule entries; review and revise class revenue allocation and rate design                                                                                                                                    | 3.75         | 937.50        |
| 3/23/2017   | Telephone call with Stacey Borgstat, Stacey McTaggart, Teresa Serna, Janet Buchanan, Bo Harrison, Kenton Odom, and Rosemary Leath re: transportation and other tariff issues                                                                                    | 0.50         | 125.00        |
| 3/29/2017   | Telephone call with Teresa Serna re: case issues                                                                                                                                                                                                                | 0.50         | 125.00        |
| 3/29/2017   | Update transportation volumes by customer and links to rate design model                                                                                                                                                                                        | 0.25         | 62.50         |
| 3/30/2017   | Update CCOS study model with revised accounting schedule entries; review and revise class revenue allocation and rate design                                                                                                                                    | 1.00         | 250.00        |
| 3/30/2017   | Review and revise transportation rate design, including incorporation of effect on rate design of customers switching from T-1 to T-2 with design that retains two transportation rates and separate customer bills impacts with and without rate consolidation | 1.75         | 437.50        |
| 3/31/2017   | Review updated revenue, billing determinant, and accounting schedule files and incorporate into CCOS study and class revenue allocation and rate design model                                                                                                   | 0.50         | 125.00        |

Billing Period: March 2017

Page 2

**F. Jay Cummings, Consulting Economist**  
**2619 Colby Street, No. C**  
**Dallas, Texas 75204**

RE: 2017 Rio Grande Valley Rate Case

| <u>Date</u> | <u>Description</u>                                                                            | <u>Hours</u> | <u>Amount</u>             |
|-------------|-----------------------------------------------------------------------------------------------|--------------|---------------------------|
| 3/31/2017   | Review and revise transportation rate design calculations with and without rate consolidation | 1.00         | 250.00                    |
|             | Total Professional Services                                                                   | 20.17        | <u>\$ 5,416.66</u>        |
|             | Federal Tax Withholding on Fees for Professional Services                                     |              | <u>\$ (1,516.66)</u>      |
|             | Fees for Professional Services Net of Tax Withholding                                         |              | <u>\$ 3,900.00</u>        |
|             | Reimbursable Expenses (receipts attached):                                                    |              |                           |
| 3/2/2017    | Printer cartridge                                                                             |              | \$ 40.04                  |
| 3/9/2017    | Typing paper                                                                                  |              | <u>\$ 10.83</u>           |
|             | Total                                                                                         |              | <u>\$ 50.87</u>           |
|             | Billing Period Total Due (Net of Tax Withholding)                                             |              | <u><u>\$ 3,950.87</u></u> |

**We received your order**  
Thanks for shopping with HP

March 2, 2017

Dear Francis Cummings,

Thank you for your HP.com Store order.

- Your order number is **H374376376**

We received your order and have begun the order confirmation process. Selected delivery method is: **Next Business Day**.

**Items ordered**

| Product details                                                                 | Status     | Qty | Extended price |
|---------------------------------------------------------------------------------|------------|-----|----------------|
| HP 901XL High Yield Black Original Ink Cartridge<br>Product number: CC654AN#140 | Processing | 1   | \$36.99        |

Subtotal: \$36.99  
Shipping & handling: \$0.00  
TX Tax: \$3.05

**Total: \$40.04**

**Ship to address**

Francis Cummings  
2619 COLBY STREET  
C  
DALLAS, TX 75204

**Payment information**

VISA: \$40.04

Francis Cummings  
2619 COLBY STREET  
C  
DALLAS, TX 75204

can return it, with the Original Receipt

## Office DEPOT OfficeMax

OFFICE DEPOT STORE #2220  
8317 WESTCHESTER DRIVE  
DALLAS, TX 75225  
PHONE (214) 750-3700

03/09/2017 16.9.2 11:16 AM  
STR 2220 REG 3 TRN 8782 EMP 454886

| SALE              | Product ID        | Description    | Total          |
|-------------------|-------------------|----------------|----------------|
|                   | 968627            | PPR 8.5X11 500 |                |
|                   | 2 @ 8.29          |                | 16.58          |
|                   | Promotion         |                | -6.58          |
|                   | <b>You Pay</b>    |                | <b>10.00SS</b> |
|                   | <b>Subtotal:</b>  |                | <b>10.00</b>   |
| <b>Sales Tax:</b> |                   |                | <b>0.83</b>    |
|                   | <b>Total:</b>     |                | <b>10.83</b>   |
|                   | <b>Visa 6783:</b> |                | <b>10.83</b>   |

Typing Paper

AUTH CODE 009557  
TDS Chip Read  
[REDACTED] Visa Credit  
TVR 0080008000

CVS No Signature Required

\*\*\*\*\*

JAY CUMMINGS 1963547607

Please create your online rewards  
account at [officedepot.com/rewards](http://officedepot.com/rewards).  
You must complete your account to  
claim your rewards and view your  
status.

Total Savings:  
\$6.58

\*\*\*\*\*

WE WANT TO HEAR FROM YOU!

Participate in our online customer  
survey and receive a coupon for  
\$10 off your next qualifying  
purchase of \$50 or more on  
office supplies, furniture and more.  
(Excludes Technology. Limit 1 coupon per  
household/business.)

Visit [www.officedepot.com/feedback](http://www.officedepot.com/feedback)  
and enter the survey code below:  
N4V7 G6HG JKYQ



**F. Jay Cummings, Consulting Economist**

May 1, 2017

**INVOICE**

Re: 2017 Rio Grande Valley Rate Case

Billing Period: March 2017

**Billing Period Professional Services**

|                                                                      |    |            |
|----------------------------------------------------------------------|----|------------|
| Fees for Professional Services                                       | \$ | 6,958.33   |
| Federal Income Tax Withholding on Fees for Professional Services (1) | \$ | (1,948.33) |
| Fees for Professional Services Net of Income Tax Withholding         | \$ | 5,010.00   |

|                                           |    |       |
|-------------------------------------------|----|-------|
| Reimbursable Expenses (receipts attached) | \$ | 69.26 |
|-------------------------------------------|----|-------|

|                                          |    |          |
|------------------------------------------|----|----------|
| Total Payment Due for Billing Period (2) | \$ | 5,079.26 |
|------------------------------------------|----|----------|

(1) Federal income tax withheld at a rate of 28% per Consulting Agreement Between Texas Gas Service, a Division of ONE Gas, Inc. and F. Jay Cummings, Consulting Economist, dated November 25, 2015. Tax withheld on behalf of Francis J. Cummings.

(2) Fees for Professional Services Net of Income Tax Withholding plus Reimbursable Expenses.  
Remit Total Payment Due payable to Francis J. Cummings to:

F. Jay Cummings  
2619 Colby Street, No. C  
Dallas, Texas 75204

2017 RIO GRANDE VALLEY SA IS RATE CASE TYE DEC 2016

091.082.7700.010002 -----> \$7,027.59

Task: 718662

Tax Withholding

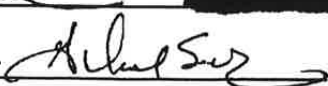
091.0000.0000.2320120.00.000000 ----> (\$1,948.33)

\$5,079.26

Consultants

Exp. org: 7022

X

  
7/2/2017 

**F. Jay Cummings, Consulting Economist**  
2619 Colby Street, No. C  
Dallas, Texas 75204

RE: 2017 Rio Grande Valley Rate Case

| Date      | Description                                                                                                                                                                                                                           | Hours | Amount    |
|-----------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------|-----------|
| 4/1/2017  | Prepare historical T-1 and T-2 bill analysis, highlighting declining usage at which rate switching becomes economical and increasing coverage of T-2 customers by the minimum bill                                                    | 0.75  | \$ 187.50 |
| 4/1/2017  | Review and finalize class cost of service ("CCOS") study structure, updating all links and formulas, and review for consistency                                                                                                       | 2.00  | 500.00    |
| 4/3/2017  | Prepare draft of direct testimony, including calculations supporting and included in testimony                                                                                                                                        | 2.25  | 562.50    |
| 4/3/2017  | Revise class revenue allocation and rate design model to add instructions re: rate design for each customer class and to add links among sheets to minimize manual changes that are required; check internal consistency within model | 1.00  | 250.00    |
| 4/4/2017  | Telephone call with Teresa Serna re: transportation rate design, revenue shifts, and customer bill impacts                                                                                                                            | 0.67  | 166.67    |
| 4/4/2017  | Telephone call with Stacey McTaggart re: case issues                                                                                                                                                                                  | 0.33  | 83.33     |
| 4/4/2017  | Prepare class revenue change analysis with pipeline integrity costs ("PIT") included in the revenue requirement versus collection of these costs through Rate Schedule PIT                                                            | 0.75  | 187.50    |
| 4/5/2017  | Review and revise rate design for various customer classes based on bill impact considerations                                                                                                                                        | 0.50  | 125.00    |
| 4/5/2017  | Prepare draft of direct testimony and several exhibits                                                                                                                                                                                | 2.00  | 500.00    |
| 4/6/2017  | Telephone call with Stacey McTaggart, Stacey Borgstat, and Nicole Simmons re: class revenue allocation and rate design                                                                                                                | 1.00  | 250.00    |
| 4/6/2017  | Prepare CCOS study, class revenue allocation, and rate design based on approval of Rate Schedule PIT                                                                                                                                  | 1.50  | 375.00    |
| 4/6/2017  | Review and revise draft testimony pertain to revenue allocation and rate design recommendation with approval of Rate Schedule PIT                                                                                                     | 0.33  | 83.33     |
| 4/7/2017  | Develop breakeven analysis between sales and transportation service, assess alternative rate designs, and review and revise testimony re: non-residential rate design                                                                 | 1.67  | 416.67    |
| 4/11/2017 | Update CCOS studies (with and without Rate Schedule PIT) and class revenue allocation, rate design, and customer bill impacts                                                                                                         | 0.50  | 125.00    |
| 4/11/2017 | Telephone call with Teresa Serna re: class revenue change calculations                                                                                                                                                                | 0.25  | 62.50     |
| 4/11/2017 | Revise transportation rate design formulas to accommodate separate rates for commercial, industrial, and public authority transportation and build cell formulas to allow for multiple bill impact comparisons                        | 1.75  | 437.50    |
| 4/12/2017 | Prepare transportation rate design with first block rates that match corresponding sales service rates; analyze incorporated and environs usage for current T-1 and T-2 customers based on sales service                              |       |           |

Billing Period: April 2017

Page 2

**F. Jay Cummings, Consulting Economist**  
**2619 Colby Street, No. C**  
**Dallas, Texas 75204**

RE: 2017 Rio Grande Valley Rate Case

| <u>Date</u> | <u>Description</u>                                                                                                                                                                                                                                             | <u>Hours</u> | <u>Amount</u>             |
|-------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------|---------------------------|
|             | classification and develop bill impacts for current T-1 and T-2 customers for each classification and area in which there are customers classification and area in which there are customers                                                                   | 2.50         | 625.00                    |
| 4/12/2017   | Telephone call with Nicole Simmons re: transportation rate design                                                                                                                                                                                              | 0.33         | 83.33                     |
| 4/12/2017   | Telephone call with Teresa Serna re: revenue increase calculations                                                                                                                                                                                             | 0.25         | 62.50                     |
| 4/13/2017   | Prepare draft testimony sections re: transportation rate design and its benefits                                                                                                                                                                               | 0.75         | 187.50                    |
| 4/15/2017   | Prepare draft testimony                                                                                                                                                                                                                                        | 1.50         | 375.00                    |
| 4/24/2017   | Review updated accounting schedules and incorporate revenue requirement in CCOS studies (with and without Rate Schedule PIT); update class revenue allocation and rate design for revised revenue requirement and verify accuracy of formulas and calculations | 1.33         | 333.33                    |
| 4/25/2017   | Prepare comparison of recommendations with and without Rate Schedule PIT                                                                                                                                                                                       | 0.50         | 125.00                    |
| 4/26/2017   | Update CCOS studies (with and without Rate Schedule PIT), class revenue allocation, and rate design with revised revenue requirement                                                                                                                           | 0.25         | 62.50                     |
| 4/26/2017   | Prepare testimony exhibits and distribute for group discussion                                                                                                                                                                                                 | 0.67         | 166.67                    |
| 4/27/2017   | Telephone call with Stacey McTaggart, Stacey Borgstat, Nicole Simmons, Stephanie Houle, and Crystal Turner re: CCOS study, class revenue allocation, and rate design                                                                                           | 1.00         | 250.00                    |
| 4/28/2017   | Prepare testimony and exhibits, including appendix exhibits                                                                                                                                                                                                    | 1.50         | 375.00                    |
|             | Total Professional Services                                                                                                                                                                                                                                    | 27.83        | \$ 6,958.33               |
|             | Federal Tax Withholding on Fees for Professional Services                                                                                                                                                                                                      |              | <u>\$ (1,948.33)</u>      |
|             | Fees for Professional Services Net of Tax Withholding                                                                                                                                                                                                          |              | \$ 5,010.00               |
|             | Reimbursable Expenses (receipts attached):                                                                                                                                                                                                                     |              |                           |
| 4/13/2017   | Printer cartridges                                                                                                                                                                                                                                             |              | \$ 69.26                  |
|             | Total                                                                                                                                                                                                                                                          |              | <u>\$ 69.26</u>           |
|             | Billing Period Total Due (Net of Tax Withholding)                                                                                                                                                                                                              |              | <u><u>\$ 5,079.26</u></u> |

Limited time only! HP Days Sale! Save up to 60%, plus get free shipping and returns. Shop now.



Laptops & tablets Desktops Printers Ink & Toner Displays & accessories Business solutions Support



1-877-203-6108

## Order placed

[Back to shopping](#)

Thank you for placing your order!

\$69.26

### Order number:

H375032983

### Order details sent to:

fjaycumm@sbcglobal.net

### Transaction time:

12:42 PM ET on Apr 13, 2017

## Your order

| Product name                                     | Estimated ship date | Qty. | Total   |
|--------------------------------------------------|---------------------|------|---------|
| HP 901XL High Yield Black Original Ink Cartridge | Apr 13, 2017        | 2    | \$73.98 |
| SKU: C654AN#140                                  | Ready to ship       |      |         |

## Order Details

### Shipping method:

Next Business Day

### Shipping Address:

Francis Cummings  
2619 Colby Street  
C  
Dallas TX 75204  
214-880-0994

### Contact email:

fjaycumm@sbcglobal.net

### Payment method:

creditcard

### Billing address:

Francis Cummings  
2619 Colby Street  
C  
Dallas TX 75204  
512-750-4939

|                      |         |
|----------------------|---------|
| Sub-Total            | \$73.98 |
| Discount applied     | \$10.00 |
| Shipping & handling: | Free    |
| TX Tax:              | \$5.28  |
| Total                | \$69.26 |

**F. Jay Cummings, Consulting Economist**

June 1, 2017

**INVOICE**

Re: 2017 Rio Grande Valley Rate Case

Billing Period: May 2017

**Billing Period Professional Services**

|                                                                      |               |
|----------------------------------------------------------------------|---------------|
| Fees for Professional Services                                       | \$ 3,833.33   |
| Federal Income Tax Withholding on Fees for Professional Services (1) | \$ (1,073.33) |
| Fees for Professional Services Net of Income Tax Withholding         | \$ 2,760.00   |

|                                           |          |
|-------------------------------------------|----------|
| Reimbursable Expenses (receipts attached) | \$ 42.79 |
|-------------------------------------------|----------|

|                                          |                    |
|------------------------------------------|--------------------|
| Total Payment Due for Billing Period (2) | <u>\$ 2,802.79</u> |
|------------------------------------------|--------------------|

(1) Federal income tax withheld at a rate of 28% per Consulting Agreement Between Texas Gas Service, a Division of ONE Gas, Inc. and F. Jay Cummings, Consulting Economist, dated November 25, 2015. Tax withheld on behalf of Francis J. Cummings.

(2) Fees for Professional Services Net of Income Tax Withholding plus Reimbursable Expenses. Remit Total Payment Due payable to Francis J. Cummings to:

F. Jay Cummings  
2619 Colby Street, No. C  
Dallas, Texas 75204

2017 RIO GRANDE VALLEY SA IS RATE CASE TYE DEC 2016

091.082.7700.010002 -----> \$3,876.12

Task: 718662

Tax Withholding

|                                        |                   |
|----------------------------------------|-------------------|
| 091.0000.0000.2320120.00.000000 -----> | (\$1,073.33)      |
|                                        | <u>\$2,802.79</u> |

Consultants  
Exp. org: 7022

X  

**F. Jay Cummings, Consulting Economist**  
**2619 Colby Street, No. C**  
**Dallas, Texas 75204**

RE: 2017 Rio Grande Valley Rate Case

| Date      | Description                                                                                                                                                                                                                                          | Hours | Amount                    |
|-----------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------|---------------------------|
| 5/1/2017  | Prepare direct testimony and exhibits                                                                                                                                                                                                                | 1.50  | \$ 375.00                 |
| 5/1/2017  | Analyze alternative transportation rate designs with and without Rate Schedule PIT, including effects of rate switching where applicable                                                                                                             | 3.00  | 750.00                    |
| 5/2/2017  | Prepare direct testimony and exhibits                                                                                                                                                                                                                | 1.75  | 437.50                    |
| 5/2/2017  | Telephone call with Caron Lawhorn, David Scalf, Stacey McTaggart, Stacey Borgstat, Nicole Simmons, Stephanie Houle, and Crystal Turner re: CCOS study, class revenue allocation, and rate rate design and customer bill impacts                      | 0.50  | 125.00                    |
| 5/3/2017  | Prepare analysis of dollar impact of current T-1 customers switching to sales service with the recommended rate design                                                                                                                               | 1.25  | 312.50                    |
| 5/3/2017  | Prepare direct testimony and exhibits                                                                                                                                                                                                                | 2.25  | 562.50                    |
| 5/16/2017 | Update CCOS studies, class revenue allocations, and rate designs (with and without approval of the pipeline integrity expense rider), revising links to conform to final accounting schedules; verify accuracy of formulas and CCOS study components | 1.00  | 250.00                    |
| 5/16/2017 | Prepare revised testimony exhibits                                                                                                                                                                                                                   | 0.33  | 83.33                     |
| 5/16/2017 | Review comments and revise direct testimony based on comments from reviewers; distribute testimony and exhibits                                                                                                                                      | 0.75  | 187.50                    |
| 5/23/2017 | Review comments and questions re: testimony and exhibits; prepare revisions                                                                                                                                                                          | 1.25  | 312.50                    |
| 5/23/2017 | Prepare for conference call                                                                                                                                                                                                                          | 0.25  | 62.50                     |
| 5/23/2017 | Telephone call with Stephanie Houle, Evan Johnson, Stacey McTaggart, and Stacey Borgstat re: testimony and exhibits                                                                                                                                  | 0.33  | 83.33                     |
| 5/24/2017 | Prepare work papers and forward electronic work papers, verifying accuracy of formulas and links among files                                                                                                                                         | 1.00  | 250.00                    |
| 5/30/2017 | Telephone call with Stacey Borgstat re: case issues                                                                                                                                                                                                  | 0.17  | 41.67                     |
|           | Total Professional Services                                                                                                                                                                                                                          | 15.33 | \$ 3,833.33               |
|           | Federal Tax Withholding on Fees for Professional Services                                                                                                                                                                                            |       | <u>\$ (1,073.33)</u>      |
|           | Fees for Professional Services Net of Tax Withholding                                                                                                                                                                                                |       | \$ 2,760.00               |
|           | Reimbursable Expenses (receipts attached):                                                                                                                                                                                                           |       |                           |
| 5/2/2017  | USB drives (for work papers)                                                                                                                                                                                                                         |       | \$ 29.19                  |
| 5/12/2017 | Typing paper                                                                                                                                                                                                                                         |       | 6.50                      |
| 5/24/2017 | Priority mail (work papers)                                                                                                                                                                                                                          |       | 7.10                      |
|           | Total                                                                                                                                                                                                                                                |       | <u>\$ 42.79</u>           |
|           | Billing Period Total Due (Net of Tax Withholding)                                                                                                                                                                                                    |       | <u><u>\$ 2,802.79</u></u> |

amazon.com

AMAZON.COM - Order 114-9370275-9035408

Details for Order #114-9370275-9035408

[Print this page for your records.](#)

**Order Placed:** May 2, 2017

**Amazon.com order number:** 114-9370275-9035408

**Order Total:** \$29.19

### Not Yet Shipped

#### Items Ordered

2 of: *SanDisk 16GB 2.0 Flash Cruiser Glide USB Drive (SDCZ60-016G-B35)*

Sold by: Amazon.com LLC

Condition: New

#### Price

\$8.00

#### Shipping Address:

Francis J Cummings  
2619 Colby Street  
No. C  
Dallas, TX 75204  
United States

#### Shipping Speed:

Same-Day Delivery

### Payment information

#### Payment Method:

#### Billing address

Francis J Cummings  
2619 Colby Street  
No. C  
Dallas, TX 75204  
United States

Item(s) Subtotal: \$16.00  
Shipping & Handling: \$10.97

-----  
Total before tax: \$26.97  
Estimated tax to be collected: \$2.22  
-----

**Grand Total: \$29.19**

To view the status of your order, return to [Order Summary](#).

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# Office DEPOT OfficeMax®

OFFICE DEPOT STORE 322  
5111 Greenville Avenue  
Dallas, TX 75206  
(214) 365-9840

05/12/2017 17.3.2 10:34 AM  
STR 322 REG 2 TRN 8342 EMP 649394

| SALE       | Product ID | Description     | Total         |
|------------|------------|-----------------|---------------|
|            | 968627     | PPR 8.5X11 500  | 8.29SS        |
|            |            | Instant Savings | -2.29         |
|            |            | <b>You Pay</b>  | <b>6.00SS</b> |
|            |            | Subtotal:       | 6.00          |
| Sales Tax: |            |                 | 0.50          |
|            |            | Total:          | 6.50          |
|            |            | Cash:           | 11.50         |

CHANGE: (5.00)

\*\*\*\*\*

JAY CUMMINGS 1963547607

Please create your online rewards  
account at [officedepot.com/rewards](http://officedepot.com/rewards).  
You must complete your account to  
claim your rewards and view your  
status.

Total Savings:  
\$2.29

\*\*\*\*\*

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Participate in our online customer  
survey and receive a coupon for  
\$10 off your next qualifying  
purchase of \$50 or more on  
office supplies, furniture and more.  
(Excludes Technology. Limit 1 coupon per  
household/business.)

Visit [www.officedepot.com/feedback](http://www.officedepot.com/feedback)  
and enter the survey code below:

B4VT 2FEZ WSPN

\*\*\*\*\*



22VTPA3P533YX46WU

5/12/17  
Typing Paper  
\$6.50



|                                                                                                                                                    |  |                                                                                                                                                               |
|----------------------------------------------------------------------------------------------------------------------------------------------------|--|---------------------------------------------------------------------------------------------------------------------------------------------------------------|
|  <b>Click-N-Ship®</b>                                           |  | <b>P</b><br><small>usps.com</small><br>9405 8036 9930 0453 2776 39 0071 0000 0437 8746<br>US POSTAGE<br>05/22/2017 0 lb 4 oz Mailed from 75204 05280000000313 |
| <b>PRIORITY MAIL 2-DAY™</b><br>FRANCIS J CUMMINGS<br>2619 COLBY ST<br>C<br>DALLAS TX 75204-3522<br>Expected Delivery Date: 05/24/17<br><b>0006</b> |  | <b>SHIP</b><br>JANET BUCHANAN<br>TO: TEXAS GAS SERVICE<br>1301 S MO PAC EXPY<br>STE 400<br>AUSTIN TX 78746-6918                                               |
| <b>USPS TRACKING #</b><br><br>9405 8036 9930 0453 2776 39         |  | Electronic Rate Approved #03855749                                                                                                                            |

— X — Cut on dotted line.

### Instructions

- Each Click-N-Ship® label is unique. Labels are to be used as printed and used only once. DO NOT PHOTO COPY OR ALTER LABEL.
- Place your label so it does not wrap around the edge of the package.
- Adhere your label to the package. A self-adhesive label is recommended. If tape or glue is used, DO NOT TAPE OVER BARCODE. Be sure all edges are secure.
- To mail your package with PC Postage®, you may schedule a Package Pickup online, hand to your letter carrier, take to a Post Office™, or drop in a USPS collection box.
- Mail your package on the "Ship Date" you selected when creating this label.

### Click-N-Ship® Label Record

|                                                                                                                                        |                                                                                 |
|----------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------|
| <b>USPS TRACKING # / Insurance Number:</b><br><b>9405 8036 9930 0453 2776 39</b>                                                       |                                                                                 |
| Trans. #: 406229888<br>Print Date: 05/22/2017<br>Ship Date: 05/22/2017<br>Expected Delivery Date: 05/24/2017<br>Insured Value: \$50.00 | Priority Mail® Postage: \$7.10<br>Insurance Fee: \$0.00<br><b>Total: \$7.10</b> |
| <b>From:</b> FRANCIS J CUMMINGS<br>2619 COLBY ST<br>C<br>DALLAS TX 75204-3522                                                          |                                                                                 |
| <b>To:</b> JANET BUCHANAN<br>TEXAS GAS SERVICE<br>1301 S MO PAC EXPY<br>STE 400<br>AUSTIN TX 78746-6918                                |                                                                                 |

*Send Workpapers on May 23, 2017*

\* Retail Pricing Priority Mail rates apply. There is no fee for USPS Tracking® service on Priority Mail service with use of this electronic rate shipping label. Refunds for unused postage paid labels can be requested online 30 days from the print date.



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**F. Jay Cummings, Consulting Economist**

August 1, 2017

**INVOICE**

Re: 2017 Rio Grande Valley Rate Case

Billing Period: July 2017

**Billing Period Professional Services**

|                                                                      |    |         |
|----------------------------------------------------------------------|----|---------|
| Fees for Professional Services                                       | \$ | 83.33   |
| Federal Income Tax Withholding on Fees for Professional Services (1) | \$ | (23.33) |
| Fees for Professional Services Net of Income Tax Withholding         | \$ | 60.00   |

|                                           |    |       |
|-------------------------------------------|----|-------|
| Reimbursable Expenses (receipts attached) | \$ | -     |
| Total Payment Due for Billing Period (2)  | \$ | 60.00 |

(1) Federal income tax withheld at a rate of 28% per Consulting Agreement Between Texas Gas Service, a Division of ONE Gas, Inc. and F. Jay Cummings, Consulting Economist, dated November 25, 2015. Tax withheld on behalf of Francis J. Cummings.

(2) Fees for Professional Services Net of Income Tax Withholding plus Reimbursable Expenses. Remit Total Payment Due payable to Francis J. Cummings to:

F. Jay Cummings  
2619 Colby Street, No. C  
Dallas, Texas 75204

2017 RIO GRANDE VALLEY SA IS RATE CASE TYE DEC 2016

091.082.7700.010002 -----> \$ 83.33

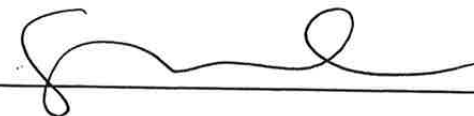
Task: 718662

Tax Withholding

091.0000.0000.2320120.00.000000 -----> (\$ 23.33)  
\$ 60.00

Consultants

Exp. org: 7022

X  

**F. Jay Cummings, Consulting Economist**  
**2619 Colby Street, No. C**  
**Dallas, Texas 75204**

RE: 2017 Rio Grande Valley Rate Case

| <u>Date</u> | <u>Description</u>                                                                                                                       | <u>Hours</u> | <u>Amount</u>          |
|-------------|------------------------------------------------------------------------------------------------------------------------------------------|--------------|------------------------|
| 7/12/2017   | Review request for information ("RFI") 1-16, direct testimony, and exhibits, and prepare response; provide input on RFI 1-7 as requested | 0.33         | \$ 83.33               |
|             | Total Professional Services                                                                                                              | 0.33         | \$ 83.33               |
|             | Federal Tax Withholding on Fees for Professional Services                                                                                |              | <u>\$ (23.33)</u>      |
|             | Fees for Professional Services Net of Tax Withholding                                                                                    |              | \$ 60.00               |
|             | Reimbursable Expenses (receipts attached):                                                                                               |              |                        |
|             | Total                                                                                                                                    |              | \$ -                   |
|             | Billing Period Total Due (Net of Tax Withholding)                                                                                        |              | <u><u>\$ 60.00</u></u> |

## INVOICE

### Invoice Information

Firm/Vendor: Parsley Coffin  
Office: Austin  
Invoice Number: 6456  
Date of Invoice: 03/22/2017  
Billing Period: 01/26/2017 - 02/28/2017  
Date Posted: 03/22/2017  
Invoice Description/Comment: 2017 RGV Rate Case

### Amount Approved

Approved Total **\$307.50**  
Invoice Currency: **USD**  
Date Approved: 04/06/2017  
Final Approver: XXXXXXXXXX  
Approved Fees \$307.50  
Approved Expenses \$0.00  
Comments to AP:

### Accounting Code Allocations

| <u>OM or PROJECT</u> | <u>GL Account</u>   | <u>Task Code</u> | <u>Expenditure Org</u> | <u>Expense Type</u> | <u>Amount</u> | <u>Percentage</u> | <u>Comment</u> |
|----------------------|---------------------|------------------|------------------------|---------------------|---------------|-------------------|----------------|
| PROJECT              | 091.082.7700.010002 | 718662           |                        |                     | \$307.50      | 100%              |                |

### Vendor Address & Tax Information in Legal Tracker

Parsley Coffin  
98 San Jacinto Blvd., Ste. 1450  
Austin, Texas 78701

Tel:  
Fax:

### Remittance Address

Vendor Tax ID:  
VAT ID: --  
GST ID: --  
HST ID: --  
PST ID: --

Sales Tax ID: --  
QST ID: --  
Withholding Tax ID: --

---

***Amount Billed***

**Billed Total**      **\$307.50**

Invoice Currency: USD

Billed Fees      \$307.50

Billed Expenses      \$0.00

---

***Approval History***

| <u>User</u> | <u>Action</u> | <u>Date</u> | <u>Amount</u> | <u>Comment</u> |
|-------------|---------------|-------------|---------------|----------------|
| ██████████  | Posted        | 03/22/2017  | \$307.50      |                |
| ██████████  | Approved      | 03/23/2017  | \$307.50      |                |
| ██████████  | Approved      | 03/27/2017  | \$307.50      |                |
| ██████████  | Approved      | 04/06/2017  | \$307.50      |                |

Serengeti Administrator AP Batch Run 04/06/2017 \$307.50 Batch ID: 003000141 (Sent to AP: 04/06/2017 3:01:27 PM)

---

***Additional Financial Information***

Oracle ERP Vendor Number: 75208

Site Code:                      AUSTIN

Name of Invoice File in .Zip: Parsley Coffin - 6456.html

Comments to Firm:

AP Route:                      Default

---

***Matter Information***

Matter Name (Short): 2017 RGV SA IS Rate Case TYE Dec 2016

Matter ID: 201700010

Lead Company Person: ██████████

Organizational Unit: ONE Gas, Inc. > 091 - TGS

Practice Group: Legal Department > Rates & Regulatory

Law Firm Matter No.: 500.087

Country (in Matter): United States

***Invoice Line Items:***

| <u>Date</u>  | <u>Description</u>                                | <u>Narrative</u> | <u>Timekeeper</u> | <u>Units</u> | <u>Rate</u> | <u>Adjust</u> | <u>Taxes</u> | <u>TaxType%</u> | <u>Amount</u> |
|--------------|---------------------------------------------------|------------------|-------------------|--------------|-------------|---------------|--------------|-----------------|---------------|
| 01/26/2017 - | Review/Analyze RGV rate case preparation issues   |                  | Norman, Kate      | 0.3          | \$375.00    |               |              |                 | \$112.50      |
| 02/28/2017 - | Review/Analyze issues re R. White draft testimony |                  | Johnson, Evan D.  | 0.6          | \$325.00    |               |              |                 | \$195.00      |

## INVOICE

### Invoice Information

Firm/Vendor: Parsley Coffin  
Office: Austin  
Invoice Number: 6484  
Date of Invoice: 04/20/2017  
Billing Period: 03/02/2017 - 03/31/2017  
Date Posted: 04/20/2017  
Invoice Description/Comment: 2017 RGV Rate Case

### Amount Approved

Approved Total **\$447.50**  
Invoice Currency: **USD**  
Date Approved: 05/09/2017  
Final Approver: XXXXXXXXXX  
Approved Fees \$447.50  
Approved Expenses \$0.00  
Comments to AP:

### Accounting Code Allocations

| <u>OM or PROJECT</u> | <u>GL Account</u>   | <u>Task Code</u> | <u>Expenditure Org</u> | <u>Expense Type</u> | <u>Amount</u> | <u>Percentage</u> | <u>Comment</u> |
|----------------------|---------------------|------------------|------------------------|---------------------|---------------|-------------------|----------------|
| PROJECT              | 091.082.7700.010002 | 718662           |                        |                     | \$447.50      | 100%              |                |

### Vendor Address & Tax Information in Legal Tracker

Parsley Coffin  
98 San Jacinto Blvd., Ste. 1450  
Austin, Texas 78701

Tel:  
Fax:

### Remittance Address

Vendor Tax ID:  
VAT ID: --  
GST ID: --  
HST ID: --  
PST ID: --

Sales Tax ID: --  
QST ID: --  
Withholding Tax ID: --

---

***Amount Billed***

**Billed Total**        **\$447.50**  
Invoice Currency: USD  
Billed Fees        \$447.50  
Billed Expenses    \$0.00

---

***Approval History***

| <u>User</u> | <u>Action</u> | <u>Date</u> | <u>Amount</u> | <u>Comment</u> |
|-------------|---------------|-------------|---------------|----------------|
| ██████████  | Posted        | 04/20/2017  | \$447.50      |                |
| ██████████  | Approved      | 04/21/2017  | \$447.50      |                |
| ██████████  | Approved      | 05/01/2017  | \$447.50      |                |
| ██████████  | Approved      | 05/09/2017  | \$447.50      |                |

Serengeti Administrator AP Batch Run 05/09/2017 \$447.50 Batch ID: 003000156 (Sent to AP: 05/09/2017 3:01:42 PM)

---

***Additional Financial Information***

Oracle ERP Vendor Number: 75208  
Site Code:                AUSTIN  
Name of Invoice File in .Zip: Parsley Coffin - 6484.html  
Comments to Firm:  
AP Route:                Default

---

***Matter Information***

Matter Name (Short): 2017 RGV SA IS Rate Case TYE Dec 2016  
Matter ID: 201700010  
Lead Company Person: ██████████  
Organizational Unit: ONE Gas, Inc. > 091 - TGS  
Practice Group: Legal Department > Rates & Regulatory  
Law Firm Matter No.: 500.087  
Country (in Matter): United States



***Invoice Line Items:***

| <u>Date</u>  | <u>Description Narrative</u>                                         | <u>Timekeeper</u> | <u>Units</u> | <u>Rate</u> | <u>Adjust</u> | <u>Taxes</u> | <u>TaxType%</u> | <u>Amount</u> |
|--------------|----------------------------------------------------------------------|-------------------|--------------|-------------|---------------|--------------|-----------------|---------------|
| 03/02/2017 - | Communicate with client S. Houle, et al. re R. White draft testimony | Johnson, Evan D.  | 0.3          | \$325.00    |               |              |                 | \$97.50       |
| 03/14/2017 - | Communicate with client S. Houle, et al. re case strategy            | Norman, Kate      | 0.5          | \$375.00    |               |              |                 | \$187.50      |
| 03/28/2017 - | Review/Analyze R. White draft testimony                              | Johnson, Evan D.  | 0.5          | \$325.00    |               |              |                 | \$162.50      |

## INVOICE

### Invoice Information

Firm/Vendor: Parsley Coffin  
Office: Austin  
Invoice Number: 6502  
Date of Invoice: 05/16/2017  
Billing Period: 04/05/2017 - 04/30/2017  
Date Posted: 05/16/2017  
Invoice Description/Comment: 2017 RGV Rate Case

### Amount Approved

**Approved Total**      **\$13,025.00**  
**Invoice Currency:**   **USD**  
Date Approved:        07/03/2017  
Final Approver:        XXXXXXXXXX  
Approved Fees         \$13,025.00  
Approved Expenses    \$0.00  
Comments to AP:

### Accounting Code Allocations

| <u>OM or PROJECT</u> | <u>GL Account</u>   | <u>Task Code</u> | <u>Expenditure Org</u> | <u>Expense Type</u> | <u>Amount</u> | <u>Percentage</u> | <u>Comment</u> |
|----------------------|---------------------|------------------|------------------------|---------------------|---------------|-------------------|----------------|
| PROJECT              | 091.082.7700.010002 | 718662           |                        |                     | \$13,025.00   | 100%              |                |

### Vendor Address & Tax Information in Legal Tracker

Parsley Coffin  
98 San Jacinto Blvd., Ste. 1450  
Austin, Texas 78701

Tel:  
Fax:

### Remittance Address

Vendor Tax ID:  
VAT ID: --  
GST ID: --  
HST ID: --  
PST ID: --

Sales Tax ID: --  
QST ID: --  
Withholding Tax ID: --

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***Amount Billed***

**Billed Total      \$13,025.00**

Invoice Currency: USD

Billed Fees      \$13,025.00

Billed Expenses    \$0.00

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***Approval History***

| <u>User</u> | <u>Action</u> | <u>Date</u> | <u>Amount</u> | <u>Comment</u> |
|-------------|---------------|-------------|---------------|----------------|
| ██████████  | Posted        | 05/16/2017  | \$13,025.00   |                |
| ██████████  | Approved      | 05/17/2017  | \$13,025.00   |                |
| ██████████  | Approved      | 05/18/2017  | \$13,025.00   |                |
| ██████████  | Approved      | 06/12/2017  | \$13,025.00   |                |
| ██████████  | Approved      | 06/19/2017  | \$13,025.00   |                |
| ██████████  | Approved      | 06/29/2017  | \$13,025.00   |                |
| ██████████  | Approved      | 07/03/2017  | \$13,025.00   |                |

Serengeti Administrator AP Batch Run 07/03/2017 \$13,025.00 Batch ID: 003000179 (Sent to AP: 07/03/2017 3:01:32 PM)

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***Additional Financial Information***

Oracle ERP Vendor Number: 75208

Site Code:                    AUSTIN

Name of Invoice File in .Zip: Parsley Coffin - 6502.html

Comments to Firm:

AP Route:                    Default

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***Matter Information***

Matter Name (Short): 2017 RGV SA IS Rate Case TYE Dec 2016

Matter ID:                    201700010

Lead Company Person: ██████████

Organizational Unit:    ONE Gas, Inc. > 091 - TGS

Practice Group: Legal Department > Rates & Regulatory  
Law Firm Matter No.: 500.087  
Country (in Matter): United States

**Invoice Line Items:**

| <u>Date</u>  | <u>Description Narrative</u>                                       | <u>Timekeeper</u> | <u>Units</u> | <u>Rate</u> | <u>Adjust Taxes</u> | <u>TaxType%</u> | <u>Amount</u> |
|--------------|--------------------------------------------------------------------|-------------------|--------------|-------------|---------------------|-----------------|---------------|
| 04/05/2017 - | Communicate with client S. Houle re case status                    | Norman, Kate      | 03           | \$375.00    |                     |                 | \$112.50      |
| 04/05/2017 - | Research issues re J. Cummings draft testimony                     | Johnson, Evan D.  | 03           | \$325.00    |                     |                 | \$97.50       |
| 04/05/2017 - | Review/Analyze R. White draft testimony                            | Johnson, Evan D.  | 09           | \$325.00    |                     |                 | \$292.50      |
| 04/10/2017 - | Review/Analyze R. White draft testimony                            | Johnson, Evan D.  | 07           | \$325.00    |                     |                 | \$227.50      |
| 04/11/2017 - | Review/Analyze R. White draft testimony and depreciation study     | Johnson, Evan D.  | 23           | \$325.00    |                     |                 | \$747.50      |
| 04/12/2017 - | Review/Analyze depreciation study                                  | Johnson, Evan D.  | 17           | \$325.00    |                     |                 | \$552.50      |
| 04/12/2017 - | Review/Analyze T. Serna testimony                                  | Montes, Gene      | 04           | \$400.00    |                     |                 | \$160.00      |
| 04/13/2017 - | Review/Analyze D. Scalf testimony                                  | Norman, Kate      | 24           | \$375.00    |                     |                 | \$900.00      |
| 04/13/2017 - | Review/Analyze R. White draft testimony                            | Johnson, Evan D.  | 06           | \$325.00    |                     |                 | \$195.00      |
| 04/14/2017 - | Communicate w/other external R. White re draft testimony           | Johnson, Evan D.  | 05           | \$325.00    |                     |                 | \$162.50      |
| 04/14/2017 - | Review/Analyze R. White draft testimony                            | Johnson, Evan D.  | 07           | \$325.00    |                     |                 | \$227.50      |
| 04/14/2017 - | Review/Analyze D. Scalf and C. King testimony                      | Norman, Kate      | 16           | \$375.00    |                     |                 | \$600.00      |
| 04/17/2017 - | Communicate with client S. Houle re testimony review               | Norman, Kate      | 03           | \$375.00    |                     |                 | \$112.50      |
| 04/17/2017 - | Review/Analyze H. Cunningham testimony                             | Montes, Gene      | 05           | \$400.00    |                     |                 | \$200.00      |
| 04/18/2017 - | Review/Analyze R. White draft testimony                            | Johnson, Evan D.  | 06           | \$325.00    |                     |                 | \$195.00      |
| 04/18/2017 - | Review/Analyze J. Hatfield and J. Jarrett testimony                | Norman, Kate      | 21           | \$375.00    |                     |                 | \$787.50      |
| 04/18/2017 - | Review/Analyze H. Cunningham testimony                             | Montes, Gene      | 08           | \$400.00    |                     |                 | \$320.00      |
| 04/18/2017 - | Communicate w/other external R. White re draft testimony           | Johnson, Evan D.  | 04           | \$325.00    |                     |                 | \$130.00      |
| 04/24/2017 - | Communicate with client S. Houle, et al. re J. Jarrett testimony   | Norman, Kate      | 1            | \$375.00    |                     |                 | \$375.00      |
| 04/24/2017 - | Communicate with client S. Houle re testimony and case issues      | Norman, Kate      | 09           | \$375.00    |                     |                 | \$337.50      |
| 04/24/2017 - | Review/Analyze J. Jarrett and J. Branz testimony                   | Norman, Kate      | 37           | \$375.00    |                     |                 | \$1,387.50    |
| 04/24/2017 - | Review/Analyze T. Lyons draft testimony                            | Johnson, Evan D.  | 08           | \$325.00    |                     |                 | \$260.00      |
| 04/25/2017 - | Review/Analyze C. King testimony                                   | Norman, Kate      | 03           | \$375.00    |                     |                 | \$112.50      |
| 04/25/2017 - | Communicate with client S. Houle, et al. re C. King testimony      | Norman, Kate      | 08           | \$375.00    |                     |                 | \$300.00      |
| 04/25/2017 - | Review/Analyze T. Lyons draft testimony                            | Johnson, Evan D.  | 09           | \$325.00    |                     |                 | \$292.50      |
| 04/26/2017 - | Communicate with client S. Houle, et al. re P. Dominguez testimony | Norman, Kate      | 09           | \$375.00    |                     |                 | \$337.50      |
| 04/26/2017 - | Communicate w/other external T. Lyons re draft testimony           | Johnson, Evan D.  | 06           | \$325.00    |                     |                 | \$195.00      |
| 04/26/2017 - | Communicate with client S. Houle, et al. re D. Scalf testimony     | Norman, Kate      | 15           | \$375.00    |                     |                 | \$562.50      |
| 04/26/2017 - | Review/Analyze T. Lyons draft testimony                            | Johnson, Evan D.  | 07           | \$325.00    |                     |                 | \$227.50      |
| 04/27/2017 - | Review/Analyze P. Raab testimony                                   | Montes, Gene      | 23           | \$400.00    |                     |                 | \$920.00      |
| 04/27/2017 - | Review/Analyze J. Simpson testimony                                | Norman, Kate      | 11           | \$375.00    |                     |                 | \$412.50      |

|              |                                                                   |              |     |          |          |
|--------------|-------------------------------------------------------------------|--------------|-----|----------|----------|
| 04/27/2017 - | Communicate w/other external B . Fairchild re testimony           | Norman, Kate | 0.3 | \$375.00 | \$112.50 |
| 04/28/2017 - | Review/Analyze 2016 COSA settlement issues for rate case purposes | Norman, Kate | 0.8 | \$375.00 | \$300.00 |
| 04/28/2017 - | Review/Analyze C. Turner testimony                                | Santos, Mark | 1.7 | \$425.00 | \$722.50 |
| 04/28/2017 - | Communicate with client S. Houle re testimony issues              | Norman, Kate | 0.4 | \$375.00 | \$150.00 |

## INVOICE

### Invoice Information

Firm/Vendor: Parsley Coffin  
Office: Austin  
Invoice Number: 6526  
Date of Invoice: 06/21/2017  
Billing Period: 05/01/2017 - 05/31/2017  
Date Posted: 06/21/2017  
Invoice Description/Comment: 2017 RGV Rate Case

### Amount Approved

Approved Total \$28,675.00  
Invoice Currency: USD  
Date Approved: 07/31/2017  
Final Approver: XXXXXXXXXX  
Approved Fees \$28,675.00  
Approved Expenses \$0.00  
Comments to AP:

### Accounting Code Allocations

| <u>OM or PROJECT</u> | <u>GL Account</u>   | <u>Task Code</u> | <u>Expenditure Org</u> | <u>Expense Type</u> | <u>Amount</u> | <u>Percentage</u> | <u>Comment</u> |
|----------------------|---------------------|------------------|------------------------|---------------------|---------------|-------------------|----------------|
| PROJECT              | 091.082.7700.010002 | 718662           |                        |                     | \$28,675.00   | 100%              |                |

### Vendor Address & Tax Information in Legal Tracker

Parsley Coffin  
98 San Jacinto Blvd., Ste. 1450  
Austin, Texas 78701

Tel:  
Fax:

### Remittance Address

Vendor Tax ID:  
VAT ID: --  
GST ID: --  
HST ID: --  
PST ID: --

Sales Tax ID: --  
QST ID: --  
Withholding Tax ID: --

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***Amount Billed***

**Billed Total**      **\$28,675.00**

Invoice Currency: USD

Billed Fees      \$28,675.00

Billed Expenses    \$0.00

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***Approval History***

| <u>User</u> | <u>Action</u> | <u>Date</u> | <u>Amount</u> | <u>Comment</u> |
|-------------|---------------|-------------|---------------|----------------|
| ██████████  | Posted        | 06/21/2017  | \$28,675.00   |                |
| ██████████  | Approved      | 06/22/2017  | \$28,675.00   |                |
| ██████████  | Approved      | 06/26/2017  | \$28,675.00   |                |
| ██████████  | Approved      | 07/03/2017  | \$28,675.00   |                |
| ██████████  | Approved      | 07/04/2017  | \$28,675.00   |                |
| ██████████  | Approved      | 07/07/2017  | \$28,675.00   |                |
| ██████████  | Approved      | 07/31/2017  | \$28,675.00   |                |

Serengeti Administrator AP Batch Run 07/31/2017 \$28,675.00 Batch ID: 003000189 (Sent to AP: 07/31/2017 3:01:56 PM)

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***Additional Financial Information***

Oracle ERP Vendor Number: 75208

Site Code:                    AUSTIN

Name of Invoice File in .Zip: Parsley Coffin - 6526.html

Comments to Firm:

AP Route:                    Default

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***Matter Information***

Matter Name (Short): 2017 RGV SA IS Rate Case TYE Dec 2016

Matter ID:                    201700010

Lead Company Person: ██████████

Organizational Unit:    ONE Gas, Inc. > 091 - TGS

Practice Group: Legal Department > Rates & Regulatory  
Law Firm Matter No.: 500.087  
Country (in Matter): United States

**Invoice Line Items:**

| <u>Date</u>  | <u>Description Narrative</u>                                                 | <u>Timekeeper</u> | <u>Units</u> | <u>Rate</u> | <u>Adjust</u> | <u>Taxes</u> | <u>TaxType%</u> | <u>Amount</u> |
|--------------|------------------------------------------------------------------------------|-------------------|--------------|-------------|---------------|--------------|-----------------|---------------|
| 05/01/2017 - | Communicate with client S. Houle re testimony issues                         | Norman, Kate      | 0.6          | \$375.00    |               |              |                 | \$225.00      |
| 05/01/2017 - | Review/Analyze testimony drafts                                              | Norman, Kate      | 4.1          | \$375.00    |               |              |                 | \$1,537.50    |
| 05/01/2017 - | Review/Analyze notice and protective agreement                               | Norman, Kate      | 0.7          | \$375.00    |               |              |                 | \$262.50      |
| 05/01/2017 - | Review/Analyze draft testimony issues                                        | Santos, Mark      | 0.4          | \$425.00    |               |              |                 | \$170.00      |
| 05/02/2017 - | Review/Analyze deadlines for case                                            | Norman, Kate      | 0.4          | \$375.00    |               |              |                 | \$150.00      |
| 05/02/2017 - | Communicate with client S. Houle, et al. re draft testimony                  | Santos, Mark      | 0.2          | \$425.00    |               |              |                 | \$85.00       |
| 05/02/2017 - | Communicate with client S. Houle re testimony issues                         | Norman, Kate      | 0.5          | \$375.00    |               |              |                 | \$187.50      |
| 05/02/2017 - | Review/Analyze J. Branz testimony                                            | Norman, Kate      | 4.4          | \$375.00    |               |              |                 | \$1,650.00    |
| 05/03/2017 - | Communicate with client S. Houle, et al. re J. Branz testimony               | Norman, Kate      | 1.2          | \$375.00    |               |              |                 | \$450.00      |
| 05/03/2017 - | Review/Analyze D. Scalf testimony                                            | Norman, Kate      | 1.4          | \$375.00    |               |              |                 | \$525.00      |
| 05/03/2017 - | Review/Analyze J. Branz testimony issues                                     | Norman, Kate      | 0.8          | \$375.00    |               |              |                 | \$300.00      |
| 05/04/2017 - | Review/Analyze D. Scalf testimony                                            | Norman, Kate      | 0.3          | \$375.00    |               |              |                 | \$112.50      |
| 05/04/2017 - | Review/Analyze SOI filing issues                                             | Norman, Kate      | 0.4          | \$375.00    |               |              |                 | \$150.00      |
| 05/05/2017 - | Communicate with client S. Houle, et al. re D. Scalf testimony               | Norman, Kate      | 1.4          | \$375.00    |               |              |                 | \$525.00      |
| 05/05/2017 - | Review/Analyze P. Dominguez testimony                                        | Norman, Kate      | 0.2          | \$375.00    |               |              |                 | \$75.00       |
| 05/05/2017 - | Review/Analyze J. Branz testimony issues                                     | Norman, Kate      | 0.4          | \$375.00    |               |              |                 | \$150.00      |
| 05/05/2017 - | Communicate with client S. Houle re case issues                              | Norman, Kate      | 0.5          | \$375.00    |               |              |                 | \$187.50      |
| 05/05/2017 - | Review/Analyze R. White and T. Lyons draft testimony                         | Johnson, Evan D.  | 1.1          | \$325.00    |               |              |                 | \$357.50      |
| 05/08/2017 - | Review/Analyze J. Branz and D. Scalf testimony issues                        | Norman, Kate      | 1.1          | \$375.00    |               |              |                 | \$412.50      |
| 05/08/2017 - | Communicate with client S. Houle re confidential materials                   | Norman, Kate      | 0.3          | \$375.00    |               |              |                 | \$112.50      |
| 05/08/2017 - | Review/Analyze P. Dominguez testimony                                        | Montes, Gene      | 2.5          | \$400.00    |               |              |                 | \$1,000.00    |
| 05/09/2017 - | Communicate with client S. Houle, et al. re J. Simpson testimony             | Norman, Kate      | 0.6          | \$375.00    |               |              |                 | \$225.00      |
| 05/09/2017 - | Review/Analyze D. Scalf testimony issues                                     | Norman, Kate      | 0.3          | \$375.00    |               |              |                 | \$112.50      |
| 05/09/2017 - | Communicate with client S. Houle, et al. re C. Turner and J. Branz testimony | Norman, Kate      | 3.3          | \$375.00    |               |              |                 | \$1,237.50    |
| 05/09/2017 - | Communicate with client C. Turner, et al. re draft testimony                 | Santos, Mark      | 1            | \$425.00    |               |              |                 | \$425.00      |
| 05/09/2017 - | Review/Analyze issues re R. White draft testimony                            | Johnson, Evan D.  | 0.6          | \$325.00    |               |              |                 | \$195.00      |
| 05/09/2017 - | Communicate w/other external R. White re draft testimony                     | Johnson, Evan D.  | 0.5          | \$325.00    |               |              |                 | \$162.50      |
| 05/10/2017 - | Draft/Revise statement of intent                                             | Roberts, Justin   | 1.3          | \$250.00    |               |              |                 | \$325.00      |
| 05/10/2017 - | Review/Analyze issues re R. White draft testimony                            | Johnson, Evan D.  | 0.7          | \$325.00    |               |              |                 | \$227.50      |
| 05/10/2017 - | Communicate with client S. Houle, et al. re C. King testimony                | Norman, Kate      | 0.3          | \$375.00    |               |              |                 | \$112.50      |
| 05/11/2017 - | Review/Analyze C. Turner draft testimony                                     | Johnson, Evan D.  | 0.6          | \$325.00    |               |              |                 | \$195.00      |



|              |                                                                                  |                  |     |          |            |
|--------------|----------------------------------------------------------------------------------|------------------|-----|----------|------------|
| 05/11/2017 - | Review/Analyze J. Hatfield testimony                                             | Norman, Kate     | 0.8 | \$375.00 | \$300.00   |
| 05/11/2017 - | Review/Analyze T. Lyons draft testimony                                          | Johnson, Evan D. | 0.5 | \$325.00 | \$162.50   |
| 05/11/2017 - | Communicate with client S. Houle, et al. re case strategy                        | Norman, Kate     | 0.6 | \$375.00 | \$225.00   |
| 05/11/2017 - | Review/Analyze B. Fairchild draft testimony                                      | Santos, Mark     | 1.4 | \$425.00 | \$595.00   |
| 05/11/2017 - | Communicate with client S. Borgstadt, et al. re incentive compensation testimony | Santos, Mark     | 0.3 | \$425.00 | \$127.50   |
| 05/11/2017 - | Review/Analyze B. Fairchild testimony                                            | Norman, Kate     | 1.2 | \$375.00 | \$450.00   |
| 05/11/2017 - | Communicate with client S. Houle, et al. re case issues                          | Norman, Kate     | 0.4 | \$375.00 | \$150.00   |
| 05/12/2017 - | Communicate with client S. Houle, et al. re C. Turner testimony                  | Norman, Kate     | 0.4 | \$375.00 | \$150.00   |
| 05/12/2017 - | Review/Analyze J. Jarrett testimony                                              | Norman, Kate     | 1.1 | \$375.00 | \$412.50   |
| 05/12/2017 - | Review/Analyze rate case issues                                                  | Norman, Kate     | 0.4 | \$375.00 | \$150.00   |
| 05/12/2017 - | Review/Analyze C. Turner testimony issues                                        | Norman, Kate     | 0.9 | \$375.00 | \$337.50   |
| 05/12/2017 - | Communicate with client C. Turner re draft testimony                             | Santos, Mark     | 0.4 | \$425.00 | \$170.00   |
| 05/12/2017 - | Draft/Revise statement of intent                                                 | Roberts, Justin  | 0.8 | \$250.00 | \$200.00   |
| 05/12/2017 - | Review/Analyze issues re R. White draft testimony                                | Johnson, Evan D. | 0.6 | \$325.00 | \$195.00   |
| 05/12/2017 - | Communicate w/other external B. Fairchild re testimony                           | Norman, Kate     | 0.2 | \$375.00 | \$75.00    |
| 05/15/2017 - | Review/Analyze SOI and notice                                                    | Norman, Kate     | 1.2 | \$375.00 | \$450.00   |
| 05/15/2017 - | Review/Analyze J. Branz, C. King and C. Turner testimony                         | Norman, Kate     | 1.7 | \$375.00 | \$637.50   |
| 05/16/2017 - | Review/Analyze S. Borgstadt testimony and related issues                         | Norman, Kate     | 3.2 | \$375.00 | \$1,200.00 |
| 05/16/2017 - | Review/Analyze J. Cummings draft testimony                                       | Johnson, Evan D. | 0.7 | \$325.00 | \$227.50   |
| 05/17/2017 - | Review/Analyze J. Cummings draft testimony and exhibits                          | Johnson, Evan D. | 1.7 | \$325.00 | \$552.50   |
| 05/18/2017 - | Review/Analyze J. Cummings and T. Lyons draft testimony                          | Johnson, Evan D. | 2.8 | \$325.00 | \$910.00   |
| 05/18/2017 - | Review/Analyze J. Cummings exhibits                                              | Azarani, Emma    | 0.8 | \$175.00 | \$140.00   |
| 05/19/2017 - | Communicate with client S. Houle, et al. re T. Lyons draft testimony             | Johnson, Evan D. | 0.8 | \$325.00 | \$260.00   |
| 05/19/2017 - | Communicate with client S. Houle, et al. re B. Fairchild testimony               | Norman, Kate     | 0.5 | \$375.00 | \$187.50   |
| 05/19/2017 - | Communicate with client S. Houle re testimony status                             | Norman, Kate     | 0.3 | \$375.00 | \$112.50   |
| 05/19/2017 - | Review/Analyze S. Borgstadt testimony                                            | Norman, Kate     | 0.9 | \$375.00 | \$337.50   |
| 05/19/2017 - | Review/Analyze testimony and SOI filing issues                                   | Norman, Kate     | 0.5 | \$375.00 | \$187.50   |
| 05/19/2017 - | Review/Analyze T. Lyons and J. Cummings draft testimony                          | Johnson, Evan D. | 2.6 | \$325.00 | \$845.00   |
| 05/22/2017 - | Communicate with client S. Houle, et al. re draft testimony                      | Norman, Kate     | 1.8 | \$375.00 | \$675.00   |
| 05/22/2017 - | Review/Analyze D. Scalf testimony issues                                         | Norman, Kate     | 0.3 | \$375.00 | \$112.50   |
| 05/23/2017 - | Review/Analyze T. Lyons and J. Cummings draft testimony                          | Johnson, Evan D. | 1   | \$325.00 | \$325.00   |
| 05/23/2017 - | Communicate with client S. Houle re testimony issues                             | Norman, Kate     | 1.4 | \$375.00 | \$525.00   |
| 05/23/2017 - | Communicate with client S. Borgstadt re testimony                                | Norman, Kate     | 0.4 | \$375.00 | \$150.00   |
| 05/23/2017 - | Review/Analyze S. Borgstadt and D. Scalf testimony                               | Norman, Kate     | 2.7 | \$375.00 | \$1,012.50 |
| 05/24/2017 - | Communicate with client S. Houle re testimony                                    | Norman, Kate     | 1.6 | \$375.00 | \$600.00   |
| 05/24/2017 - | Review/Analyze S. McTaggart and S. Borgstadt testimony                           | Norman, Kate     | 3.2 | \$375.00 | \$1,200.00 |
| 05/25/2017 - | Communicate with client S. Houle, et al. re testimony                            | Norman, Kate     | 1   | \$375.00 | \$375.00   |

|              |                                                         |                  |     |          |          |
|--------------|---------------------------------------------------------|------------------|-----|----------|----------|
| 05/25/2017 - | Review/Analyze J. Jarrett and S. McTaggart testimony    | Norman, Kate     | 0.9 | \$375.00 | \$337.50 |
| 05/26/2017 - | Review/Analyze S. McTaggart testimony                   | Norman, Kate     | 0.8 | \$375.00 | \$300.00 |
| 05/26/2017 - | Review/Analyze J. Cummings and T. Lyons draft testimony | Johnson, Evan D. | 1.1 | \$325.00 | \$357.50 |
| 05/30/2017 - | Review/Analyze T. Lyons draft testimony                 | Johnson, Evan D. | 0.4 | \$325.00 | \$130.00 |
| 05/30/2017 - | Review/Analyze J. Branz testimony                       | Norman, Kate     | 0.7 | \$375.00 | \$262.50 |
| 05/30/2017 - | Review/Analyze SOI preparation issues                   | Norman, Kate     | 0.6 | \$375.00 | \$225.00 |
| 05/31/2017 - | Communicate w/other external B. Fairchild re testimony  | Norman, Kate     | 0.2 | \$375.00 | \$75.00  |
| 05/31/2017 - | Communicate with client S. Houle re case status         | Norman, Kate     | 0.2 | \$375.00 | \$75.00  |
| 05/31/2017 - | Review/Analyze SOI preparation issues                   | Norman, Kate     | 0.6 | \$375.00 | \$225.00 |
| 05/31/2017 - | Draft/Revise witness testimony affidavits               | Azarani, Emma    | 0.7 | \$175.00 | \$122.50 |

## INVOICE

### Invoice Information

Firm/Vendor: Parsley Coffin  
Office: Austin  
Invoice Number: 6554  
Date of Invoice: 07/25/2017  
Billing Period: 06/01/2017 - 06/30/2017  
Date Posted: 07/25/2017  
Invoice Description/Comment: 2017 RGV Rate Case

### Amount Approved

Approved Total **\$20,132.55**  
Invoice Currency: **USD**  
Date Approved: 07/31/2017  
Final Approver: XXXXXXXXXX  
Approved Fees \$12,030.00  
Approved Expenses \$8,102.55  
Comments to AP:

### Accounting Code Allocations

| <u>OM or PROJECT</u> | <u>GL Account</u>   | <u>Task Code</u> | <u>Expenditure Org</u> | <u>Expense Type</u> | <u>Amount</u> | <u>Percentage</u> | <u>Comment</u> |
|----------------------|---------------------|------------------|------------------------|---------------------|---------------|-------------------|----------------|
| PROJECT              | 091.082.7700.010002 | 718662           |                        |                     | \$20,132.55   | 100%              |                |

### Vendor Address & Tax Information in Legal Tracker

Parsley Coffin  
98 San Jacinto Blvd., Ste. 1450  
Austin, Texas 78701

Tel:  
Fax:

### Remittance Address

Vendor Tax ID:  
VAT ID: --  
GST ID: --  
HST ID: --  
PST ID: --

Sales Tax ID: --  
QST ID: --  
Withholding Tax ID: --

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***Amount Billed***

**Billed Total**      **\$20,132.55**

Invoice Currency: USD

Billed Fees      \$12,030.00

Billed Expenses    \$8,102.55

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***Approval History***

| <u>User</u> | <u>Action</u> | <u>Date</u> | <u>Amount</u> | <u>Comment</u> |
|-------------|---------------|-------------|---------------|----------------|
| ██████████  | Posted        | 07/25/2017  | \$20,132.55   |                |
| ██████████  | Approved      | 07/27/2017  | \$20,132.55   |                |
| ██████████  | Approved      | 07/28/2017  | \$20,132.55   |                |
| ██████████  | Approved      | 07/28/2017  | \$20,132.55   |                |
| ██████████  | Approved      | 07/28/2017  | \$20,132.55   |                |
| ██████████  | Approved      | 07/29/2017  | \$20,132.55   |                |
| ██████████  | Approved      | 07/31/2017  | \$20,132.55   |                |

Serengeti Administrator AP Batch Run 07/31/2017 \$20,132.55 Batch ID: 003000189 (Sent to AP: 07/31/2017 3:01:56 PM)

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***Additional Financial Information***

Oracle ERP Vendor Number: 75208

Site Code:                    AUSTIN

Name of Invoice File in .Zip: Parsley Coffin - 6554.html

Comments to Firm:

AP Route:                    Default

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***Matter Information***

Matter Name (Short): 2017 RGV SA IS Rate Case TYE Dec 2016

Matter ID:                    201700010

Lead Company Person: ██████████

Organizational Unit:    ONE Gas, Inc. > 091 - TGS

Practice Group: Legal Department > Rates & Regulatory  
Law Firm Matter No.: 500.087  
Country (in Matter): United States

**Invoice Line Items:**

| <u>Date</u>                                    | <u>Description</u> | <u>Narrative</u>                                                                | <u>Timekeeper</u> | <u>Units</u> | <u>Rate</u> | <u>Adjust</u> | <u>Taxes</u> | <u>TaxType%</u> | <u>Amount</u> |
|------------------------------------------------|--------------------|---------------------------------------------------------------------------------|-------------------|--------------|-------------|---------------|--------------|-----------------|---------------|
| 06/01/2017 -                                   |                    | Review/Analyze J. Branz testimony workpapers                                    | Azarani, Emma     | 0.7          | \$175.00    |               |              |                 | \$122.50      |
| 06/05/2017 -                                   |                    | Review/Analyze SOI filing documents                                             | Norman, Kate      | 0.8          | \$375.00    |               |              |                 | \$300.00      |
| 06/05/2017 -                                   |                    | Review/Analyze testimony, exhibits and workpapers for final rate filing package | Azarani, Emma     | 6.3          | \$175.00    |               |              |                 | \$1,102.50    |
| 06/06/2017 -                                   |                    | Review/Analyze filing requirements re depreciation expense                      | Johnson, Evan D.  | 0.3          | \$325.00    |               |              |                 | \$97.50       |
| 06/06/2017 -                                   |                    | Review/Analyze SOI filing issues                                                | Norman, Kate      | 1.2          | \$375.00    |               |              |                 | \$450.00      |
| 06/06/2017 -                                   |                    | Communicate with client S. Houle re case issues                                 | Norman, Kate      | 0.4          | \$375.00    |               |              |                 | \$150.00      |
| 06/06/2017 -                                   |                    | Review/Analyze SOI and notice                                                   | Norman, Kate      | 1.9          | \$375.00    |               |              |                 | \$712.50      |
| 06/06/2017 -                                   |                    | Communicate with client S. Houle re notice and SOI                              | Norman, Kate      | 0.4          | \$375.00    |               |              |                 | \$150.00      |
| 06/06/2017 -                                   |                    | Review/Analyze testimony, exhibits and workpapers for final rate filing package | Azarani, Emma     | 5.5          | \$175.00    |               |              |                 | \$962.50      |
| 06/07/2017 -                                   |                    | Review/Analyze T. Lyons workpapers                                              | Johnson, Evan D.  | 0.7          | \$325.00    |               |              |                 | \$227.50      |
| 06/07/2017 -                                   |                    | Review/Analyze SOI and RFP issues                                               | Norman, Kate      | 2.4          | \$375.00    |               |              |                 | \$900.00      |
| 06/07/2017 -                                   |                    | Review/Analyze testimony, exhibits and workpapers for final rate filing package | Azarani, Emma     | 6.8          | \$175.00    |               |              |                 | \$1,190.00    |
| 06/08/2017 -                                   |                    | Review/Analyze T. Lyons workpapers                                              | Johnson, Evan D.  | 1.6          | \$325.00    |               |              |                 | \$520.00      |
| 06/08/2017 -                                   |                    | Review/Analyze testimony, exhibits and workpapers for final rate filing package | Azarani, Emma     | 10.9         | \$175.00    |               |              |                 | \$1,907.50    |
| 06/08/2017 -                                   |                    | Review/Analyze and compare tariffs to proposed notice                           | Azarani, Emma     | 1            | \$175.00    |               |              |                 | \$175.00      |
| 06/08/2017 -                                   |                    | Review/Analyze SOI issues                                                       | Norman, Kate      | 1.3          | \$375.00    |               |              |                 | \$487.50      |
| 06/09/2017 -                                   |                    | Review/Analyze T. Lyons workpapers                                              | Johnson, Evan D.  | 0.6          | \$325.00    |               |              |                 | \$195.00      |
| 06/09/2017 -                                   |                    | Review/Analyze testimony, exhibits and workpapers for final rate filing package | Azarani, Emma     | 6.1          | \$175.00    |               |              |                 | \$1,067.50    |
| 06/09/2017 -                                   |                    | Review/Analyze SOI filing and related issues                                    | Norman, Kate      | 1.4          | \$375.00    |               |              |                 | \$525.00      |
| 06/11/2017 -                                   |                    | Review/Analyze SOI preparation issues                                           | Norman, Kate      | 0.8          | \$375.00    |               |              |                 | \$300.00      |
| 06/15/2017 -                                   |                    | Communicate w/other external G. Gay re city contact info                        | Norman, Kate      | 0.2          | \$375.00    |               |              |                 | \$75.00       |
| 06/20/2017 -                                   |                    | Communicate with client S. Houle re case status                                 | Norman, Kate      | 0.3          | \$375.00    |               |              |                 | \$112.50      |
| 06/20/2017 -                                   |                    | Review/Analyze issues re city receipt of filing                                 | Norman, Kate      | 0.2          | \$375.00    |               |              |                 | \$75.00       |
| 06/22/2017 -                                   |                    | Review/Analyze issues re integrated model                                       | Norman, Kate      | 0.6          | \$375.00    |               |              |                 | \$225.00      |
| 06/13/2017 E107 - Delivery Services/Messengers |                    | Delivery services/messengers - Federal Express - TGS RGVSA SOI                  | Norman, Kate      | 1            | \$1,666.44  |               |              |                 | \$1,666.44    |
| 06/13/2017 E102 - Outside Printing             |                    | Outside printing - Rainmaker - RGVSA Cities SOI                                 | Norman, Kate      | 1            | \$6,436.11  |               |              |                 | \$6,436.11    |



**PLEASE PAY FROM THIS INVOICE**

**Remit Payment to:**  
**301 Congress Avenue**  
**Suite 250**  
**Austin, Texas 78701**

# Invoice

Date                      Invoice #  
6/13/2017                      41269

|                                                                                                           |
|-----------------------------------------------------------------------------------------------------------|
| <b>Bill To</b>                                                                                            |
| Parsley Coffin Renner<br>Attn: Accounts Payable<br>98 San Jacinto Blvd.<br>Suite 1450<br>Austin, TX 78701 |

|                                                                                 |
|---------------------------------------------------------------------------------|
| <b>Ship To</b>                                                                  |
| Parsley Coffin Renner<br>98 San Jacinto Blvd.<br>Suite 1450<br>Austin, TX 78701 |

| Ordered By                                                                                                                               | Reference Number | Terms                 | Rep | Project Number             |      | Delivery Date |
|------------------------------------------------------------------------------------------------------------------------------------------|------------------|-----------------------|-----|----------------------------|------|---------------|
| Shelley Morgan                                                                                                                           | 500.087          | Due on receipt        | AG  | 06170110                   |      | 6/13/2017     |
| Description of Services Provided                                                                                                         |                  |                       |     | Qty                        | Rate | Amount        |
| Digital Black and White Prints - x46, 2-sided per instructions, custom tabs inserted, 3-hole punched and placed in provided acco binders |                  |                       |     | 46,876                     | 0.10 | 4,687.60T     |
| Digital Color Prints - x10, 2-sided and stapled                                                                                          |                  |                       |     | 1,320                      | 0.50 | 660.00T       |
| Custom Tabs                                                                                                                              |                  |                       |     | 1,196                      | 0.50 | 598.00T       |
| Customer Signature                                                                                                                       |                  |                       |     | Subtotal \$5,945.60        |      |               |
|                                                                                                                                          |                  |                       |     | Sales Tax (8.25%) \$490.51 |      |               |
| Thank you for choosing<br>Rainmaker Document Technologies!!                                                                              |                  |                       |     | Total \$6,436.11           |      |               |
| Phone Number                                                                                                                             | Fax Number       | Federal Tax ID Number |     | Payments/Credits \$0.00    |      |               |
| 512.472.9911                                                                                                                             | 512.472.6161     | 43-2033387            |     | Balance Due \$6,436.11     |      |               |

**Thank you for choosing  
Rainmaker Document Technologies!!**



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Tracking ID no. [<Prev](#) 779392342371 [Next>](#)  
Invoice no. 2-366-32629  
Account no. 4851-0094-6  
Bill date 06/13/2017  
Total Billed \$48.08  
Tracking ID Balance due \$0.00  
Status Paid CC

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Messages

FedEx has audited this shipment for correct packag [Read More..](#)  
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The package weight exceeds the maximum for the pac [Read More..](#)

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Sender Information

Kate Norman  
Parsley Coffin Renner LLP  
98 San Jacinto Blvd.  
AUSTIN TX 78701  
US

Recipient Information

Alonzo Perez, Mayor  
City of Elsa  
216 E. 4th Street  
ELSA TX 78543  
US

Shipment Details

Ship date 06/13/2017  
Payment type Shipper  
Service type FedEx Priority Overnight  
Zone 03  
Package type Customer Packaging  
Weight 7.00lbs  
Pieces 1  
Meter No. 101188998  
Declared value \$0.00

Charges

|                           |                |
|---------------------------|----------------|
| Transportation Charge     | 52.61          |
| Fuel Surcharge            | 1.29           |
| Weekday Delivery          | 0.00           |
| Automation Bonus Discount | -8.42          |
| DAS Extended Comm         | 2.60           |
| <b>Total charges</b>      | <b>\$48.08</b> |

Original Reference

Customer reference no. 500.087  
Department no.  
Reference #2 TGS RGVSA SOI  
Reference #3

Proof of Delivery

Delivery date 06/14/2017 11:36  
Service area code A5  
Signed by L.MORENO  
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Billing Information

Tracking ID no. [<Prev](#) 779392342670 [Next>](#)  
Invoice no. 2-366-32629  
Account no. 4851-0094-6  
Bill date 06/13/2017  
Total Billed \$45.41  
Tracking ID Balance due \$0.00  
Status Paid CC

Messages

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Fuel Surcharge - FedEx has applied a fuel surcharg [Read More..](#)  
The package weight exceeds the maximum for the pac [Read More..](#)

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Sender Information

Kate Norman  
Parsley Coffin Renner LLP  
98 San Jacinto Blvd.  
AUSTIN TX 78701  
US

Recipient Information

Chris Boswell, Mayor  
City of Harlingen  
118 E TYLER AVE  
HARLINGEN TX 78550  
US

Shipment Details

Ship date 06/13/2017  
Payment type Shipper  
Service type FedEx Priority Overnight  
Zone 03  
Package type Customer Packaging  
Weight 7.00lbs  
Pieces 1  
Meter No. 101188998  
Declared value \$0.00

Charges

|                           |                |
|---------------------------|----------------|
| Transportation Charge     | 52.61          |
| Fuel Surcharge            | 1.22           |
| Weekday Delivery          | 0.00           |
| Automation Bonus Discount | -8.42          |
| <b>Total charges</b>      | <b>\$45.41</b> |

Original Reference

Customer reference no. 500.087  
Department no.  
Reference #2 TGS RGVSA SOI  
Reference #3

Proof of Delivery

Delivery date 06/14/2017 09:33  
Service area code A2  
Signed by G.GARCIA

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Billing Information

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Invoice no. 2-366-32629  
Account no. 4851-0094-6  
Bill date 06/13/2017  
Total Billed \$45.41  
Tracking ID Balance due \$0.00  
Status Paid CC

Messages

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Fuel Surcharge - FedEx has applied a fuel surcharg [Read More..](#)  
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Sender Information

Kate Norman  
Parsley Coffin Renner LLP  
98 San Jacinto Blvd.  
AUSTIN TX 78701  
US

Recipient Information

Diana Martinez, Mayor  
City of Alamo  
420 N TOWER RD  
ALAMO TX 78516  
US

Shipment Details

Ship date 06/13/2017  
Payment type Shipper  
Service type FedEx Priority Overnight  
Zone 03  
Package type Customer Packaging  
Weight 7.00lbs  
Pieces 1  
Meter No. 101188998  
Declared value \$0.00

Charges

|                           |                |
|---------------------------|----------------|
| Transportation Charge     | 52.61          |
| Fuel Surcharge            | 1.22           |
| Weekday Delivery          | 0.00           |
| Automation Bonus Discount | -8.42          |
| <b>Total charges</b>      | <b>\$45.41</b> |

Original Reference

Customer reference no. 500.087  
Department no.  
Reference #2 TGS RGVSA SOI  
Reference #3

Proof of Delivery

Delivery date 06/14/2017 09:36  
Service area code A4  
Signed by I.IBARRA  
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Invoice no. 2-366-32629  
Account no. 4851-0094-6  
Bill date 06/13/2017  
Total Billed \$45.41  
Tracking ID Balance due \$0.00  
Status Paid CC

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Messages

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Sender Information

Kate Norman  
Parsley Coffin Renner LLP  
98 San Jacinto Blvd.  
AUSTIN TX 78701  
US

Recipient Information

Martin Cepeda, Mayor  
City of Hidalgo  
704 E TEXANO DR  
HIDALGO TX 78557  
US

Shipment Details

Ship date 06/13/2017  
Payment type Shipper  
Service type FedEx Priority Overnight  
Zone 03  
Package type Customer Packaging  
Weight 7.00lbs  
Pieces 1  
Meter No. 101188998  
Declared value \$0.00

Charges

|                           |                |
|---------------------------|----------------|
| Transportation Charge     | 52.61          |
| Fuel Surcharge            | 1.22           |
| Weekday Delivery          | 0.00           |
| Automation Bonus Discount | -8.42          |
| <b>Total charges</b>      | <b>\$45.41</b> |

Original Reference

Customer reference no. 500.087  
Department no.  
Reference #2 TGS RGVSA SOI  
Reference #3

Proof of Delivery

Delivery date 06/14/2017 09:55  
Service area code A4  
Signed by V.VILLAGOMEZ

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Tracking ID no. [<Prev](#) 779392343595 [Next>](#)  
Invoice no. 2-366-32629  
Account no. 4851-0094-6  
Bill date 06/13/2017  
Total Billed \$45.41  
Tracking ID Balance due \$0.00  
Status Paid CC

Messages

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Sender Information

Kate Norman  
Parsley Coffin Renner LLP  
98 San Jacinto Blvd.  
AUSTIN TX 78701  
US

Recipient Information

Irene Munoz, Mayor  
City of Donna  
307 S 12TH ST  
DONNA TX 78537  
US

Shipment Details

Ship date 06/13/2017  
Payment type Shipper  
Service type FedEx Priority Overnight  
Zone 03  
Package type Customer Packaging  
Weight 7.00lbs  
Pieces 1  
Meter No. 101188998  
Declared value \$0.00

Charges

|                           |                |
|---------------------------|----------------|
| Transportation Charge     | 52.61          |
| Fuel Surcharge            | 1.22           |
| Weekday Delivery          | 0.00           |
| Automation Bonus Discount | -8.42          |
| <b>Total charges</b>      | <b>\$45.41</b> |

Original Reference

Customer reference no. 500.087  
Department no.  
Reference #2 TGS RGVSA SOI  
Reference #3

Proof of Delivery

Delivery date 06/14/2017 09:58  
Service area code A4  
Signed by I.LIMON  
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Invoice no. 2-366-32629  
Account no. 4851-0094-6  
Bill date 06/13/2017  
Total Billed \$45.41  
Tracking ID Balance due \$0.00  
Status Paid CC

Messages

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Sender Information

Kate Norman  
Parsley Coffin Renner LLP  
98 San Jacinto Blvd.  
AUSTIN TX 78701  
US

Recipient Information

Marco Sanchez, Mayor  
Town of Combes  
21626 Hand Road  
COMBES TX 78535  
US

Shipment Details

Ship date 06/13/2017  
Payment type Shipper  
Service type FedEx Priority Overnight  
Zone 03  
Package type Customer Packaging  
Weight 7.00lbs  
Pieces 1  
Meter No. 101188998  
Declared value \$0.00

Charges

|                           |                |
|---------------------------|----------------|
| Transportation Charge     | 52.61          |
| Fuel Surcharge            | 1.22           |
| Weekday Delivery          | 0.00           |
| Automation Bonus Discount | -8.42          |
| <b>Total charges</b>      | <b>\$45.41</b> |

Original Reference

Customer reference no. 500.087  
Department no.  
Reference #2 TGS RGVSA SOI  
Reference #3

Proof of Delivery

Delivery date 06/14/2017 08:46  
Service area code A2  
Signed by J.DUARTE  
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Invoice no. 2-366-32629  
Account no. 4851-0094-6  
Bill date 06/13/2017  
Total Billed \$45.41  
Tracking ID Balance due \$0.00  
Status Paid CC

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Sender Information

Kate Norman  
Parsley Coffin Renner LLP  
98 San Jacinto Blvd.  
AUSTIN TX 78701  
US

Recipient Information

Richard H. Garcia, Mayor  
City of Edinburg  
415 W UNIVERSITY DR  
EDINBURG TX 78539  
US

Shipment Details

Ship date 06/13/2017  
Payment type Shipper  
Service type FedEx Priority Overnight  
Zone 03  
Package type Customer Packaging  
Weight 7.00lbs  
Pieces 1  
Meter No. 101188998  
Declared value \$0.00

Charges

|                           |                |
|---------------------------|----------------|
| Transportation Charge     | 52.61          |
| Fuel Surcharge            | 1.22           |
| Weekday Delivery          | 0.00           |
| Automation Bonus Discount | -8.42          |
| <b>Total charges</b>      | <b>\$45.41</b> |

Original Reference

Customer reference no. 500.087  
Department no.  
Reference #2 TGS RGVSA SOI  
Reference #3

Proof of Delivery

Delivery date 06/14/201709:21  
Service area code A4  
Signed by S.RODRIGUEZ

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Invoice no. 2-366-32629  
Account no. 4851-0094-6  
Bill date 06/13/2017  
Total Billed \$46.70  
Tracking ID Balance due \$0.00  
Status Paid CC

Messages

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Sender Information

Kate Norman  
Parsley Coffin Renner LLP  
98 San Jacinto Blvd.  
AUSTIN TX 78701  
US

Recipient Information

Tony Martinez, Mayor  
City of Brownsville  
1034 E LEVEE ST  
BROWNSVILLE TX 78520  
US

Shipment Details

Ship date 06/13/2017  
Payment type Shipper  
Service type FedEx Priority Overnight  
Zone 03  
Package type Customer Packaging  
Weight 8.00lbs  
Pieces 1  
Meter No. 101188998  
Declared value \$0.00

Charges

|                           |                |
|---------------------------|----------------|
| Transportation Charge     | 54.11          |
| Fuel Surcharge            | 1.25           |
| Weekday Delivery          | 0.00           |
| Automation Bonus Discount | -8.66          |
| <b>Total charges</b>      | <b>\$46.70</b> |

Original Reference

Customer reference no. 500.087  
Department no.  
Reference #2 TGS RGVSA SOI  
Reference #3

Proof of Delivery

Delivery date 06/14/2017 09:55  
Service area code A2  
Signed by J.GUTIERREZ  
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Billing Information

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Invoice no. 2-366-32629  
Account no. 4851-0094-6  
Bill date 06/13/2017  
Total Billed \$46.08  
Tracking ID Balance due \$0.00  
Status Paid CC

Messages

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Fuel Surcharge - FedEx has applied a fuel surcharg [Read More..](#)  
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Sender Information

Kate Norman  
Parsley Coffin Renner LLP  
98 San Jacinto Blvd.  
AUSTIN TX 78701  
US

Recipient Information

Robert Schmaizried, Mayor  
City of EdCouch  
211 W. Southern  
EDCOUCH TX 78538  
US

Shipment Details

Ship date 06/13/2017  
Payment type Shipper  
Service type FedEx Priority Overnight  
Zone 03  
Package type Customer Packaging  
Weight 7.00lbs  
Pieces 1  
Meter No. 101188998  
Declared value \$0.00

Charges

|                           |                |
|---------------------------|----------------|
| Transportation Charge     | 52.61          |
| Fuel Surcharge            | 1.29           |
| Weekday Delivery          | 0.00           |
| Automation Bonus Discount | -8.42          |
| DAS Extended Comm         | 2.60           |
| <b>Total charges</b>      | <b>\$48.08</b> |

Original Reference

Customer reference no. 500.087  
Department no.  
Reference #2 TGS RGVSA SOI  
Reference #3

Proof of Delivery

Delivery date 06/14/2017 10:13  
Service area code A5  
Signed by S.MONTALVO  
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Billing Information

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Invoice no. 2-366-32629  
Account no. 4851-0094-6  
Bill date 06/13/2017  
Total Billed \$45.41  
Tracking ID Balance due **\$0.00**  
Status Paid CC

Messages

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Fuel Surcharge - FedEx has applied a fuel surcharg [Read More..](#)  
The package weight exceeds the maximum for the pac [Read More..](#)

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Sender Information

Kate Norman  
Parsley Coffin Renner LLP  
98 San Jacinto Blvd.  
AUSTIN TX 78701  
US

Recipient Information

Salvador Vela, Mayor  
City of Alton  
509 S. Alton Blvd.  
MISSION TX 78573  
US

Shipment Details

Ship date 06/13/2017  
Payment type Shipper  
Service type FedEx Priority Overnight  
Zone 03  
Package type Customer Packaging  
Weight 7.00lbs  
Pieces 1  
Meter No. 101188998  
Declared value \$0.00

Charges

|                           |                |
|---------------------------|----------------|
| Transportation Charge     | 52.61          |
| Fuel Surcharge            | 1.22           |
| Weekday Delivery          | 0.00           |
| Automation Bonus Discount | -8.42          |
| <b>Total charges</b>      | <b>\$46.41</b> |

Original Reference

Customer reference no. 500.087  
Department no.  
Reference #2 TGS RGVSA SOI  
Reference #3

Proof of Delivery

Delivery date 06/14/2017 09:36  
Service area code A4  
Signed by E.CORDOVA

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Billing Information

Tracking ID no. [<Prev](#) 779392456727 [Next>](#)  
Invoice no. 2-366-32629  
Account no. 4851-0094-6  
Bill date 06/13/2017  
Total Billed \$46.08  
Tracking ID Balance due \$0.00  
Status Paid CC

Messages

FedEx has audited this shipment for correct packag [Read More..](#)  
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Fuel Surcharge - FedEx has applied a fuel surcharg [Read More..](#)  
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Sender Information

Kate Norman  
Parsley Coffin Renner LLP  
98 San Jacinto Blvd.  
AUSTIN TX 78701  
US

Recipient Information

Alma Moron, Mayor  
City of La Villa  
916 S. Mike Chapa  
LA VILLA TX 78562  
US

Shipment Details

Ship date 06/13/2017  
Payment type Shipper  
Service type FedEx Priority Overnight  
Zone 03  
Package type Customer Packaging  
Weight 7.00lbs  
Pieces 1  
Meter No. 101188998  
Declared value \$0.00

Charges

|                           |                |
|---------------------------|----------------|
| Transportation Charge     | 52.61          |
| Fuel Surcharge            | 1.29           |
| Weekday Delivery          | 0.00           |
| Automation Bonus Discount | -8.42          |
| DAS Comm                  | 2.60           |
| <b>Total charges</b>      | <b>\$48.08</b> |

Original Reference

Customer reference no. 500.087  
Department no.  
Reference #2 TGS RGVSA SOI  
Reference #3

Proof of Delivery

Delivery date 06/14/2017 10:05  
Service area code A5  
Signed by B.RODRIGUEZ  
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Billing Information

Tracking ID no. [<Prev](#) 779392457263 [Next>](#)  
Invoice no. 2-366-32629  
Account no. 4851-0094-6  
Bill date 06/13/2017  
Total Billed \$45.41  
Tracking ID Balance due **\$0.00**  
Status Paid CC

Messages

FedEx has audited this shipment for correct packag [Read More..](#)  
Distance Based Pricing, Zone 3  
Fuel Surcharge - FedEx has applied a fuel surcharg [Read More..](#)  
The package weight exceeds the maximum for the pac [Read More..](#)

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Sender Information

Kate Norman  
Parsley Coffin Renner LLP  
98 San Jacinto Blvd.  
AUSTIN TX 78701  
US

Recipient Information

George Rivera, Mayor  
City of Palm Valley  
1313 N STUART PLACE RD  
HARLINGEN TX 78552  
US

Shipment Details

Ship date 06/13/2017  
Payment type Shipper  
Service type FedEx Priority Overnight  
Zone 03  
Package type Customer Packaging  
Weight 7.00lbs  
Pieces 1  
Meter No. 101188998  
Declared value \$0.00

Charges

|                           |                |
|---------------------------|----------------|
| Transportation Charge     | 52.61          |
| Fuel Surcharge            | 1.22           |
| Weekday Delivery          | 0.00           |
| Automation Bonus Discount | -8.42          |
| <b>Total charges</b>      | <b>\$45.41</b> |

Original Reference

Customer reference no. 500.087  
Department no.  
Reference #2 TGS RGVSA SOI  
Reference #3

Proof of Delivery

Delivery date 06/14/2017 08:33  
Service area code A2  
Signed by N.VARGAS

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Billing Information

Tracking ID no. [<Prev](#) 779392457517 [Next>](#)  
Invoice no. 2-366-32629  
Account no. 4851-0094-6  
Bill date 06/13/2017  
Total Billed \$45.41  
Tracking ID Balance due \$0.00  
Status Paid CC

Messages

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Fuel Surcharge - FedEx has applied a fuel surcharg [Read More..](#)  
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Sender Information

Kate Norman  
Parsley Coffin Renner LLP  
98 San Jacinto Blvd.  
AUSTIN TX 78701  
US

Recipient Information

Henry Hinojosa, Mayor  
City of Mercedes  
400 S OHIO AVE  
MERCEDES TX 78570  
US

Shipment Details

Ship date 06/13/2017  
Payment type Shipper  
Service type FedEx Priority Overnight  
Zone 03  
Package type Customer Packaging  
Weight 7.00lbs  
Pieces 1  
Meter No. 101188998  
Declared value \$0.00

Charges

|                           |                |
|---------------------------|----------------|
| Transportation Charge     | 52.61          |
| Fuel Surcharge            | 1.22           |
| Weekday Delivery          | 0.00           |
| Automation Bonus Discount | -8.42          |
| <b>Total charges</b>      | <b>\$45.41</b> |

Original Reference

Customer reference no. 500.087  
Department no.  
Reference #2 TGS RGVSA SOI  
Reference #3

Proof of Delivery

Delivery date 06/14/2017 08:58  
Service area code A2  
Signed by E.RDZ  
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Billing Information

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Invoice no. 2-366-32629  
Account no. 4851-0094-6  
Bill date 06/13/2017  
Total Billed \$45.41  
**Tracking ID Balance due \$0.00**  
Status Paid CC

Messages

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Sender Information

Kate Norman  
Parsley Coffin Renner LLP  
98 San Jacinto Blvd.  
AUSTIN TX 78701  
US

Recipient Information

Jose Salinas, Mayor  
City of La Joya  
101 N LEO AVE  
LA JOYA TX 78560  
US

Shipment Details

Ship date 06/13/2017  
Payment type Shipper  
Service type FedEx Priority Overnight  
Zone 03  
Package type Customer Packaging  
Weight 7.00lbs  
Pieces 1  
Meter No. 101188998  
Declared value \$0.00

Charges

|                           |                |
|---------------------------|----------------|
| Transportation Charge     | 52.61          |
| Fuel Surcharge            | 1.22           |
| Weekday Delivery          | 0.00           |
| Automation Bonus Discount | -8.42          |
| <b>Total charges</b>      | <b>\$45.41</b> |

Original Reference

Customer reference no. 500.087  
Department no.  
Reference #2 TGS RGVSA SOI  
Reference #3

Proof of Delivery

Delivery date 06/14/2017 10:06  
Service area code A7  
Signed by J.TOVAR

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Invoice no. 2-366-32629  
Account no. 4851-0094-6  
Bill date 06/13/2017  
Total Billed \$45.41  
**Tracking ID Balance due \$0.00**  
Status Paid CC

Messages

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Sender Information

Kate Norman  
Parsley Coffin Renner LLP  
98 San Jacinto Blvd.  
AUSTIN TX 78701  
US

Recipient Information

Jim Darling, Mayor  
City of McAllen  
1300 Houston Ave.  
MCALLEN TX 78501  
US

Shipment Details

Ship date 06/13/2017  
Payment type Shipper  
Service type FedEx Priority Overnight  
Zone 03  
Package type Customer Packaging  
Weight 7.00lbs  
Pieces 1  
Meter No. 101188998  
Declared value \$0.00

Charges

|                           |                |
|---------------------------|----------------|
| Transportation Charge     | 52.61          |
| Fuel Surcharge            | 1.22           |
| Weekday Delivery          | 0.00           |
| Automation Bonus Discount | -8.42          |
| <b>Total charges</b>      | <b>\$45.41</b> |

Original Reference

Customer reference no. 500.087  
Department no.  
Reference #2 TGS RGVSA SOI  
Reference #3

Proof of Delivery

Delivery date 06/14/2017 10:13  
Service area code A4  
Signed by M.ZAPATA

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Invoice no. 2-366-32629  
Account no. 4851-0094-6  
Bill date 06/13/2017  
Total Billed \$48.08  
Tracking ID Balance due **\$0.00**  
Status Paid CC

Messages

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Sender Information

Kate Norman  
Parsley Coffin Renner LLP  
98 San Jacinto Blvd.  
AUSTIN TX 78701  
US

Recipient Information

Jose G. Solis, Mayor  
City of Lyford  
13550 Main Ave.  
LYFORD TX 78569  
US

Shipment Details

Ship date 06/13/2017  
Payment type Shipper  
Service type FedEx Priority Overnight  
Zone 03  
Package type Customer Packaging  
Weight 7.00lbs  
Pieces 1  
Meter No. 101188998  
Declared value \$0.00

Charges

|                           |                |
|---------------------------|----------------|
| Transportation Charge     | 52.61          |
| Fuel Surcharge            | 1.29           |
| Weekday Delivery          | 0.00           |
| Automation Bonus Discount | -8.42          |
| DAS Extended Comm         | 2.60           |
| <b>Total charges</b>      | <b>\$48.08</b> |

Original Reference

Customer reference no. 500.087  
Department no.  
Reference #2 TGS RGVSA SOI  
Reference #3

Proof of Delivery

Delivery date 06/14/2017 09:29  
Service area code A4  
Signed by O.REYNA  
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Invoice no. 2-366-32629  
Account no. 4851-0094-6  
Bill date 06/13/2017  
Total Billed \$46.70  
Tracking ID Balance due **\$0.00**  
Status Paid CC

Messages

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Sender Information

Kate Norman  
Parsley Coffin Renner LLP  
98 San Jacinto Blvd.  
AUSTIN TX 78701  
US

Recipient Information

Norberto Salinas, Mayor  
City of Mission  
1201 E 8TH ST  
MISSION TX 78572  
US

Shipment Details

Ship date 06/13/2017  
Payment type Shipper  
Service type FedEx Priority Overnight  
Zone 03  
Package type Customer Packaging  
Weight 8.00lbs  
Pieces 1  
Meter No. 101188998  
Declared value \$0.00

Charges

|                           |                |
|---------------------------|----------------|
| Transportation Charge     | 54.11          |
| Fuel Surcharge            | 1.25           |
| Weekday Delivery          | 0.00           |
| Automation Bonus Discount | -8.66          |
| <b>Total charges</b>      | <b>\$46.70</b> |

Original Reference

Customer reference no. 500.087  
Department no.  
Reference #2 TGS RGVSA SOI  
Reference #3

Proof of Delivery

Delivery date 06/14/2017 09:56  
Service area code A4  
Signed by J.LOYA  
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Invoice no. 2-366-32629  
Account no. 4851-0094-6  
Bill date 06/13/2017  
Total Billed \$45.41  
Tracking ID Balance due **\$0.00**  
Status Paid CC

Messages

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Sender Information

Kate Norman  
Parsley Coffin Renner LLP  
98 San Jacinto Blvd.  
AUSTIN TX 78701  
US

Recipient Information

Susie Houston, Mayor  
City of Laguna Vista  
122 Fernandez  
SAN BENITO TX 78586  
US

Shipment Details

Ship date 06/13/2017  
Payment type Shipper  
Service type FedEx Priority Overnight  
Zone 03  
Package type Customer Packaging  
Weight 7.00lbs  
Pieces 1  
Meter No. 101188998  
Declared value \$0.00

Charges

|                           |                |
|---------------------------|----------------|
| Transportation Charge     | 52.61          |
| Fuel Surcharge            | 1.22           |
| Weekday Delivery          | 0.00           |
| Automation Bonus Discount | -8.42          |
| <b>Total charges</b>      | <b>\$45.41</b> |

Original Reference

Customer reference no. 500.087  
Department no.  
Reference #2 TGS RGVSA SOI  
Reference #3

Proof of Delivery

Delivery date 06/14/2017 09:41  
Service area code A2  
Signed by A.BECKER

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Invoice no. 2-366-32629  
Account no. 4851-0094-6  
Bill date 06/13/2017  
Total Billed \$45.41  
**Tracking ID Balance due \$0.00**  
Status Paid CC

Messages

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Sender Information

Kate Norman  
Parsley Coffin Renner LLP  
98 San Jacinto Blvd.  
AUSTIN TX 78701  
US

Recipient Information

Olga H. Maldonado, Mayor  
City of La Feria  
115 E COMMERCIAL AVE  
LA FERIA TX 78559  
US

Shipment Details

Ship date 06/13/2017  
Payment type Shipper  
Service type FedEx Priority Overnight  
Zone 03  
Package type Customer Packaging  
Weight 7.00lbs  
Pieces 1  
Meter No. 101188998  
Declared value \$0.00

Charges

|                           |                |
|---------------------------|----------------|
| Transportation Charge     | 52.61          |
| Fuel Surcharge            | 1.22           |
| Weekday Delivery          | 0.00           |
| Automation Bonus Discount | -8.42          |
| <b>Total charges</b>      | <b>\$45.41</b> |

Original Reference

Customer reference no. 500.087  
Department no.  
Reference #2 TGS RGVSA SOI  
Reference #3

Proof of Delivery

Delivery date 06/14/2017 08:54  
Service area code A2  
Signed by M.MARTINEZ

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| Invoice no. 2-366-32629                                                        |  | Distance Based Pricing, Zone 3                                                 |
| Account no. 4851-0094-6                                                        |  | Fuel Surcharge - FedEx has applied a fuel surcharg <a href="#">Read More..</a> |
| Bill date 06/13/2017                                                           |  | The package weight exceeds the maximum for the pac <a href="#">Read More..</a> |
| Total Billed \$48.08                                                           |  |                                                                                |
| Tracking ID Balance due \$0.00                                                 |  |                                                                                |
| Status Paid CC                                                                 |  |                                                                                |
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| <b>Sender Information</b>                        |  | <b>Recipient Information</b>              |
| Kate Norman                                      |  | Polo Narvaez, Mayor                       |
| Parsley Coffin Renner LLP                        |  | City of Los Fresnos                       |
| 98 San Jacinto Blvd.                             |  | 200 N BRAZIL ST                           |
| AUSTIN TX 78701                                  |  | LOS FRESNOS TX 78566                      |
| US                                               |  | US                                        |
| <b>Shipment Details</b>                          |  | <b>Charges</b>                            |
| Ship date 06/13/2017                             |  | Transportation Charge 52.61               |
| Payment type Shipper                             |  | Fuel Surcharge 1.29                       |
| Service type FedEx Priority Overnight            |  | Weekday Delivery 0.00                     |
| Zone 03                                          |  | Automation Bonus Discount -8.42           |
| Package type Customer Packaging                  |  | DAS Extended Comm 2.60                    |
| Weight 7.00lbs                                   |  | <b>Total charges \$48.08</b>              |
| Pieces 1                                         |  |                                           |
| Meter No. 101188998                              |  |                                           |
| Declared value \$0.00                            |  |                                           |
| <b>Original Reference</b>                        |  |                                           |
| Customer reference no. 500.087                   |  |                                           |
| Department no.                                   |  |                                           |
| Reference #2 TGS RGVSA SOI                       |  |                                           |
| Reference #3                                     |  |                                           |
| <b>Proof of Delivery</b>                         |  |                                           |
| Delivery date 06/14/201709:23                    |  |                                           |
| Service area code A2                             |  |                                           |
| Signed by M.GONZALEEZ                            |  |                                           |
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Invoice no. 2-366-32629  
Account no. 4851-0094-6  
Bill date 06/13/2017  
Total Billed \$45.41  
Tracking ID Balance due **\$0.00**  
Status Paid CC

Messages

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Fuel Surcharge - FedEx has applied a fuel surcharg [Read More..](#)  
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Sender Information

Kate Norman  
Parsley Coffin Renner LLP  
98 San Jacinto Blvd.  
AUSTIN TX 78701  
US

Recipient Information

Ambrosio"Amos" Hernandez, Mayo  
City of Pharr  
118 S. Cage Blvd.  
PHARR TX 78577  
US

Shipment Details

Ship date 06/13/2017  
Payment type Shipper  
Service type FedEx Priority Overnight  
Zone 03  
Package type Customer Packaging  
Weight 7.00lbs  
Pieces 1  
Meter No. 101188998  
Declared value \$0.00

Charges

|                           |                |
|---------------------------|----------------|
| Transportation Charge     | 52.61          |
| Fuel Surcharge            | 1.22           |
| Weekday Delivery          | 0.00           |
| Automation Bonus Discount | -8.42          |
| <b>Total charges</b>      | <b>\$45.41</b> |

Original Reference

Customer reference no. 500.087  
Department no.  
Reference #2 TGS RGVSA SOI  
Reference #3

Proof of Delivery

Delivery date 06/14/2017 09:16  
Service area code A4  
Signed by M.GUTIEREZ

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| <b>Billing Information</b>                                                     |  | <b>Messages</b>                                                                |
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| Invoice no. 2-366-32629                                                        |  | Distance Based Pricing, Zone 3                                                 |
| Account no. 4851-0094-6                                                        |  | Fuel Surcharge - FedEx has applied a fuel surcharg <a href="#">Read More..</a> |
| Bill date 06/13/2017                                                           |  | The package weight exceeds the maximum for the pac <a href="#">Read More..</a> |
| Total Billed \$45.41                                                           |  |                                                                                |
| <b>Tracking ID Balance due \$0.00</b>                                          |  |                                                                                |
| Status Paid CC                                                                 |  |                                                                                |
| <a href="#">View Invoice History</a>                                           |  |                                                                                |
| <a href="#">View signature proof of delivery</a>                               |  |                                                                                |
| <b>Transaction Details</b>                                                     |  | <a href="#">Help</a> <a href="#">Hide</a>                                      |
| <b>Sender Information</b>                                                      |  | <b>Recipient Information</b>                                                   |
| Kate Norman                                                                    |  | Cyndie Rathbun, Mayor                                                          |
| Parsley Coffin Renner LLP                                                      |  | Town of Rancho Viejo                                                           |
| 98 San Jacinto Blvd.                                                           |  | 3301 Carmen Ave.                                                               |
| AUSTIN TX 78701                                                                |  | OLMITO TX 78575                                                                |
| US                                                                             |  | US                                                                             |
| <b>Shipment Details</b>                                                        |  | <b>Charges</b>                                                                 |
| Ship date 06/13/2017                                                           |  | Transportation Charge 52.61                                                    |
| Payment type Shipper                                                           |  | Fuel Surcharge 1.22                                                            |
| Service type FedEx Priority Overnight                                          |  | Weekday Delivery 0.00                                                          |
| Zone 03                                                                        |  | Automation Bonus Discount -8.42                                                |
| Package type Customer Packaging                                                |  | <b>Total charges \$45.41</b>                                                   |
| Weight 7.00lbs                                                                 |  |                                                                                |
| Pieces 1                                                                       |  |                                                                                |
| Meter No. 101188998                                                            |  |                                                                                |
| Declared value \$0.00                                                          |  |                                                                                |
| <b>Original Reference</b>                                                      |  |                                                                                |
| Customer reference no. 500.087                                                 |  |                                                                                |
| Department no.                                                                 |  |                                                                                |
| Reference #2 TGS RGVSA SOI                                                     |  |                                                                                |
| Reference #3                                                                   |  |                                                                                |
| <b>Proof of Delivery</b>                                                       |  |                                                                                |
| Delivery date 06/14/201708:50                                                  |  |                                                                                |
| Service area code A2                                                           |  |                                                                                |
| Signed by M.BATRIS                                                             |  |                                                                                |
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Billing Information

Tracking ID no. [<Prev](#) 779392725667 [Next>](#)  
Invoice no. 2-366-32629  
Account no. 4851-0094-6  
Bill date 06/13/2017  
Total Billed \$45.41  
Tracking ID Balance due \$0.00  
Status Paid CC

Messages

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Fuel Surcharge - FedEx has applied a fuel surcharg [Read More..](#)  
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Sender Information

Kate Norman  
Parsley Coffin Renner LLP  
98 San Jacinto Blvd.  
AUSTIN TX 78701  
US

Recipient Information

Arturo Aleman, Mayor  
City of Progreso  
300 N. FM 1015 Rd.  
PROGRESO TX 78579  
US

Shipment Details

Ship date 06/13/2017  
Payment type Shipper  
Service type FedEx Priority Overnight  
Zone 03  
Package type Customer Packaging  
Weight 7.00lbs  
Pieces 1  
Meter No. 101188998  
Declared value \$0.00

Charges

|                           |                |
|---------------------------|----------------|
| Transportation Charge     | 52.61          |
| Fuel Surcharge            | 1.22           |
| Weekday Delivery          | 0.00           |
| Automation Bonus Discount | -8.42          |
| <b>Total charges</b>      | <b>\$45.41</b> |

Original Reference

Customer reference no. 500.087  
Department no.  
Reference #2 TGS RGVSA SOI  
Reference #3

Proof of Delivery

Delivery date 06/14/201709:47  
Service area code A2  
Signed by A.ESPINOSA

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Billing Information

Tracking ID no. [<Prev](#) 779392725976 [Next>](#)  
Invoice no. 2-366-32629  
Account no. 4851-0094-6  
Bill date 06/13/2017  
Total Billed \$45.41  
Tracking ID Balance due \$0.00  
Status Paid CC

Messages

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Distance Based Pricing, Zone 3  
Fuel Surcharge - FedEx has applied a fuel surcharg [Read More..](#)  
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Sender Information

Kate Norman  
Parsley Coffin Renner LLP  
98 San Jacinto Blvd.  
AUSTIN TX 78701  
US

Recipient Information

Gerardo Perez, Mayor  
City of Palmview  
400 W. Veterans Blvd.  
MISSION TX 78572  
US

Shipment Details

Ship date 06/13/2017  
Payment type Shipper  
Service type FedEx Priority Overnight  
Zone 03  
Package type Customer Packaging  
Weight 7.00lbs  
Pieces 1  
Meter No. 101188998  
Declared value \$0.00

Charges

|                           |                |
|---------------------------|----------------|
| Transportation Charge     | 52.61          |
| Fuel Surcharge            | 1.22           |
| Weekday Delivery          | 0.00           |
| Automation Bonus Discount | -8.42          |
| <b>Total charges</b>      | <b>\$45.41</b> |

Original Reference

Customer reference no. 500.087  
Department no.  
Reference #2 TGS RGVSA SOI  
Reference #3

Proof of Delivery

Delivery date 06/14/2017 10:35  
Service area code A4  
Signed by E.PERREZ

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Billing Information

Tracking ID no. [<Prev](#) 779392726023 [Next>](#)  
Invoice no. 2-366-32629  
Account no. 4851-0094-6  
Bill date 06/13/2017  
Total Billed \$48.08  
Tracking ID Balance due \$0.00  
Status Paid CC

Messages

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Fuel Surcharge - FedEx has applied a fuel surcharg [Read More..](#)  
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Sender Information

Kate Norman  
Parsley Coffin Renner LLP  
98 San Jacinto Blvd.  
AUSTIN TX 78701  
US

Recipient Information

Juan Jose Zamora, Mayor  
City of Port Isabel  
305 E MAXAN ST  
PORT ISABEL TX 78578  
US

Shipment Details

Ship date 06/13/2017  
Payment type Shipper  
Service type FedEx Priority Overnight  
Zone 03  
Package type Customer Packaging  
Weight 7.00lbs  
Pieces 1  
Meter No. 101188998  
Declared value \$0.00

Charges

|                           |                |
|---------------------------|----------------|
| Transportation Charge     | 52.61          |
| Fuel Surcharge            | 1.29           |
| Weekday Delivery          | 0.00           |
| Automation Bonus Discount | -8.42          |
| DAS Comm                  | 2.60           |
| <b>Total charges</b>      | <b>\$48.08</b> |

Original Reference

Customer reference no. 500.087  
Department no.  
Reference #2 TGS RGVSA SOI  
Reference #3

Proof of Delivery

Delivery date 06/14/2017 10:14  
Service area code A7  
Signed by M.TRUJILLO

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Billing Information

Tracking ID no. [<Prev](#) 779392726137 [Next>](#)  
Invoice no. 2-366-32629  
Account no. 4851-0094-6  
Bill date 06/13/2017  
Total Billed \$45.41  
**Tracking ID Balance due \$0.00**  
Status Paid CC

Messages

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Fuel Surcharge - FedEx has applied a fuel surcharg [Read More..](#)  
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Sender Information

Kate Norman  
Parsley Coffin Renner LLP  
98 San Jacinto Blvd.  
AUSTIN TX 78701  
US

Recipient Information

Ramiro J. Rodriguez, Jr., Mayo  
City of Palmhurst  
4417 N. Shary Rd.  
MISSION TX 78573  
US

Shipment Details

Ship date 06/13/2017  
Payment type Shipper  
Service type FedEx Priority Overnight  
Zone 03  
Package type Customer Packaging  
Weight 7.00lbs  
Pieces 1  
Meter No. 101188998  
Declared value \$0.00

Charges

|                           |                |
|---------------------------|----------------|
| Transportation Charge     | 52.61          |
| Fuel Surcharge            | 1.22           |
| Weekday Delivery          | 0.00           |
| Automation Bonus Discount | -8.42          |
| <b>Total charges</b>      | <b>\$45.41</b> |

Original Reference

Customer reference no. 500.087  
Department no.  
Reference #2 TGS RGVSA SOI  
Reference #3

Proof of Delivery

Delivery date 06/14/2017 09:19  
Service area code A4  
Signed by G.CRUIZ

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Billing Information

Tracking ID no. [<Prev](#) 779392726160 [Next>](#)  
Invoice no. 2-366-32629  
Account no. 4851-0094-6  
Bill date 06/13/2017  
Total Billed \$48.08  
Tracking ID Balance due \$0.00  
Status Paid CC

Messages

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Sender Information

Kate Norman  
Parsley Coffin Renner LLP  
98 San Jacinto Blvd.  
AUSTIN TX 78701  
US

Recipient Information

Gilbert Gonzales, Mayor  
City of Raymondville  
142 S 7TH ST  
RAYMONDVILLE TX 78580  
US

Shipment Details

Ship date 06/13/2017  
Payment type Shipper  
Service type FedEx Priority Overnight  
Zone 03  
Package type Customer Packaging  
Weight 7.00lbs  
Pieces 1  
Meter No. 101188998  
Declared value \$0.00

Charges

|                           |                |
|---------------------------|----------------|
| Transportation Charge     | 52.61          |
| Fuel Surcharge            | 1.29           |
| Weekday Delivery          | 0.00           |
| Automation Bonus Discount | -8.42          |
| DAS Extended Comm         | 2.60           |
| <b>Total charges</b>      | <b>\$48.08</b> |

Original Reference

Customer reference no. 500.087  
Department no.  
Reference #2 TGS RGVSA SOI  
Reference #3

Proof of Delivery

Delivery date 06/14/2017 10:05  
Service area code A7  
Signed by D.GARZA  
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Billing Information

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Invoice no. 2-366-32629  
Account no. 4851-0094-6  
Bill date 06/13/2017  
Total Billed \$48.08  
**Tracking ID Balance due \$0.00**  
Status Paid CC

Messages

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Sender Information

Kate Norman  
Parsley Coffin Renner LLP  
98 San Jacinto Blvd.  
AUSTIN TX 78701  
US

Recipient Information

Gustavo Olivares, Mayor  
City of Rio Hondo  
121 N ARROYO BLVD  
RIO HONDO TX 78583  
US

Shipment Details

Ship date 06/13/2017  
Payment type Shipper  
Service type FedEx Priority Overnight  
Zone 03  
Package type Customer Packaging  
Weight 7.00lbs  
Pieces 1  
Meter No. 101188998  
Declared value \$0.00

Charges

|                           |                |
|---------------------------|----------------|
| Transportation Charge     | 52.61          |
| Fuel Surcharge            | 1.29           |
| Weekday Delivery          | 0.00           |
| Automation Bonus Discount | -8.42          |
| DAS Extended Comm         | 2.60           |
| <b>Total charges</b>      | <b>\$48.08</b> |

Original Reference

Customer reference no. 500.087  
Department no.  
Reference #2 TGS RGVSA SOI  
Reference #3

Proof of Delivery

Delivery date 06/14/2017 09:38  
Service area code A2  
Signed by L.GARZA  
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Billing Information

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Invoice no. 2-366-32629  
Account no. 4851-0094-6  
Bill date 06/13/2017  
Total Billed \$45.41  
Tracking ID Balance due \$0.00  
Status Paid CC

Messages

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Sender Information

Kate Norman  
Parsley Coffin Renner LLP  
98 San Jacinto Blvd.  
AUSTIN TX 78701  
US

Recipient Information

R. Dave Kusch  
City of Primera  
22893 N STUART PLACE RD  
HARLINGEN TX 78552  
US

Shipment Details

Ship date 06/13/2017  
Payment type Shipper  
Service type FedEx Priority Overnight  
Zone 03  
Package type Customer Packaging  
Weight 7.00lbs  
Pieces 1  
Meter No. 101188998  
Declared value \$0.00

Charges

|                           |                |
|---------------------------|----------------|
| Transportation Charge     | 52.61          |
| Fuel Surcharge            | 1.22           |
| Weekday Delivery          | 0.00           |
| Automation Bonus Discount | -8.42          |
| <b>Total charges</b>      | <b>\$45.41</b> |

Original Reference

Customer reference no. 500.087  
Department no.  
Reference #2 TGS RGVSA SOI  
Reference #3

Proof of Delivery

Delivery date 06/14/2017 09:24  
Service area code A2  
Signed by M.FLORES  
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Billing Information

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Invoice no. 2-366-32629  
Account no. 4851-0084-6  
Bill date 06/13/2017  
Total Billed \$45.41  
**Tracking ID Balance due \$0.00**  
Status Paid CC

Messages

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Sender Information

Kate Norman  
Parsley Coffin Renner LLP  
98 San Jacinto Blvd.  
AUSTIN TX 78701  
US

Recipient Information

Rodrigo Lopez, Mayor  
City of Penitas  
1111 S. FM 1427  
PENITAS TX 78576  
US

Shipment Details

Ship date 06/13/2017  
Payment type Shipper  
Service type FedEx Priority Overnight  
Zone 03  
Package type Customer Packaging  
Weight 7.00lbs  
Pieces 1  
Meter No. 101188998  
Declared value \$0.00

Charges

|                           |                |
|---------------------------|----------------|
| Transportation Charge     | 52.61          |
| Fuel Surcharge            | 1.22           |
| Weekday Delivery          | 0.00           |
| Automation Bonus Discount | -8.42          |
| <b>Total charges</b>      | <b>\$45.41</b> |

Original Reference

Customer reference no. 500.087  
Department no.  
Reference #2 TGS RGVSA SOI  
Reference #3

Proof of Delivery

Delivery date 06/14/2017 09:53  
Service area code A4  
Signed by M.MORALES  
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Billing Information

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Invoice no. 2-366-32629  
Account no. 4851-0094-6  
Bill date 06/13/2017  
Total Billed \$48.08  
Tracking ID Balance due \$0.00  
Status Paid CC

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Messages

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Sender Information

Kate Norman  
Parsley Coffin Renner LLP  
98 San Jacinto Blvd.  
AUSTIN TX 78701  
US

Shipment Details

Ship date 06/13/2017  
Payment type Shipper  
Service type FedEx Priority Overnight  
Zone 03  
Package type Customer Packaging  
Weight 7.00lbs  
Pieces 1  
Meter No. 101188998  
Declared value \$0.00

Original Reference

Customer reference no. 500.087  
Department no.  
Reference #2 TGS RGVSA SOI  
Reference #3

Proof of Delivery

Delivery date 06/14/2017 09:25  
Service area code A2  
Signed by M.GONZALEZ  
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Recipient Information

Andres Contreras, Mayor  
City of Santa Rosa  
411 S. 6th St.  
SANTA ROSA TX 78593  
US

Charges

|                           |                |
|---------------------------|----------------|
| Transportation Charge     | 52.61          |
| Fuel Surcharge            | 1.29           |
| Weekday Delivery          | 0.00           |
| Automation Bonus Discount | -8.42          |
| DAS Extended Comm         | 2.60           |
| <b>Total charges</b>      | <b>\$48.08</b> |

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Billing Information

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Invoice no. 2-366-32629  
Account no. 4851-0094-6  
Bill date 06/13/2017  
Total Billed \$45.41  
Tracking ID Balance due \$0.00  
Status Paid CC

Messages

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Sender Information

Kate Norman  
Parsley Coffin Renner LLP  
98 San Jacinto Blvd.  
AUSTIN TX 78701  
US

Recipient Information

Celeste Z. Sanchez, Mayor  
City of San benito  
401 N. Sam Houston  
SAN BENITO TX 78586  
US

Shipment Details

Ship date 06/13/2017  
Payment type Shipper  
Service type FedEx Priority Overnight  
Zone 03  
Package type Customer Packaging  
Weight 7.00lbs  
Pieces 1  
Meter No. 101188998  
Declared value \$0.00

Charges

|                           |                |
|---------------------------|----------------|
| Transportation Charge     | 52.61          |
| Fuel Surcharge            | 1.22           |
| Weekday Delivery          | 0.00           |
| Automation Bonus Discount | -8.42          |
| <b>Total charges</b>      | <b>\$45.41</b> |

Original Reference

Customer reference no. 500.087  
Department no.  
Reference #2 TGS RGVSA SOI  
Reference #3

Proof of Delivery

Delivery date 06/14/2017 10:19  
Service area code A2  
Signed by Y.LOPEZ

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Billing Information

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Invoice no. 2-366-32629  
Account no. 4851-0094-6  
Bill date 06/13/2017  
Total Billed \$45.41  
**Tracking ID Balance due \$0.00**  
Status Paid CC

Messages

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Sender Information

Kate Norman  
Parsley Coffin Renner LLP  
98 San Jacinto Blvd.  
AUSTIN TX 78701  
US

Recipient Information

David Suarez, Mayor  
City of Weslaco  
255 S KANSAS AVE  
WESLACO TX 78596  
US

Shipment Details

Ship date 06/13/2017  
Payment type Shipper  
Service type FedEx Priority Overnight  
Zone 03  
Package type Customer Packaging  
Weight 7.00lbs  
Pieces 1  
Meter No. 101188998  
Declared value \$0.00

Charges

|                           |                |
|---------------------------|----------------|
| Transportation Charge     | 52.61          |
| Fuel Surcharge            | 1.22           |
| Weekday Delivery          | 0.00           |
| Automation Bonus Discount | -8.42          |
| <b>Total charges</b>      | <b>\$45.41</b> |

Original Reference

Customer reference no. 500.087  
Department no.  
Reference #2 TGS RGVSA SOI  
Reference #3

Proof of Delivery

Delivery date 06/14/2017 09:26  
Service area code A2  
Signed by M.LOPEZ

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Billing Information

Tracking ID no. [<Prev](#) 779392879946 [Next>](#)  
Invoice no. 2-366-32629  
Account no. 4851-0094-6  
Bill date 06/13/2017  
Total Billed \$45.41  
Tracking ID Balance due **\$0.00**  
Status Paid CC

Messages

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Sender Information

Kate Norman  
Parsley Coffin Renner LLP  
98 San Jacinto Blvd.  
AUSTIN TX 78701  
US

Recipient Information

Mario Garza, Mayor  
City of San Juan  
709 S. Nebraska St.  
SAN JUAN TX 78589  
US

Shipment Details

Ship date 06/13/2017  
Payment type Shipper  
Service type FedEx Priority Overnight  
Zone 03  
Package type Customer Packaging  
Weight 7.00lbs  
Pieces 1  
Meter No. 101188998  
Declared value \$0.00

Charges

|                           |                |
|---------------------------|----------------|
| Transportation Charge     | 52.61          |
| Fuel Surcharge            | 1.22           |
| Weekday Delivery          | 0.00           |
| Automation Bonus Discount | -8.42          |
| <b>Total charges</b>      | <b>\$45.41</b> |

Original Reference

Customer reference no. 500.087  
Department no.  
Reference #2 TGS RGVSA SOI  
Reference #3

Proof of Delivery

Delivery date 06/14/2017 10:06  
Service area code A4  
Signed by V.CASAREZ

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Billing Information

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Invoice no. 2-366-32629  
Account no. 4851-0094-6  
Bill date 06/13/2017  
Total Billed \$95.89  
**Tracking ID Balance due \$0.00**  
Status Paid CC

Messages

Distance Based Pricing, Zone 3  
Fuel Surcharge - FedEx has applied a fuel surcharge [Read More..](#)

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Sender Information

Kate Norman  
Parsley Coffin Renner LLP  
98 San Jacinto Blvd.  
AUSTIN TX 78701  
US

Recipient Information

Naomi Perales  
Texas Gas Service Company  
5602 East Grimes Road  
HARLINGEN TX 78550  
US

Shipment Details

Ship date 06/13/2017  
Payment type Shipper  
Service type FedEx Priority Overnight  
Zone 03  
Package type Customer Packaging  
Weight 36.00lbs  
Pieces 1  
Meter No. 101188998  
Declared value \$0.00

Charges

|                           |                |
|---------------------------|----------------|
| Transportation Charge     | 111.10         |
| Fuel Surcharge            | 2.57           |
| Weekday Delivery          | 0.00           |
| Automation Bonus Discount | -17.78         |
| <b>Total charges</b>      | <b>\$95.89</b> |

Original Reference

Customer reference no. 500.087  
Department no.  
Reference #2 TGS RGVSA SOI  
Reference #3

Proof of Delivery

Delivery date 06/14/2017 09:07  
Service area code A2  
Signed by R.MARTINEZ  
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## INVOICE

### ***Invoice Information***

Firm/Vendor: Parsley Coffin  
Office: Austin  
Invoice Number: 6577  
Date of Invoice: 08/21/2017  
Billing Period: 07/06/2017 - 07/31/2017  
Date Posted: 08/21/2017  
Invoice Description/Comment: 2017 RGV Rate Case

### ***Amount Approved***

#### **Approved Total**

**Invoice Currency: USD**

Date Approved:

Final Approver:

Approved Fees

Approved Expenses

Comments to AP:

### ***Accounting Code Allocations***

| <u>OM or PROJECT</u> | <u>GL Account</u>   | <u>Task Code</u> | <u>Expenditure Org</u> | <u>Expense Type</u> | <u>Amount</u> | <u>Percentage</u> | <u>Comment</u> |
|----------------------|---------------------|------------------|------------------------|---------------------|---------------|-------------------|----------------|
| PROJECT              | 091.082.7700.010002 | 718662           |                        |                     |               | 100%              |                |

### ***Vendor Address & Tax Information in Legal Tracker***

Parsley Coffin  
98 San Jacinto Blvd., Ste. 1450  
Austin, Texas 78701

Tel:

Fax:

### ***Remittance Address***

Vendor Tax ID:

VAT ID: --

GST ID: --

HST ID: --

PST ID: --

Sales Tax ID: --  
QST ID: --  
Withholding Tax ID: --

---

***Amount Billed***

**Billed Total      \$6,350.00**

Invoice Currency: USD

Billed Fees      \$6,350.00

Billed Expenses    \$0.00

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***Approval History***

| <u>User</u> | <u>Action</u> | <u>Date</u> | <u>Amount</u> | <u>Comment</u> |
|-------------|---------------|-------------|---------------|----------------|
| ██████████  | Posted        | 08/21/2017  | \$6,350.00    |                |
| ██████████  | Approved      | 08/24/2017  | \$6,350.00    |                |
| ██████████  | Approved      | 08/25/2017  | \$6,350.00    |                |
| ██████████  | Approved      | 08/28/2017  | \$6,350.00    |                |
| ██████████  | Approved      | 08/29/2017  | \$6,350.00    |                |
| ██████████  | Approved      | 08/29/2017  | \$6,350.00    |                |
| ██████████  | Pending       |             |               |                |

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***Additional Financial Information***

Oracle ERP Vendor Number: 75208

Site Code:                    AUSTIN

Name of Invoice File in .Zip: Parsley Coffin - 6577.html

Comments to Firm:

AP Route:                    Default

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***Matter Information***

Matter Name (Short): 2017 RGV SA IS Rate Case TYE Dec 2016

Matter ID:                    201700010

Lead Company Person: ██████████

Organizational Unit: ONE Gas, Inc. > 091 - TGS

Practice Group:              Legal Department > Rates & Regulatory

Law Firm Matter No.: 500.087  
Country (in Matter): United States

***Invoice Line Items:***

| <u>Date</u>  | <u>Description Narrative</u>                                                  | <u>Timekeeper</u> | <u>Units</u> | <u>Rate</u> | <u>Adjust</u> | <u>Taxes</u> | <u>TaxType%</u> | <u>Amount</u> |
|--------------|-------------------------------------------------------------------------------|-------------------|--------------|-------------|---------------|--------------|-----------------|---------------|
| 07/06/2017 - | Review/Analyze Cities 1st RFIs                                                | Norman, Kate      | 0.3          | \$375.00    |               |              |                 | \$112.50      |
| 07/13/2017 - | Communicate with client S. Houle re draft discovery responses                 | Norman, Kate      | 0.4          | \$375.00    |               |              |                 | \$150.00      |
| 07/13/2017 - | Review/Analyze draft discovery responses                                      | Norman, Kate      | 1.8          | \$375.00    |               |              |                 | \$675.00      |
| 07/13/2017 - | Review/Analyze tariffs for discovery responses                                | Azarani, Emma     | 5.4          | \$175.00    |               |              |                 | \$945.00      |
| 07/13/2017 - | Review/Analyze draft discovery responses                                      | Santos, Mark      | 0.8          | \$425.00    |               |              |                 | \$340.00      |
| 07/13/2017 - | Review/Analyze draft discovery responses                                      | Johnson, Evan D.  | 0.3          | \$325.00    |               |              |                 | \$97.50       |
| 07/14/2017 - | Review/Analyze discovery issues                                               | Montes, Gene      | 1.3          | \$400.00    |               |              |                 | \$520.00      |
| 07/14/2017 - | Review/Analyze discovery issues                                               | Norman, Kate      | 1.4          | \$375.00    |               |              |                 | \$525.00      |
| 07/17/2017 - | Research re Lyons workpapers                                                  | Azarani, Emma     | 1            | \$175.00    |               |              |                 | \$175.00      |
| 07/17/2017 - | Communicate with client S. Borgstadt and S. Houle re discovery responses      | Norman, Kate      | 0.5          | \$375.00    |               |              |                 | \$187.50      |
| 07/17/2017 - | Review/Analyze draft discovery responses                                      | Norman, Kate      | 2.8          | \$375.00    |               |              |                 | \$1,050.00    |
| 07/17/2017 - | Review/Analyze draft discovery responses                                      | Montes, Gene      | 1            | \$400.00    |               |              |                 | \$400.00      |
| 07/18/2017 - | Review/Analyze and finalize draft discovery responses                         | Norman, Kate      | 0.9          | \$375.00    |               |              |                 | \$337.50      |
| 07/18/2017 - | Review/Analyze and finalize responses to Cities 1st RFIs                      | Azarani, Emma     | 3.1          | \$175.00    |               |              |                 | \$542.50      |
| 07/19/2017 - | Draft/Revise correspondence to Cities' counsel distributing TGS RFI responses | Norman, Kate      | 0.2          | \$375.00    |               |              |                 | \$75.00       |
| 07/26/2017 - | Review/Analyze draft discovery responses                                      | Johnson, Evan D.  | 0.3          | \$325.00    |               |              |                 | \$97.50       |
| 07/28/2017 - | Review/Analyze Cities 2nd RFIs                                                | Montes, Gene      | 0.3          | \$400.00    |               |              |                 | \$120.00      |

## PARSLEY COFFIN RENNER LLP

P. O. Box 13366  
Austin, TX 78711  
512-879-0900

Federal I.D. No. 27-0934461

Joe McCormick  
ONE Gas, Inc. - Texas Gas Service Company  
First Place Tower  
15 E. 5th Street  
Tulsa, OK 74103

Statement Date: September 22, 2017  
Statement No. 6600  
Client No. 500.087  
Page: 1

RE: 2017 RGV SA IS Rate TYE Dec 2016

### Fees

|            |     |      |      |                                                         | Rate   | Hours |        |
|------------|-----|------|------|---------------------------------------------------------|--------|-------|--------|
| 08/01/2017 | KWN | L310 | A104 | Review/Analyze discovery responses                      | 375.00 | 1.10  | 412.50 |
| 08/02/2017 | EDJ | L310 | A104 | Review/Analyze draft discovery responses                | 325.00 | 0.60  | 195.00 |
|            | GM1 | L310 | A104 | Review/Analyze draft discovery responses                | 400.00 | 1.50  | 600.00 |
| 08/03/2017 | EDJ | L310 | A104 | Review/Analyze draft discovery responses                | 325.00 | 0.50  | 162.50 |
|            | KWN | L310 | A104 | Review/Analyze discovery responses                      | 375.00 | 0.50  | 187.50 |
|            | GM1 | L310 | A104 | Review/Analyze draft discovery responses                | 400.00 | 2.40  | 960.00 |
| 08/07/2017 | KWN | L310 | A104 | Review/Analyze discovery responses                      | 375.00 | 2.20  | 825.00 |
| 08/08/2017 | KWN | L310 | A104 | Review/Analyze discovery responses                      | 375.00 | 1.40  | 525.00 |
|            | ERA | L310 | A104 | Review/Analyze draft discovery responses                | 175.00 | 1.80  | 315.00 |
| 08/09/2017 | KWN | L310 | A104 | Review/Analyze discovery responses                      | 375.00 | 0.30  | 112.50 |
| 08/14/2017 | KWN | L310 | A104 | Review/Analyze draft discovery responses                | 375.00 | 1.20  | 450.00 |
|            | KWN | L310 | A106 | Communicate with client S. Houle re discovery           | 375.00 | 0.20  | 75.00  |
| 08/15/2017 | KWN | L310 | A106 | Communicate with client S. Borgstadt re discovery       | 375.00 | 0.20  | 75.00  |
|            | KWN | L310 | A104 | Review/Analyze discovery issues                         | 375.00 | 0.40  | 150.00 |
| 08/16/2017 | KWN | L310 | A104 | Review/Analyze draft discovery responses                | 375.00 | 0.60  | 225.00 |
| 08/17/2017 | KWN | L310 | A104 | Review/Analyze draft discovery responses                | 375.00 | 1.10  | 412.50 |
| 08/18/2017 | KWN | L310 | A104 | Review/Analyze and finalize discovery responses         | 375.00 | 0.90  | 337.50 |
|            | ERA | L310 | A104 | Review/Analyze draft discovery responses                | 175.00 | 2.50  | 437.50 |
| 08/21/2017 | KWN | L160 | A104 | Review/Analyze issues re settlement timing              | 375.00 | 0.20  | 75.00  |
| 08/23/2017 | KWN | L160 | A104 | Review/Analyze issues re settlement timing              | 375.00 | 0.30  | 112.50 |
| 08/24/2017 | KWN | L160 | A104 | Review/Analyze issues re scheduling settlement meetings | 375.00 | 0.40  | 150.00 |

ONE Gas, Inc. - Texas Gas Service Co  
Account No. 500.087  
RE: 2017 RGV SA IS Rate TYE Dec 20

Statement Date: 09/22/2017  
Statement No. 6600  
Page No. 2

|            |     |      |      |                                                                                 | Rate   | Hours |          |
|------------|-----|------|------|---------------------------------------------------------------------------------|--------|-------|----------|
| 08/25/2017 | KWN | L120 | A104 | Review/Analyze issues re relationship between<br>incorporated and environs SOIs | 375.00 | 0.60  | 225.00   |
|            |     |      |      | For Current Services Rendered                                                   |        | 20.90 | 7,020.00 |

Recapitulation

| <u>Timekeeper</u> | <u>Hours</u> | <u>Rate</u> | <u>Total</u> |
|-------------------|--------------|-------------|--------------|
| Kate Norman       | 11.60        | \$375.00    | \$4,350.00   |
| Emma Azarani      | 4.30         | 175.00      | 752.50       |
| Evan D. Johnson   | 1.10         | 325.00      | 357.50       |
| Gene Montes       | 3.90         | 400.00      | 1,560.00     |

Total Current Work 7,020.00

Balance Due \$7,020.00

Task Code Summary

|      |                            | <u>Fees</u> | <u>Expenses</u> |
|------|----------------------------|-------------|-----------------|
| L120 | Analysis/Strategy          | 225.00      | 0.00            |
| L160 | Settlement/Non-Binding ADR | 337.50      | 0.00            |
| L100 |                            | 562.50      | 0.00            |
| L310 | Written Discovery          | 6457.50     | 0.00            |
| L300 | Discovery                  | 6,457.50    | 0.00            |

PAUL H. RAAB  
ECONOMIC CONSULTING  
5313 PORTSMOUTH ROAD  
BETHESDA, MD 20816  
(301) 320-7549 • FAX: (301) 320-8369

TGS - April 1, 2017

Ms. Julie Hatfield  
Energy Efficiency/Conservation Program Manager  
Texas Gas Service Company  
1301 South Mopac Expressway, Suite 400  
Austin, TX 78746

**INVOICE**

Professional fees and expenses related to EM&V services performed for Texas Gas Service in its RGV service area (detail attached):

|                        |    |       |
|------------------------|----|-------|
| Professional Fees      | \$ | 5,900 |
| Out-of-Pocket Expenses | \$ | -     |
| Federal Express        | \$ | -     |
| TOTAL                  | \$ | 5,900 |

2017 Rio Grande Valley SA IS Rate Case TYE Dec. 2016  
091.082.7700.010002 Task: 718662

Consultants

Exp. org: 7022

   
4/12/2017

I040117.11

**DETAILED INVOICE - HOURS BREAKDOWN**

| <u>Date</u> | <u>Consultant</u> | <u>Hours</u> | <u>Expenses</u> | <u>Task</u>   |
|-------------|-------------------|--------------|-----------------|---------------|
| 3/27        | Raab - RGV        | 8.0          |                 | RGV Testimony |
| 3/28        | Raab - RGV        | 8.0          |                 | RGV Testimony |
| 3/29        | Raab - RGV        | <u>4.0</u>   | <u></u>         | RGV Testimony |
| TOTALS      |                   | <u>20.0</u>  | <u>\$ -</u>     |               |



**TOTAL INVOICE - FEE COMPUTATION**

| <u>Consultant</u> | <u>Hours</u> | <u>Rate</u> | <u>Fees</u>     |
|-------------------|--------------|-------------|-----------------|
| Raab - EM&V       | 0.0          | \$ 295      | \$ -            |
| Raab - El Paso    | 0.0          | \$ 295      | \$ -            |
| Raab - RGV        | 20.0         | \$ 295      | \$ 5,900        |
| Raab - CTX        | 0.0          | \$ 295      | \$ -            |
|                   | <u>20.0</u>  |             | <u>\$ 5,900</u> |

PAUL H. RAAB  
ECONOMIC CONSULTING  
5313 PORTSMOUTH ROAD  
BETHESDA, MD 20816  
(301) 320-7549 • FAX: (301) 320-6369

TGS - May 1, 2017

Ms. Julie Hatfield  
Energy Efficiency/Conservation Program Manager  
Texas Gas Service Company  
1301 South Mopac Expressway, Suite 400  
Austin, TX 78746

**INVOICE**

Professional fees and expenses related to EM&V services performed for Texas Gas Service in its RGV service area (detail attached):

|                        |           |              |
|------------------------|-----------|--------------|
| Professional Fees      | \$        | 7,080        |
| Out-of-Pocket Expenses | \$        | -            |
| Federal Express        | \$        | -            |
| <b>TOTAL</b>           | <b>\$</b> | <b>7,080</b> |

2017 RIO GRANDE VALLEY SA IS RATE CASE TYE DEC 2016

091.082.7700.010002      Task: 718662

Consultants

Exp. org: 7022      . .

X  

X  

5/15/2017

1050117.11

**DETAILED INVOICE - HOURS BREAKDOWN**

| <u>Date</u> | <u>Consultant</u> | <u>Hours</u> | <u>Expenses</u> | <u>Task</u>   |
|-------------|-------------------|--------------|-----------------|---------------|
| 4/4         | Raab - RGV        | 4.0          |                 | RGV Testimony |
| 4/5         | Raab - RGV        | 8.0          |                 | RGV Testimony |
| 4/6         | Raab - RGV        | 4.0          |                 | RGV Testimony |
| 4/7         | Raab - RGV        | 4.0          |                 | RGV Testimony |
| 4/14        | Raab - RGV        | <u>4.0</u>   |                 | RGV Testimony |
| TOTALS      |                   | <u>24.0</u>  | <u>\$ -</u>     |               |

**TOTAL INVOICE - FEE COMPUTATION**

| <u>Consultant</u> | <u>Hours</u> | <u>Rate</u> | <u>Fees</u>     |
|-------------------|--------------|-------------|-----------------|
| Raab - EM&V       | 0.0          | \$ 295      | \$ -            |
| Raab - El Paso    | 0.0          | \$ 295      | \$ -            |
| Raab - RGV        | 24.0         | \$ 295      | \$ 7,080        |
| Raab - CTX        | 0.0          | \$ 295      | \$ -            |
|                   | <u>24.0</u>  |             | <u>\$ 7,080</u> |

**PAUL H. RAAB**  
ECONOMIC CONSULTING

5313 PORTSMOUTH ROAD  
BETHESDA, MD 20816  
(301) 320-7549 • FAX: (301) 320-6369

TGS - June 1, 2017

Ms. Julie Hatfield  
Energy Efficiency/Conservation Program Manager  
Texas Gas Service Company  
1301 South Mopac Expressway, Suite 400  
Austin, TX 78746

**INVOICE**

Professional fees and expenses related to EM&V services performed for Texas Gas Service in its RGV service area (detail attached):

|                        |    |              |
|------------------------|----|--------------|
| Professional Fees      | \$ | 2,065        |
| Out-of-Pocket Expenses | \$ | -            |
| Federal Express        | \$ | -            |
| TOTAL                  | \$ | <u>2,065</u> |

2017 Rio Grande Valley I/S Rate Case TYE Dec 2016  
091.082.7700.010002 Task: 718662  
Consultants  
Exp. org: 7022

X  

I060117.11

**DETAILED INVOICE - HOURS BREAKDOWN**

| <u>Date</u> | <u>Consultant</u> | <u>Hours</u>      | <u>Expenses</u>    | <u>Task</u>   |
|-------------|-------------------|-------------------|--------------------|---------------|
| 5/3         | Raab - RGV        | 1.0               |                    | RGV Testimony |
| 5/4         | Raab - RGV        | 1.0               |                    | RGV Testimony |
| 5/5         | Raab - RGV        | 4.0               |                    | RGV Testimony |
| 5/26        | Raab - RGV        | <u>1.0</u>        | <u></u>            | RGV Testimony |
| TOTALS      |                   | <u><u>7.0</u></u> | <u><u>\$ -</u></u> |               |

**TOTAL INVOICE - FEE COMPUTATION**

| <u>Consultant</u> | <u>Hours</u> | <u>Rate</u> | <u>Fees</u>     |
|-------------------|--------------|-------------|-----------------|
| Raab - EM&V       | 0.0          | \$ 295      | \$ -            |
| Raab - El Paso    | 0.0          | \$ 295      | \$ -            |
| Raab - RGV        | 7.0          | \$ 295      | \$ 2,065        |
| Raab - CTX        | 0.0          | \$ 295      | \$ -            |
|                   | <u>7.0</u>   |             | <u>\$ 2,065</u> |



Smart. Focused. Done Right.

**ScottMadden, Inc.**  
2626 Glenwood Avenue  
Suite 480  
Raleigh, NC 27608  
919-781-4191  
scottmadden.com

April 27, 2017

Invoice Number: 012365

Stacey McTaggart  
Texas Gas Service  
IV Barton Skyway  
1301 S. MoPac Expressway  
Austin, TX 78746

In Reference To: Professional services provided in March 2017 for project 365-001  
TGS CWC Testimony

---

|                                                  | <i>Amount</i>             |
|--------------------------------------------------|---------------------------|
| <b>Professional Fees</b>                         | \$ 3,210.00               |
| <b>Total Fees and Expenses for Current Month</b> | <u>\$ 3,210.00</u>        |
| <b>Total Fees and Expenses Due</b>               | <u><u>\$ 3,210.00</u></u> |

If you have any questions regarding this invoice, please let me know. Please remit payment in U.S. funds to: Accounts Receivable, ScottMadden, Inc., 2626 Glenwood Avenue, Suite 480, Raleigh, NC 27608. Thank you for retaining ScottMadden.

Sincerely,

Timothy Lyons  
Partner

ScottMadden, Inc.  
Tax ID: [REDACTED]

2017 Rio Grande Valley I/s Rate Case TYE Dec. 2016  
091.082.7700.010002 Task: 718662  
Consultants  
Exp. org: 7022

X



Project TGS CWC Testimony  
In Reference to: Professional services provided in March 2017 for project 365-001

|                                          |           | <u>Current<br/>Hours</u> | <u>Rate</u> | <u>Current<br/>Amount</u> |
|------------------------------------------|-----------|--------------------------|-------------|---------------------------|
| <b>Professional Fees</b>                 |           |                          |             |                           |
| <b>Timothy Lyons</b>                     | 3/3/2017  | 0.50                     | 295.00      | 147.50                    |
| Research, analysis, prepare work product |           |                          |             |                           |
| <b>Timothy Lyons</b>                     | 3/4/2017  | 3.50                     | 295.00      | 1,032.50                  |
| Research, analysis, prepare work product |           |                          |             |                           |
| <b>Timothy Lyons</b>                     | 3/6/2017  | 0.50                     | 295.00      | 147.50                    |
| Research, analysis, prepare work product |           |                          |             |                           |
| <b>Joshua Kaushansky</b>                 | 3/28/2017 | 2.00                     | 270.00      | 540.00                    |
| Model and workpapers audit; testimony.   |           |                          |             |                           |
| <b>Joshua Kaushansky</b>                 | 3/31/2017 | 4.00                     | 270.00      | 1,080.00                  |
| Model, workpaper updates.                |           |                          |             |                           |
| <b>Ava Dodge</b>                         | 3/31/2017 | 1.50                     | 175.00      | 262.50                    |
| Invoice input                            |           |                          |             |                           |
| Professional Fees                        |           | 12.00                    |             | 3,210.00                  |



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ScottMadden, Inc.  
2626 Glenwood Avenue  
Suite 480  
Raleigh, NC 27608  
919-781-4191  
scottmadden.com

March 27, 2017

Invoice Number: 012174

Stacey McTaggart  
Texas Gas Service  
IV Barton Skyway  
1301 S. MoPac Expressway  
Austin, TX 78746

In Reference To: Professional services provided in February 2017 for project 365-001  
TGS CWC Testimony

---

|                                                  | <i>Amount</i>    |
|--------------------------------------------------|------------------|
| <b>Professional Fees</b>                         | \$ 737.50        |
| <b>Total Fees and Expenses for Current Month</b> | <u>\$ 737.50</u> |
| <b>Total Fees and Expenses Due</b>               | <u>\$ 737.50</u> |

If you have any questions regarding this invoice, please let me know. Please remit payment in U.S. funds to: Accounts Receivable, ScottMadden, Inc., 2626 Glenwood Avenue, Suite 480, Raleigh, NC 27608. Thank you for retaining ScottMadden.

Sincerely,

Timothy Lyons  
Partner

ScottMadden, Inc.  
Tax ID: [REDACTED]

2017 Rio Grande Valley IS Rate Case TVE Dec. 2016  
091-082.7700.010002 TASK: 718662  
Consultants  
Exp. org: 7022

Project TGS CWC Testimony  
In Reference to: Professional services provided in February 2017 for project 365-001

---

Time or Expense

|                                          |           | <u>Current<br/>Hours</u> | <u>Rate</u> | <u>Current<br/>Amount</u> |
|------------------------------------------|-----------|--------------------------|-------------|---------------------------|
| Timothy Lyons                            | 2/9/2017  | 1.00                     | 295.00      | 295.00                    |
| Research, analysis, call with client     |           |                          |             |                           |
| Timothy Lyons                            | 2/14/2017 | 1.50                     | 295.00      | 442.50                    |
| Research, analysis, prepare work product |           |                          |             |                           |
|                                          |           | <hr/> 2.50               |             | <hr/> 737.50              |
| Total for Time or Expense                |           |                          |             | 737.50                    |
| Total Fees                               |           |                          |             | <hr/> 737.50              |



Smart. Focused. Done Right.

ScottMadden, Inc.  
2626 Glenwood Avenue  
Suite 480  
Raleigh, NC 27608  
919-781-4191  
scottmadden.com

May 19, 2017

Invoice Number: 012473

Stacey McTaggart  
Texas Gas Service  
IV Barton Skyway  
1301 S. MoPac Expressway  
Austin, TX 78746

In Reference To: Professional services provided in April 2017 for project 365-001  
TGS CWC Testimony

|                                                  | <i>Amount</i>      |
|--------------------------------------------------|--------------------|
| <b>Professional Fees</b>                         | \$ 5,495.00        |
| <b>Total Fees and Expenses for Current Month</b> | <u>\$ 5,495.00</u> |
| <b>Total Fees and Expenses Due</b>               | <u>\$ 5,495.00</u> |

If you have any questions regarding this invoice, please let me know. Please remit payment in U.S. funds to: Accounts Receivable, ScottMadden, Inc., 2626 Glenwood Avenue, Suite 480, Raleigh, NC 27608. Thank you for retaining ScottMadden.

Sincerely,

Timothy Lyons  
Partner

ScottMadden, Inc.  
Tax ID: [REDACTED]

2017 Rio Grande Valley I/S Rate Case TYE Dec 2016  
091.082.7700.010002 Task: 718662  
Consultants  
Exp. org: 7022

X  [REDACTED]  
X  [REDACTED] 5/23/2017

Project TGS CWC Testimony  
In Reference to: Professional services provided in April 2017 for project 365-001

|                                             |           | Current<br>Hours | Rate   | Current<br>Amount |
|---------------------------------------------|-----------|------------------|--------|-------------------|
| <b>Professional Fees</b>                    |           |                  |        |                   |
| Timothy Lyons                               | 4/18/2017 | 1.50             | 295.00 | 442.50            |
| Preparation of Lead-Lag study and testimony |           |                  |        |                   |
| Timothy Lyons                               | 4/19/2017 | 2.50             | 295.00 | 737.50            |
| Preparation of Lead-Lag study and testimony |           |                  |        |                   |
| Timothy Lyons                               | 4/28/2017 | 1.00             | 295.00 | 295.00            |
| Preparation of Lead-Lag study and testimony |           |                  |        |                   |
| Joshua Kaushansky                           | 4/11/2017 | 2.00             | 270.00 | 540.00            |
| Model, Direct Testimony updates.            |           |                  |        |                   |
| Joshua Kaushansky                           | 4/12/2017 | 2.00             | 270.00 | 540.00            |
| Model/Testimony Audit and Updates.          |           |                  |        |                   |
| Joshua Kaushansky                           | 4/17/2017 | 2.00             | 270.00 | 540.00            |
| Model/Testimony Audit and Updates.          |           |                  |        |                   |
| Joshua Kaushansky                           | 4/18/2017 | 1.00             | 270.00 | 270.00            |
| Audit of model.                             |           |                  |        |                   |
| Joshua Kaushansky                           | 4/25/2017 | 4.00             | 270.00 | 1,080.00          |
| Model updates.                              |           |                  |        |                   |
| Ava Dodge                                   | 4/3/2017  | 3.00             | 175.00 | 525.00            |
| Invoice Input                               |           |                  |        |                   |
| Ava Dodge                                   | 4/5/2017  | 3.00             | 175.00 | 525.00            |
| Invoice Input                               |           |                  |        |                   |
| Professional Fees                           |           | 22.00            |        | 5,495.00          |



Smart. Focused. Done Right.

**ScottMadden, Inc.**  
2626 Glenwood Avenue  
Suite 480  
Raleigh, NC 27608  
919-781-4191  
scottmadden.com

July 27, 2017

Invoice Number: 012821

PO Number: SCOTT-2017-DOS-00850

Stacey McTaggart  
Texas Gas Service  
IV Barton Skyway  
1301 S. MoPac Expressway  
Austin, TX 78746

In Reference To: Professional services provided in June 2017 for project 365-001  
TGS CWC Testimony

---

|                                                  | <i>Amount</i>    |
|--------------------------------------------------|------------------|
| <b>Professional Fees</b>                         | \$ 282.50        |
| <b>Total Fees and Expenses for Current Month</b> | <u>\$ 282.50</u> |
| <b>Total Fees and Expenses Due</b>               | <u>\$ 282.50</u> |

If you have any questions regarding this invoice, please let me know. Please remit payment in U.S. funds to: Accounts Receivable, ScottMadden, Inc., 2626 Glenwood Avenue, Suite 480, Raleigh, NC 27608. Thank you for retaining ScottMadden.

Sincerely,

Timothy Lyons  
Partner

ScottMadden, Inc.  
Tax ID: [REDACTED]

2017 Rio Grande Valley I/S Rate Case TYE Dec 2016

091.082.7700.010002

Task: 718662

Consultants

Exp. org: 7022

Scanned by: OKE20414

X

Project TGS CWC Testimony  
In Reference to: Professional services provided in June 2017 for project 365-001

|                                       |                   | Current<br><u>Hours</u> | <u>Rate</u> | Current<br><u>Amount</u> |
|---------------------------------------|-------------------|-------------------------|-------------|--------------------------|
| <b>Professional Fees</b>              |                   |                         |             |                          |
| Timothy Lyons                         | 6/7/2017          | 0.50                    | 295.00      | 147.50                   |
| Preparation of testimony and exhibits |                   |                         |             |                          |
| Joshua Kaushansky                     | 6/7/2017          | 0.50                    | 270.00      | 135.00                   |
| Exhibit preparation.                  |                   |                         |             |                          |
|                                       |                   | <hr/>                   |             | <hr/>                    |
|                                       | Professional Fees | 1.00                    |             | 282.50                   |



Smart. Focused. Done Right.

ScottMadden, Inc.  
2626 Glenwood Avenue  
Suite 480  
Raleigh, NC 27608  
919-781-4191  
scottmadden.com

June 22, 2017

Invoice Number: 012598

PO Number SCOTT-2017-DOS-00850

Stacey McTaggart  
Texas Gas Service  
1V Barton Skyway  
1301 S. MoPac Expressway  
Austin, TX 78746

In Reference To: Professional services provided in May 2017 for project 365-001  
TGS CWC Testimony

|                                                  | <i>Amount</i>      |
|--------------------------------------------------|--------------------|
| <b>Professional Fees</b>                         | \$ 5,232.50        |
| <b>Total Fees and Expenses for Current Month</b> | <u>\$ 5,232.50</u> |
| <b>Total Fees and Expenses Due</b>               | <u>\$ 5,232.50</u> |

If you have any questions regarding this invoice, please let me know. Please remit payment in U.S. funds to: Accounts Receivable, ScottMadden, Inc., 2626 Glenwood Avenue, Suite 480, Raleigh, NC 27608. Thank you for retaining ScottMadden.

Sincerely,

Timothy Lyons  
Partner

ScottMadden, Inc.  
Tax ID: [REDACTED]

2017 Rio Grande Valley I/S Rate Case TYE Dec 2016  
091.082.7700.010002 Task: 718662  
Consultants  
Exp. org: 7022

x  [REDACTED]  
x  [REDACTED]



Project TGS CWC Testimony  
In Reference to: Professional services provided in May 2017 for project 365-001

|                                                               |           | Current<br>Hours | Rate   | Current<br>Amount |
|---------------------------------------------------------------|-----------|------------------|--------|-------------------|
| <b>Professional Fees</b>                                      |           |                  |        |                   |
| Timothy Lyons                                                 | 5/4/2017  | 1.50             | 295.00 | 442.50            |
| Preparation of Lead-Lag study and testimony                   |           |                  |        |                   |
| Timothy Lyons                                                 | 5/5/2017  | 1.00             | 295.00 | 295.00            |
| Preparation of Lead-Lag study and testimony                   |           |                  |        |                   |
| Timothy Lyons                                                 | 5/17/2017 | 0.50             | 295.00 | 147.50            |
| Preparation of Lead-Lag study and testimony                   |           |                  |        |                   |
| Timothy Lyons                                                 | 5/18/2017 | 2.00             | 295.00 | 590.00            |
| Preparation of Lead-Lag study and testimony                   |           |                  |        |                   |
| Timothy Lyons                                                 | 5/19/2017 | 1.50             | 295.00 | 442.50            |
| Preparation of Lead-Lag study and testimony; call with client |           |                  |        |                   |
| Timothy Lyons                                                 | 5/23/2017 | 1.50             | 295.00 | 442.50            |
| Preparation of Lead-Lag study and testimony                   |           |                  |        |                   |
| Timothy Lyons                                                 | 5/30/2017 | 1.50             | 295.00 | 442.50            |
| Preparation of Lead-Lag study and testimony                   |           |                  |        |                   |
| Joshua Kaushansky                                             | 5/1/2017  | 2.00             | 270.00 | 540.00            |
| Preparation of Lead-Lag study and testimony                   |           |                  |        |                   |
| Joshua Kaushansky                                             | 5/3/2017  | 3.00             | 270.00 | 810.00            |
| Preparation of Lead-Lag study and testimony                   |           |                  |        |                   |
| Joshua Kaushansky                                             | 5/5/2017  | 2.00             | 270.00 | 540.00            |
| Preparation of Lead-Lag study and testimony                   |           |                  |        |                   |
| Joshua Kaushansky                                             | 5/16/2017 | 0.50             | 270.00 | 135.00            |
| Preparation of Lead-Lag study and testimony                   |           |                  |        |                   |
| Joshua Kaushansky                                             | 5/17/2017 | 1.50             | 270.00 | 405.00            |
| Preparation of Lead-Lag study and testimony                   |           |                  |        |                   |
| Professional Fees                                             |           | 18.50            |        | 5,232.50          |



Smart. Focused. Done Right.

**ScottMadden, Inc.**  
2626 Glenwood Avenue  
Suite 480  
Raleigh, NC 27608  
919-781-4191  
scottmadden.com

September 25, 2017

Invoice Number: 012993

PO Number: SCOTT-2017-DOS-00850

Stacey McTaggart  
Texas Gas Service  
IV Barton Skyway  
1301 S. MoPac Expressway  
Austin, TX 78746

In Reference To: Professional services provided in August 2017 for project 365-001  
TGS CWC Testimony

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|                                                  | <i>Amount</i>                  |
|--------------------------------------------------|--------------------------------|
| <b>Professional Fees</b>                         | \$ 147.50                      |
| <b>Total Fees and Expenses for Current Month</b> | <u><b>\$ 147.50</b></u>        |
| <b>Total Fees and Expenses Due</b>               | <u><u><b>\$ 147.50</b></u></u> |

If you have any questions regarding this invoice, please let me know. Please remit payment in U.S. funds to: Accounts Receivable, ScottMadden, Inc., 2626 Glenwood Avenue, Suite 480, Raleigh, NC 27608. Thank you for retaining ScottMadden.

Sincerely,

A handwritten signature in blue ink that reads 'Timothy Lyons'.

Timothy Lyons  
Partner

ScottMadden, Inc.  
Tax ID: 56-1445505



**Project** TGS CWC Testimony  
**In Reference to:** Professional services provided in August 2017 for project 365-001

---

|                                                        |                   | <u>Current<br/>Hours</u> | <u>Rate</u> | <u>Current<br/>Amount</u> |
|--------------------------------------------------------|-------------------|--------------------------|-------------|---------------------------|
| <b>Professional Fees</b>                               |                   |                          |             |                           |
| <b>Timothy Lyons</b>                                   | 8/1/2017          | 0.50                     | 295.00      | 147.50                    |
| Post-filing support; preparation of discovery response |                   |                          |             |                           |
|                                                        | Professional Fees | <u>0.50</u>              |             | <u>147.50</u>             |



Texas Gas Service  
1301 S. Mopac, Ste. 400

Invoice No.: 0045963-IN  
Date: 08/31/17

Austin, TX 78746  
CONTACT: Christy Penders

Page No.: 1

Job Number: TGS -0225  
Job Name: RGV Public Notice Translation

For Professional Services Rendered:

|                   | Hours | Amount |
|-------------------|-------|--------|
| Account Executive | 6.75  | 945.00 |
| Total:            | 6.75  | 945.00 |

Reimbursable Expenses:

Total Amount Due: 945.00

A handwritten signature in black ink, followed by the number '14262' written below it.

2017 Rio Grande Valley I/S Rate Case TYE Dec 2016

091.082.7700.010002 Task: 718662

Misc AP Invoices

Exp. org: 7022

Scanned by: OKE20414

X A handwritten signature in black ink, followed by the number 'okeo7092' written below it.

COURTYARD BY MARRIOTT  
Harlingen  
1725 W Filmore Ave  
Harlingen, TX 78550  
956-412-7800

BISTRO eat drink connect

4594 Shane

-----  
CHK 45306 TBL 1/10

28 JUN'17 7:38 AM  
-----

|                  |      |
|------------------|------|
| 1 WATER AQUAFINA | 2.00 |
| 1 YOGURT         | 2.50 |

|          |        |
|----------|--------|
| SUBTOTAL | \$4.50 |
|----------|--------|

|     |        |
|-----|--------|
| TAX | \$0.36 |
|-----|--------|

7:39 AM

TOTAL DUE \$4.86

PLEASE COMPLETE FOR ROOM CHARGES

GRATUITY \_\_\_\_\_

TOTAL \_\_\_\_\_

Che  
Tab  
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Car  
Acc  
Aut  
Cus

Ar

# BARRY'S PIZZA

Barry's Pizza  
Houston Hobby Airport  
7800 Airport Blvd, Houston, TX 77061  
(713) 644-5791

0335

FRANCISCO S SvrCk: 46 14:55 06/27/17

DINE IN

|                             |       |
|-----------------------------|-------|
| 1 Regular Soda              | 2.39  |
| 1 Alfredo with Chicken Dinn | 12.95 |

Sub Total: 15.34

Tax: 1.27

06/27 14:56 TOTAL: 16.61

Master Crd xxxx3158 16.61

TOTAL: 16.61

\*\*\*\*\*



COURTYARD BY MARRIOTT  
Harlingen  
1725 W Filmore Ave  
Harlingen, TX 78550  
956-412-7800

BISTRO eat drink connect  
4590 Hernandez

CHK 45289

TBL 3/3  
GST 1

27 JUN'17 9:25 PM

|               |      |
|---------------|------|
| 1 FB TOM MOZZ | 9.25 |
| 1 SOFT DRINK  | 2.50 |
| MT. DEW       |      |
| 1 SOUP CUP    | 5.50 |
| SVC CHARGE %  | 2.93 |
| 17.00%        |      |

SUBTOTAL \$17.25

\$2.93

TAX

\$1.38

9:26 PM

TOTAL DUE \$21.56

PLEASE COMPLETE FOR ROOM CHARGES

GRATUITY

COURTYARD<sup>®</sup>  
Marriott

Courtyard Harlingen

1725 W. Filmore Ave  
Harlingen, Tx 78550  
T 956.412.7800

Stacey/R Borgstadt

Onegas

Room: 211

Room Type: GENR

Number of Guests: 1

Rate: \$139.00

Clerk: ALE

Arrive: 27Jun17

Time: 08:36PM

Depart: 28Jun17

Time: 08:26AM

Folio Number: 72611

| Date    | Description            | Charges | Credits |
|---------|------------------------|---------|---------|
| 27Jun17 | Restaurant Room Charge | 21.56   |         |
| 27Jun17 | Room Charge            | 139.00  |         |
| 27Jun17 | State Occupancy Tax    | 8.34    |         |
| 27Jun17 | City Tax               | 9.73    |         |
| 27Jun17 | County Tax             | 2.78    |         |
| 28Jun17 | Master Card            |         | 181.41  |

Card #: MCXXXXXXXXXXXX3158/XXXX  
Amount: 181.41 Auth: 099913 Signature on File  
This card was electronically swiped on 27Jun17

**\$181.41 - 21.56 = \$159.85**

Balance: 0.00



Room Type: REG

Guaranteed to: CA\*\*\*\*\*93158

Hotel cancellation policy: cancel 2 days prior to arrival date

Rate description: REGULAR RATE CANCEL INFO-CANCEL 2 DAYS PRIOR TO ARRIVAL REGULAR RATE, GUEST ROOM.

1 KI

NONSMOKING

Page 1 of 3

|                             |                               |                                                                                     |
|-----------------------------|-------------------------------|-------------------------------------------------------------------------------------|
|                             | Wednesday, 28JUN 2017         |  |
|                             | Southwest Airlines            | Flight Number: 3189                                                                 |
|                             | From: Harlingen TX, USA       | Depart: 08:45 PM                                                                    |
|                             | To: Houston Hobby TX, USA     | Arrive: 09:45 PM                                                                    |
|                             | Stops: Nonstop                | Duration: 1 hour(s) 0 minute(s)                                                     |
|                             |                               | Status: CONFIRMED                                                                   |
|                             | Equipment: Boeing 737-700 Jet | Miles: 292 / 487 KM                                                                 |
|                             | Class: W-Coach/Economy        |                                                                                     |
|                             | Wednesday, 28JUN 2017         |  |
|                             | Southwest Airlines            | Flight Number: 0505                                                                 |
|                             | From: Houston Hobby TX, USA   | Depart: 10:30 PM                                                                    |
|                             | To: Tulsa OK, USA             | Arrive: 11:55 PM                                                                    |
|                             | Stops: Nonstop                | Duration: 1 hour(s) 25 minute(s)                                                    |
|                             |                               | Status: CONFIRMED                                                                   |
|                             | Equipment: Boeing 737-700 Jet | Miles: 443 / 709 KM                                                                 |
|                             | Class: W-Coach/Economy        |                                                                                     |
| THUR                        | Tuesday, 26SEP 2017           |                                                                                     |
| THANK YOU FOR YOUR BUSINESS |                               |                                                                                     |

#### Ticket/Invoice Information

Passenger Name: S BORGSTADT

Ticket Number: 8534992809 Electronic Tkt: No

Base: 428.98

Tax: 0.00

Total: 428.98

Charged to: CA\*\*\*\*\*3158

Passenger Name: STACEY R BORGSTADT

Service fee: 0706198195 Issued: 6/20/2017

Total: 7.00

Charged to: CA\*\*\*\*\*3158

Total Tickets: 428.98

Total fees: 7.00

Total Amount: 435.98

## Missing Receipt Affidavit - Parking

Date of Expense: 06/28/2017

Vendor: TULSA AIRPORT

Amount: \$24.00

City: Tulsa, Oklahoma

Business Reason: Parking during travel to RGV Rate case LRGVDC meeting

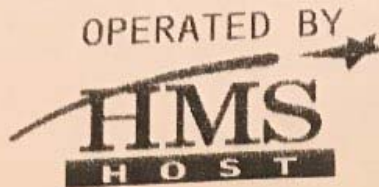
I certify that the selected purchase(s) have been approved and are within the requirements of the ONE Gas Business Travel and Expenditure Policy.

Stacey Borgstadt

08/17/2017

2:26 PM Greenwich Mean Time





QUIZNOS  
HARLINGEN AIRPORT

361995 Rosa

CHK 4981

GST 1

JUN28'17 7:12PM

|                    |      |
|--------------------|------|
| 1 SUB MESQT CHIX M | 8.39 |
| JALAP CHED BREAD   |      |
| 1 SODA BTL M       | 2.99 |
| 1 CHIPS VICKIES    | 1.99 |

|          |       |
|----------|-------|
| SUBTOTAL | 13.37 |
| TAX      | 1.10  |

AMOUNT PAID 14.47

XXXXXXXXXXXX3158

MASTERCARD 14.47

--361995 Closed JUN28 07:13PM--

WE WANT TO HEAR YOUR FEEDBACK!  
PLEASE CONTACT 1-877-672-7467  
OR CUSTOMERSERVICE@HMSHOST.COM  
TO SHARE YOUR EXPERIENCE.

STOREID: HRLQZN01

Your order number is: 4981

(excluding ink & toner) may be returned at any  
time for any reason, with original receipt, for a

## Office DEPOT OfficeMax®

OFFICE DEPOT STORE 477  
5300 Mopac Expy S #101  
Austin, TX 78749  
(512) 892-9200

06/05/2017 17.3.2 11:59 AM  
STR 477 REG 2 TRN 529 EMP 769459

### SALE

| Product ID      | Description    | Total          |
|-----------------|----------------|----------------|
| 787085          | USB 2.0, TWIST | 39.99SS        |
| Instant Savings |                | -20.00         |
| <b>You Pay</b>  |                | <b>19.99SS</b> |

|                  |       |
|------------------|-------|
| Subtotal:        | 19.99 |
| Sales Tax:       | 1.65  |
| Total:           | 21.64 |
| MasterCard 6072: | 21.64 |

AUTH CODE 018144  
TDS Chip Read  
AID A0000000041010 MASTERCARD  
TVR 0000048000  
CVS PIN Verified

\*\*\*\*\*

Total Savings:  
**\$20.00**

\*\*\*\*\*

### WE WANT TO HEAR FROM YOU!

Participate in our online customer  
survey and receive a coupon for  
**\$10 off your next qualifying  
purchase of \$50 or more on  
office supplies, furniture and more.**  
(Excludes Technology. Limit 1 coupon per  
household/business.)

Visit [www.officedepot.com/feedback](http://www.officedepot.com/feedback)  
and enter the survey code below:

**14W1 24MM MBHC**

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22VTUU5PQ6QY8EB4W



Larry Graham  
Stephanie Houle  
Hayley Cunningham  
 **Delaware  
North**  
RGV rate case presentation

Schlitzky's Deli  
Austin - Bergstrom International  
Airport

Tbl:0

Ref:198397

Chk:198427

April

6/27/2017 7:46 pm

|                    |      |
|--------------------|------|
| Trky Orig Style    | 8.25 |
| Ham & Cheese       | 7.15 |
| Water Nestle 700   | 3.25 |
| Albuquerque Turkey | 8.25 |
| Chip & 20oz Combo  | 3.99 |

|           |       |
|-----------|-------|
| SubTotal  | 30.89 |
| State Tax | 2.28  |

Total 33.17

MC \*\*\*\*\*6044 33.17

Amount Paid 33.17

Tell us about your experience by  
visiting [DelawareNorthListens.com](http://DelawareNorthListens.com).

# COURTYARD<sup>®</sup>

## Marriott<sup>®</sup>

### Summary of Your Stay

**Hotel: CY HARLINGEN**  
1725 W FILMORE AVE  
HARLINGEN TX, 785505906

**Guest: STEPHANIE/MS HOULE**  
AUSTIN TX, 78704

**Arrival Date:** 06/27/2017

**Confirmation # :** 98814272

**Departure Date:** 06/28/2017

**Folio # :** 72452

**Room Rate:** USD 166.00

**Room Number:** 340

| Date       | Description         | Reference | Charges    | Credits    |
|------------|---------------------|-----------|------------|------------|
| 06/27/2017 | ROOM CHARGE         | 1         | USD 166.00 |            |
| 06/27/2017 | STATE OCCUPANCY TAX | 2         | USD 9.96   |            |
| 06/27/2017 | CITY TAX            | 3         | USD 11.62  |            |
| 06/27/2017 | COUNTY TAX          | 4         | USD 3.32   |            |
| 06/28/2017 | MASTERCARD PAYMENT  | 5         |            | USD 190.90 |
|            | ** BALANCE **       |           |            | USD 0.00   |

# WORLDTRAVEL

7645 E. 63rd St. Suite 101  
Tulsa, OK. 74133-1208  
Phone (918) 743-8856  
www.WorldTravelToday.com

OneGas

Sale Invoice No: 3691709  
Date Issued: 6/15/2017  
Agent: Concur

| Traveler          | Type          | Ticket/Conf No | Department                   | Depart Date | Return Date       | Remarks           | Total Fare                     |
|-------------------|---------------|----------------|------------------------------|-------------|-------------------|-------------------|--------------------------------|
|                   | From          | To             | Airline/Vendor               | Flight      | A/L               | Depart            | Arrive                         |
| Houle/Stephanie G | Service Fee   | 0706056964     | Service Charge               |             | 6/15/2017         |                   | 7.00                           |
| Houle/Stephanie G | Dom. Air      | 8533637094     | Southwest Airlines           |             | 6/27/2017         | 6/28/2017         | 345.95                         |
|                   | AUS Austin    | HRL Harlingen  | 3188                         | WN          | 6/27/2017 7:15 PM | 6/27/2017 8:15 PM |                                |
|                   | HRL Harlingen | AUS Austin     | 1001                         | WN          | 6/28/2017 6:50 PM | 6/28/2017 7:55 PM |                                |
| Houle/Stephanie G | Hotel         | 98814272       | Courtyard Harlingen Marriott |             | 6/27/2017         | 6/28/2017         | Guaranteed To: MC 55-XXXX-6044 |
|                   |               |                | 1725 West Filmore Ave        |             |                   |                   |                                |
|                   |               |                | Harlingen TX 78550           |             |                   |                   |                                |
|                   |               |                | +1 (956) 412-7800            |             |                   |                   |                                |

| Payments Applied To This Invoice |          |           |                       |  |  |  |                |
|----------------------------------|----------|-----------|-----------------------|--|--|--|----------------|
| MC 55-XXXX-6044                  | Received | 6/15/2017 | Pymt For Inv #3691709 |  |  |  | -345.95        |
| MC 55-XXXX-6044                  | Received | 6/15/2017 | Pymt For Inv #3691709 |  |  |  | -7.00          |
|                                  |          |           |                       |  |  |  | <u>-352.95</u> |

**Invoice Total** 352.95  
**Payment Total** -352.95  
**Balance Due** 0.00

RGV rate case presentation  
Stephanie Houle

COURTYARD BY MARRIOTT

Harlingen

1725 W Filmore Ave

Harlingen, TX 78550

956-412-7800

BISTRO eat drink connect

4594 Shane

CHK 45304 TBL 1/8  
GST 1

28 JUN'17 7:31 AM

|                  |      |
|------------------|------|
| 1 KID SCRAMBLE   | 4.50 |
| OTHER BEVG       |      |
| 1 WATER AQUAFINA | 2.00 |

|          |        |
|----------|--------|
| SUBTOTAL | \$6.50 |
| TAX      | \$0.52 |

7:32 AM  
TOTAL DUE \$7.02

PLEASE COMPLETE FOR ROOM CHARGES

GRATUITY \_\_\_\_\_

TOTAL \_\_\_\_\_

ROOM NUMBER \_\_\_\_\_

PRINT LAST NAME \_\_\_\_\_

SIGNATURE \_\_\_\_\_





3901 Technology Drive  
Paducah, KY 42001  
Ph (270) 442-7361  
Fax (270) 575-9569  
www.csiweb.com

Invoice 092891  
Date 9/25/2017  
Page: 1

**Bill To:**

TEXAS GAS SERVICE  
ACCOUNTING DEPARTMENT  
1301 SOUTH MOPAC EXPWY STE #400  
AUSTIN TX 78746

**Remit To:**

Computer Services, Inc  
3901 Technology Drive  
Paducah, KY 42001

| Purchase Order No. |                  | Customer ID | Payment Terms                                  | Master No. |             |
|--------------------|------------------|-------------|------------------------------------------------|------------|-------------|
|                    |                  | M6152       | NET 30                                         | 152,755    |             |
| Qty                | Item Number      |             | Description                                    | Unit Price | Ext. Price  |
|                    |                  |             | TGS Special Mailing - RGV Inc Public Notice    |            |             |
| 1                  | DD7640           |             | Special Mailings - Processed and Printed Labor | 250.00000  | \$250.00    |
| 61,631             | ENV #10-6148-INV |             | One Gas # 10 Envelope (Pre-Purchased)          |            |             |
| 369,786            | DD7642           |             | Special Mailings - Forms and Other Consumables | 0.01904    | \$7,040.73  |
| 246,524            | DD7642           |             | Special Mailings - Forms and Other Consumables | 0.06298    | \$15,526.08 |
| 123,262            | DD7642           |             | Special Mailings - Forms and Other Consumables | 0.03149    | \$3,881.52  |
| 1                  | DD7074           |             | POSTAGE TO REPLENISH YOUR ACCOUNT              | 23,216.82  | \$23,216.82 |
|                    |                  |             |                                                |            |             |
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Thank You!

**AFFIDAVIT OF THOMAS L. BROCATO  
RELATED TO THE RATE CASE EXPENSES OF  
THE RIO GRANDE VALLEY CITIES**

**STATE OF TEXAS           §  
                                     §  
COUNTY OF TRAVIS   §**

BEFORE ME, the undersigned authority, on this day personally appeared Thomas L. Brocato who being by me first duly sworn, on oath deposed and said the following:

1.     My name is Thomas L. Brocato. I am a principal with the law firm of Lloyd Gosselink Rochelle and Townsend, P.C. (“Lloyd Gosselink”) and counsel for the Cities of Alamo, Alton, Brownsville, Edcouch, Edinburg, Elsa, Harlingen, Hidalgo, La Feria, Laguna Vista, Los Fresnos, Lyford, McAllen, Mercedes, Mission, Palm Valley, Palmhurst, Pharr, Port Isabel, Rancho Viejo, San Benito, and Weslaco, Texas (“RGV Cities”). I have been practicing public utility law since I graduated from law school and began my career as a Staff Attorney at the Public Utility Commission of Texas in 1990. I have represented entities at the Commission and Railroad Commission for over 26 years. Having participated in numerous rate cases and appeals, I have represented municipalities since 2004.

2.     I am familiar with the work performed by Lloyd Gosselink and the technical consultants on behalf of the RGV Cities concerning the *Texas Gas Service Company’s* (“TGS”) *Statement of Intent to Increase Rates in The Rio Grande Valley Service Area*. I am over the age of 18 years and am not disqualified from making this affidavit. My statements are true and correct.

3.     I have reviewed the billings of Lloyd Gosselink submitted to RGV Cities for legal services performed. I affirm that those billings accurately reflect the time spent and expenditures incurred by Lloyd Gosselink on RGV Cities’ behalf. Those billings were accurately calculated

before they were tendered, and there was no double billing. None of the charges billed to RGV Cities have been recovered through reimbursement for other expenses. The expenses charged were associated with TGS's rate review proceedings and were necessary to advise RGV Cities and accomplish tasks in this proceeding. Total rate case expenses (inclusive of legal fees, consultant charges, and other expenses) are summarized in the chart attached to this affidavit as Attachment 1.

4. For the period June 1, 2017 through August 31, 2017, Lloyd Gosselink has incurred \$43,075.26 for legal services. This figure includes legal fees and expenses. The fees and expenses incurred through August 31, 2017 were necessary to: advise RGV Cities on the Company's rate review proceeding, review the application, identify issues, retain and work with consultants, engage in discovery, prepare testimony, and review testimony.

5. The attorneys' hourly rates of \$215-\$390, upon which the billings are based, are the same hourly rates charged other clients for comparable services during the same time frame. Our firm's rates are at the lower end of the range compared to the rates charged by other lawyers with similar experience providing similar services. The hours spent to perform the tasks assigned to Lloyd Gosselink were necessary to complete those tasks in a professional manner and on a timely basis. My experience in participating in utility rate cases at the Commission aids in our efforts to keep rate case expenses reasonable. Additionally, Lloyd Gosselink minimized rate case expenses by using associates and paralegals where possible to take advantage of lower billing rates.

6. Invoices from Lloyd Gosselink also include fees and expenses from ReSolved Energy Consulting, LLC for consulting work. For Resolved Energy Consulting, LLC, work was performed by Karl Nalepa and his assistant in the amount of \$27,304.00 through August 31,

2017. Mr. Nalepa is President of ReSolved Energy Consulting, LLC, an independent utility consulting company. Mr. Nalepa has testified before the Commission on many prior occasions.

7. The invoices submitted by Lloyd Gosselink include a description of services performed and time expended on each activity. The invoices are attached to this filing as Attachment 2. Lloyd Gosselink has documented all charges with time sheets, invoices, and records. The documentation in this case is similar to that provided in many previous rate cases at the Commission.

8. Neither Lloyd Gosselink nor any consultants for RGV Cities have charged for luxury items, including first-class airfare, limousine service, entertainment, or alcoholic beverages. No meals were charged in excess of \$25 per person, and no individual billed for more than 12 hours per day.

9. The issues addressed by RGV Cities each have a reasonable basis in law, policy, or fact. RGV Cities' attorneys reviewed the relevant law to ensure that the issues raised by RGV Cities' case were reasonably grounded and relevant to this matter.

10. In addition to the expenses incurred through August 31, 2017, Lloyd Gosselink will incur fees and expenses beyond that date associated with continued work to finalize settlement documents subsequent to the date of this affidavit.

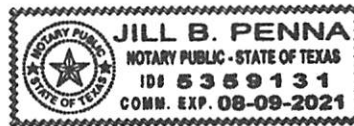
In consideration of this activity, RGV Cities estimate that its remaining expense of participating in this case beyond August 31, 2017 will not exceed \$35,000.00. In the event that the settlement in this matter is not adopted, or some additional process or litigation is required to bring this matter to a close, RGV Cities would seek to quantify an additional rate case expense amount.

11. The total amount requested by RGV Cities, consisting of actual expenses through August 31, 2017 of \$43,075.26 and estimated expenses of \$35,000 beyond that date, are reasonable given the complexity of the case and the nature of RGV Cities' analysis in this matter.

  
\_\_\_\_\_  
THOMAS L. BROCATO

SUBSCRIBED AND SWORN TO BEFORE ME, the undersigned authority, on this 25th day of September 2017.

  
\_\_\_\_\_  
Notary Public



ATTACHMENT 1

TGS Rate Case  
Rate Case Expenses

|                                         | <b>Invoice<br/>Date</b> | <b>Invoice No.</b> | <b>Billing<br/>Period</b> | <b>Through<br/>Period</b> | <b>Invoice Amount</b>                               | <b>Total Billed<br/>to Date</b> |
|-----------------------------------------|-------------------------|--------------------|---------------------------|---------------------------|-----------------------------------------------------|---------------------------------|
| <b>Lloyd Gosselink</b>                  | 7/14/2017               | 97484238           | 6/1/2017                  | 6/30/2017                 | \$ 3,988.50                                         | \$ 3,988.50                     |
|                                         | 8/10/2017               | 97485132           | 7/1/2017                  | 7/31/2017                 | \$ 5,905.30                                         | \$ 9,893.80                     |
|                                         | 9/13/2017               | 97485864           | 8/1/2017                  | 8/31/2017                 | \$ 5,877.46                                         | \$ 15,771.26                    |
|                                         |                         |                    |                           |                           |                                                     |                                 |
|                                         |                         |                    |                           |                           |                                                     |                                 |
|                                         |                         |                    |                           |                           |                                                     |                                 |
| <b>ReSolved Energy</b>                  | 7/6/2017                | 3999               | 6/1/2017                  | 6/30/2017                 | \$ 4,815.00                                         | \$ 4,815.00                     |
|                                         | 8/3/2017                | 4019               | 7/1/2017                  | 7/31/2017                 | \$ 12,628.00                                        | \$ 17,443.00                    |
|                                         | 9/7/2017                | 4040               | 8/1/2017                  | 8/31/2017                 | \$ 9,861.00                                         | \$ 27,304.00                    |
|                                         |                         |                    |                           |                           |                                                     |                                 |
|                                         |                         |                    |                           |                           |                                                     |                                 |
| <b>Lloyd Gosselink +<br/>Consultant</b> | 7/14/2017               | 97484238           | 6/1/2017                  | 6/30/2017                 | \$ 8,803.50                                         | \$ 8,803.50                     |
|                                         | 8/10/2017               | 97485132           | 7/1/2017                  | 7/31/2017                 | \$ 18,533.30                                        | \$ 27,336.80                    |
|                                         | 9/13/2017               | 97485864           | 8/1/2017                  | 8/31/2017                 | \$ 15,738.46                                        | \$ 43,075.26                    |
|                                         |                         |                    |                           |                           |                                                     |                                 |
|                                         |                         |                    |                           |                           | <b>Estimated Expenses<br/>after August 31, 2017</b> | <b>\$ 35,000.00</b>             |
|                                         |                         |                    |                           |                           |                                                     |                                 |
|                                         |                         |                    |                           |                           | <b>TOTAL</b>                                        | <b>\$ 78,075.26</b>             |

ATTACHMENT 2



816 Congress Avenue, Suite 1900  
Austin, Texas 78701  
Telephone: (512) 322-5800  
Facsimile: (512) 472-0532  

---

www.lglawfirm.com

Mr. Brocato's Direct Line: (512) 322-5857  
Email: tbrocato@lglawfirm.com

July 14, 2017

City of McAllen  
Attn: Kevin Pagan  
City Attorney  
P.O. Box 220  
McAllen, TX 78505-0220

Re: TGS Rate Case  
Lloyd Gosselink Invoice No. 97484238

Dear Kevin:

Enclosed is a billing statement for legal services rendered and expenses through June 30, 2017 totaling \$8,803.50.

If you have any questions regarding this statement, please give me a call.

Sincerely,

  
Thomas L. Brocato

TLB:jbp  
678/38/7412832.1

Enclosure



ATTACHMENT 2  
816 Congress Avenue, Suite 1900  
Austin, Texas 78701  
Telephone: (512) 322-5800  
Facsimile: (512) 472-0532  
[www.lglawfirm.com](http://www.lglawfirm.com)

July 14, 2017

City of McAllen  
Attn Kevin Pagan  
City Attorney  
P O Box 220  
McAllen, TX USA 78505-0220

Invoice: 97484238  
Client: 678  
Matter: 38  
Billing Attorney: TLB

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### INVOICE SUMMARY

For professional services and disbursements rendered through June 30, 2017:

**RE: TGS Rate Case**

|                           |                    |
|---------------------------|--------------------|
| Professional Services     | \$ 3,988.50        |
| Total Disbursements       | <u>\$ 4,815.00</u> |
| <b>TOTAL THIS INVOICE</b> | <b>\$ 8,803.50</b> |



ATTACHMENT 2

**Lloyd Gosselink Rochelle & Townsend, P.C.**

McAllen, City of  
TGS Rate Case  
I.D.678-38-TLB

July 14, 2017  
Invoice: 97484238

**PROFESSIONAL SERVICES RENDERED**

| Date    | Atty | Description Of Services Rendered                                                                                                                                                                                                                      | Hours |
|---------|------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------|
| 6/01/17 | GMG  | Communication with T. Brocato regarding use of consultants.                                                                                                                                                                                           | .30   |
| 6/13/17 | JLM  | Draft suspension resolution and model staff report for TGS cities.                                                                                                                                                                                    | 1.60  |
| 6/14/17 | GMG  | Review and sign non-disclosure agreement and send to K. Norman; forward same to K. Nalepa; communication with K. Norman.                                                                                                                              | .90   |
| 6/15/17 | GMG  | Receive Company rate filing; communication with K. Norman.                                                                                                                                                                                            | 1.00  |
| 6/16/17 | GMG  | Edit and send suspension resolution and model staff report to all cities.                                                                                                                                                                             | 1.00  |
| 6/19/17 | GMG  | Sign employment agreement to send to K. Pagan; e-mail from K. Pagan; reply to inquiry from San Juan and e-mail from Pharr regarding suspension resolution.                                                                                            | .60   |
| 6/20/17 | GMG  | Discussion with D. Morales regarding conference call and edit message to cities.                                                                                                                                                                      | .60   |
| 6/26/17 | KMH  | Prepare chart of cities' resolutions.                                                                                                                                                                                                                 | .20   |
| 6/27/17 | TLB  | Review TGS application.                                                                                                                                                                                                                               | .30   |
| 6/27/17 | KMH  | Meeting with T. Brocato, J. Mauldin, and J. Penna regarding pending deadlines; arrange for copy set of client file for T. Brocato and J. Mauldin; manage signing of protective orders; prepare and update chart showing status of cities resolutions. | 1.50  |
| 6/29/17 | GMG  | Receive signed resolution from McAllen and Lyford.                                                                                                                                                                                                    | .30   |
| 6/29/17 | TLB  | Review statement of intent; review testimony; discuss case with K. Nalepa.                                                                                                                                                                            | 1.90  |
| 6/29/17 | JLM  | Begin reviewing SOI and testimony.                                                                                                                                                                                                                    | 2.30  |
| 6/30/17 | GMG  | Discuss procedural issues with K. Nalepa.                                                                                                                                                                                                             | .30   |
| 6/30/17 | PAS  | Paralegal assistant time.                                                                                                                                                                                                                             | .40   |

**TOTAL PROFESSIONAL SERVICES**

**\$ 3,988.50**

**SUMMARY OF PROFESSIONAL SERVICES**

| Name                | Staff Level     | Hours        | Rate   | Total              |
|---------------------|-----------------|--------------|--------|--------------------|
| Geoffrey M Gay      | Principal       | 5.00         | 390.00 | 1,950.00           |
| Thomas L Brocato    | Principal       | 2.20         | 340.00 | 748.00             |
| Mauldin, Jamie L    | Associate       | 3.90         | 275.00 | 1,072.50           |
| Kathy M Hand        | Paralegal       | 1.70         | 120.00 | 204.00             |
| Paralegal Assistant | Paralegal Asst. | .40          | 35.00  | 14.00              |
| <b>TOTALS</b>       |                 | <b>13.20</b> |        | <b>\$ 3,988.50</b> |

**DISBURSEMENTS**

| Date | Description | Amount |
|------|-------------|--------|
|------|-------------|--------|

ATTACHMENT 2

**Lloyd Gosselink Rochelle & Townsend, P.C.**

McAllen, City of  
TGS Rate Case  
I.D.678-38-TLB

July 14, 2017  
Invoice: 97484238

| Date    | Description                                                                                                                                                                     | Amount   |
|---------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------|
| 6/30/17 | ReSolved Energy Cons Voucher # - 000089279 Consultant Services, ReSolved Energy Consulting, LLC, 7/6/2017, 3999, Professional services for June 2017 - Project LG TGS RGV 17 RC | 4,815.00 |

**TOTAL DISBURSEMENTS \$ 4,815.00**

**TOTAL THIS INVOICE \$ 8,803.50**

ATTACHMENT 2

**ReSolved Energy Consulting, LLC**

11044 Research Blvd., Suite A-420  
Austin, Texas 78759  
Phone (512) 331-4949

**Invoice**

| DATE     | INVOICE NUMBER |
|----------|----------------|
| 7/6/2017 | 3999           |

**BILL TO**

Thomas Brocato  
Lloyd Gosselink Lawfirm  
816 Congress Ave, # 1900  
Austin, Tx 78701

| PROJECT                             |       |                  |                   |
|-------------------------------------|-------|------------------|-------------------|
| LG TGS RGV 17 RC                    |       |                  |                   |
| DESCRIPTION                         | HOURS | RATE             | AMOUNT            |
| Consulting (K. Nalepa)              | 6     | 260.00           | 1,560.00          |
| Consulting (E. Cromleigh)           | 18.6  | 175.00           | 3,255.00          |
| Total Labor                         |       |                  | 4,815.00          |
| Work Completed thru - June 30, 2017 |       | <b>TOTAL DUE</b> | <b>\$4,815.00</b> |

678-38

pg 1 of 3

## Monthly Recap

Karl Nalepa

| Date                 | Task                                          |
|----------------------|-----------------------------------------------|
| <i>June 16, 2017</i> | Review testimony and exhibits.                |
| <i>June 19, 2017</i> | Continue to review filing.                    |
| <i>June 23, 2017</i> | Continue to review filing.                    |
| <i>June 28, 2017</i> | Review draft discovery and prepare discovery. |
|                      |                                               |

LG TGS RGV 17 RC

## Monthly Recap

Erin Cromleigh

| Date          | Task                                             |
|---------------|--------------------------------------------------|
| June 14, 2017 | Review RFIs and PFDs in recent TGS cases.        |
| June 16, 2017 | Review filing and prepare 1st RFI.               |
| June 27, 2017 | Review filing and testimony and prepare 1st RFI. |
| June 29, 2017 | Review filing and testimony and prepare 1st RFI. |
|               |                                                  |

LG TGS RGV 17 RC

ATTACHMENT 2



816 Congress Avenue, Suite 1900  
Austin, Texas 78701  
Telephone: (512) 322-5800  
Facsimile: (512) 472-0532  
[www.lglawfirm.com](http://www.lglawfirm.com)

Mr. Brocato's Direct Line: (512) 322-5857  
Email: [tbrocato@lglawfirm.com](mailto:tbrocato@lglawfirm.com)

August 11, 2017

City of McAllen  
Attn: Kevin Pagan  
City Attorney  
P.O. Box 220  
McAllen, TX 78505-0220

Re: TGS Rate Case  
Lloyd Gosselink Invoice No. 97485132

Dear Kevin:

Enclosed is a billing statement for legal services rendered and expenses through July 31, 2017 totaling \$18,533.30.

If you have any questions regarding this statement, please give me a call.

Sincerely,

A handwritten signature in black ink, appearing to read "T. Brocato".

Thomas L. Brocato

TLB:jbp  
678/38/7430042.1  
Enclosure



ATTACHMENT 2  
816 Congress Avenue, Suite 1900  
Austin, Texas 78701  
Telephone: (512) 322-5800  
Facsimile: (512) 472-0532  
[www.lglawfirm.com](http://www.lglawfirm.com)

August 10, 2017

City of McAllen  
Attn Kevin Pagan  
City Attorney  
P O Box 220  
McAllen, TX USA 78505-0220

Invoice: 97485132  
Client: 678  
Matter: 38  
Billing Attorney: TLB

---

### INVOICE SUMMARY

For professional services and disbursements rendered through July 31, 2017:

**RE: TGS Rate Case**

|                           |                            |
|---------------------------|----------------------------|
| Professional Services     | \$ 5,470.50                |
| Total Disbursements       | <u>\$ 13,062.80</u>        |
| <b>TOTAL THIS INVOICE</b> | <b>\$ 18,533.30</b>        |
| Previous Balance          | <u>\$ 8,803.50</u>         |
| <b>TOTAL BALANCE DUE</b>  | <b><u>\$ 27,336.80</u></b> |

ATTACHMENT 2

**Lloyd Gosselink Rochelle & Townsend, P.C.**

McAllen, City of  
TGS Rate Case  
I.D.678-38-TLB

August 10, 2017  
Invoice: 97485132

**PROFESSIONAL SERVICES RENDERED**

| Date    | Atty | Description Of Services Rendered                                                                              | Hours |
|---------|------|---------------------------------------------------------------------------------------------------------------|-------|
| 7/05/17 | GMG  | Review rate filing package and Cities first RFIs.                                                             | 1.30  |
| 7/06/17 | GMG  | Interoffice discussion with T. Brocato regarding city actions and rate of COG.                                | .40   |
| 7/06/17 | TLB  | Review application; research precedent regarding ROE and cost of capital issues.                              | 2.20  |
| 7/07/17 | GMG  | Communication with T. Brocato and K. Nalepa regarding schedule.                                               | .30   |
| 7/07/17 | TLB  | Review filing and prepare schedule; discuss schedule and issues with K. Nalepa; discuss schedule with G. Gay. | 1.90  |
| 7/10/17 | TLB  | Review testimony; discuss discovery with K. Nalepa.                                                           | .90   |
| 7/11/17 | GMG  | Review e-mail from T. Brocato, K. Pagan and D. Morales.                                                       | .30   |
| 7/12/17 | GMG  | Receive resolution from City of Alton.                                                                        | .20   |
| 7/14/17 | KMH  | Update resolution chart of cities; save documents in DMS.                                                     | .40   |
| 7/17/17 | JLM  | Telephone call with K. Nalepa regarding update on potential issues with rate filing package.                  | .20   |
| 7/18/17 | KMH  | Update suspension resolution chart of cities; scan and save resolutions in DMS.                               | .20   |
| 7/19/17 | GMG  | Call K. Pagan's office; call company regarding resolutions to suspend.                                        | .40   |
| 7/20/17 | GMG  | Various e-mail related to tracking down resolutions to suspend.                                               | .50   |
| 7/21/17 | GMG  | E-mail from S. Houle regarding city action on suspension; e-mail update from D. Morales.                      | .50   |
| 7/21/17 | KMH  | Update suspension resolution chart of cities; save resolutions in DMS.                                        | .40   |
| 7/23/17 | TLB  | Review discovery; review application; research accounting and rate base issues.                               | 3.00  |
| 7/24/17 | GMG  | Review list of cities that passed suspension resolutions.                                                     | .30   |
| 7/26/17 | TLB  | Review RFIs; research accounting and tax issues; discuss rate base issues with consultant.                    | 1.90  |
| 7/26/17 | KMH  | Update resolution chart with additional cities participating; save resolutions in DMS.                        | .30   |
| 7/31/17 | TLB  | Research and review rate base issues.                                                                         | .70   |
| 7/31/17 | PAS  | Paralegal assistant time.                                                                                     | .50   |

**TOTAL PROFESSIONAL SERVICES**

**\$ 5,470.50**

**SUMMARY OF PROFESSIONAL SERVICES**

| Name                | Staff Level     | Hours        | Rate   | Total              |
|---------------------|-----------------|--------------|--------|--------------------|
| Geoffrey M Gay      | Principal       | 4.20         | 390.00 | 1,638.00           |
| Thomas L Brocato    | Principal       | 10.60        | 340.00 | 3,604.00           |
| Mauldin, Jamie L    | Associate       | .20          | 275.00 | 55.00              |
| Kathy M Hand        | Paralegal       | 1.30         | 120.00 | 156.00             |
| Paralegal Assistant | Paralegal Asst. | .50          | 35.00  | 17.50              |
| <b>TOTALS</b>       |                 | <b>16.80</b> |        | <b>\$ 5,470.50</b> |



ATTACHMENT 2

**Lloyd Gosselink Rochelle & Townsend, P.C.**

McAllen, City of  
TGS Rate Case  
I.D.678-38-TLB

August 10, 2017  
Invoice: 97485132

**DISBURSEMENTS**

| <b>Date</b>                | <b>Description</b>                                                                                                                                                                                  | <b>Amount</b>       |
|----------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------|
| 6/15/17                    | Corporate Couriers Check # - 000033436 Courier, Corporate Couriers, 6/15/2017, 47209, Courier Services                                                                                              | 13.20               |
|                            | Photocopying                                                                                                                                                                                        | 421.60              |
| 7/31/17                    | ReSolved Energy Cons Voucher # - 000089682 ReSolved Energy Consulting, LLC, Consultant Services, Professional services for July 2017 Consulting (k. Nalepa and E. Cromleigh), Invoice date 8/3/2017 | 12,628.00           |
| <b>TOTAL DISBURSEMENTS</b> |                                                                                                                                                                                                     | <b>\$ 13,062.80</b> |
| <b>TOTAL THIS INVOICE</b>  |                                                                                                                                                                                                     | <b>\$ 18,533.30</b> |

ATTACHMENT 2

**Lloyd Gosselink Rochelle & Townsend, P.C.**

McAllen, City of  
TGS Rate Case  
I.D.678-38-TLB

August 10, 2017  
Invoice: 97485132

**OUTSTANDING INVOICES**

| INVOICE<br>NUMBER | DATE    | INVOICE<br>TOTAL | PAYMENTS<br>RECEIVED | ENDING<br>BALANCE |
|-------------------|---------|------------------|----------------------|-------------------|
| 97484238          | 7/14/17 | 8,803.50         | .00                  | 8,803.50          |

|                          |                            |
|--------------------------|----------------------------|
| Previous Balance         | \$ 8,803.50                |
| Balance Due This Invoice | <u>\$ 18,533.30</u>        |
| <b>TOTAL BALANCE DUE</b> | <b><u>\$ 27,336.80</u></b> |

ATTACHMENT 2

**ReSolved Energy Consulting, LLC**

11044 Research Blvd., Suite A-420

Austin, Texas 78759

Phone (512) 331-4949

**Invoice**

| DATE     | INVOICE NUMBER |
|----------|----------------|
| 8/3/2017 | 4019           |

**BILL TO**

Thomas Brocato

Lloyd Gosselink Lawfirm

816 Congress Ave, # 1900

Austin, Tx 78701

| PROJECT                             |       |                  |                    |
|-------------------------------------|-------|------------------|--------------------|
| LG TGS RGV 17 RC                    |       |                  |                    |
| DESCRIPTION                         | HOURS | RATE             | AMOUNT             |
| Consulting (K. Nalepa)              | 6.3   | 260.00           | 1,638.00           |
| Consulting (E. Cromleigh)           | 62.8  | 175.00           | 10,990.00          |
| Total Labor                         |       |                  | 12,628.00          |
| Work Completed thru - July 31, 2017 |       | <b>TOTAL DUE</b> | <b>\$12,628.00</b> |

## Monthly Recap

Karl Nalepa

| Date          | Task                                                                       | Hours       |
|---------------|----------------------------------------------------------------------------|-------------|
| July 5, 2017  | Review and revise discovery. Send to T. Brocato for review.                | 0.80        |
| July 7, 2017  | Call with T. Brocato regarding review schedule.                            | 0.30        |
| July 13, 2017 | Review filing.                                                             | 0.80        |
| July 17, 2017 | Review filing and identify issues. Call with J. Mauldin to discuss issues. | 1.20        |
| July 20, 2017 | Review responses to discovery.                                             | 0.70        |
| July 25, 2017 | Complete additional discovery and send to T. Brocato for review.           | 1.50        |
| July 31, 2017 | Review schedules and work on adjustments.                                  | 1.00        |
|               |                                                                            | <b>6.30</b> |

## Monthly Recap

Erin Cromleigh

| Date          | Task                                                                               | Hours |
|---------------|------------------------------------------------------------------------------------|-------|
| July 3, 2017  | Review filing and S. McTaggart testimony.                                          | 4.20  |
| July 5, 2017  | Review filing and S. Borgstadt testimony.                                          | 1.60  |
| July 6, 2017  | Review filing and S. Borgstadt testimony.                                          | 3.70  |
| July 7, 2017  | Review filing and Dominguez testimony.                                             | 1.80  |
| July 10, 2017 | Review filing and Dominguez and Turner testimony; compile depreciation comparison. | 5.10  |
| July 11, 2017 | Review filing and Dominguez and Turner testimony; compile depreciation comparison. | 4.00  |
| July 13, 2017 | Review filing and Branz and Serna testimony.                                       | 1.60  |
| July 14, 2017 | Review filing and Serna and King testimony.                                        | 2.80  |
| July 17, 2017 | Review Hatfield testimony and schedules.                                           | 2.20  |
| July 18, 2017 | Review Hatfield testimony and schedules.                                           | 4.50  |
| July 19, 2017 | Review schedules and workpapers in filing.                                         | 3.90  |
| July 20, 2017 | Review schedules, workpapers, and RFI responses.                                   | 4.00  |
| July 24, 2017 | Review RFI responses, compile 2nd set of RFI questions.                            | 4.40  |
| July 25, 2017 | Compile 2nd set of RFI questions.                                                  | 1.00  |
| July 26, 2017 | Review schedules and workpapers.                                                   | 4.20  |
| July 27, 2017 | Review schedules and workpapers and expenses.                                      | 4.80  |
| July 28, 2017 | Review expenses, compile 3rd set of RFI questions. Prepare cost of service model.  | 4.70  |
| July 31, 2017 | Work on model adjustments. Compile RFIs.                                           | 4.30  |
|               |                                                                                    | 62.80 |



ATTACHMENT 2  
816 Congress Avenue, Suite 1900  
Austin, Texas 78701  
Telephone: (512) 322-5800  
Facsimile: (512) 472-0532  
[www.lglawfirm.com](http://www.lglawfirm.com)

September 13, 2017

City of McAllen  
Attn Kevin Pagan  
City Attorney  
P O Box 220  
McAllen, TX USA 78505-0220

Invoice: 97485864  
Client: 678  
Matter: 38  
Billing Attorney: TLB

---

### INVOICE SUMMARY

For professional services and disbursements rendered through August 31, 2017:

**RE: TGS Rate Case**

|                           |                            |
|---------------------------|----------------------------|
| Professional Services     | \$ 5,649.50                |
| Total Disbursements       | <u>\$ 10,088.96</u>        |
| <b>TOTAL THIS INVOICE</b> | <b>\$ 15,738.46</b>        |
| Previous Balance          | <u>\$ 27,336.80</u>        |
| <b>TOTAL BALANCE DUE</b>  | <b><u>\$ 43,075.26</u></b> |

ATTACHMENT 2

**Lloyd Gosselink Rochelle & Townsend, P.C.**

McAllen, City of  
TGS Rate Case  
I.D.678-38-TLB

September 13, 2017  
Invoice: 97485864

**PROFESSIONAL SERVICES RENDERED**

| Date    | Atty | Description Of Services Rendered                                                                                         | Hours |
|---------|------|--------------------------------------------------------------------------------------------------------------------------|-------|
| 7/31/17 | TLB  | Review consultants report.                                                                                               | .80   |
| 8/03/17 | JLM  | Review TGS testimony in preparation for telephone call with K. Nalepa.                                                   | 4.70  |
| 8/03/17 | KMH  | Create a rate case expense tracking chart.                                                                               | .30   |
| 8/04/17 | TLB  | Prepare for and participate in conference call with K. Nalepa regarding rate case analysis, issues, and recommendations. | 2.30  |
| 8/04/17 | JLM  | Telephone call with K. Nalepa and T. Brocato to discuss issues and adjustments to TGS's filing.                          | .50   |
| 8/13/17 | TLB  | Review consultant issues list; prepare summary.                                                                          | .40   |
| 8/16/17 | TLB  | Research consultant adjustments and precedent.                                                                           | 1.70  |
| 8/17/17 | JLM  | Draft email to T. Brocato with K. Nalepa's adjustments and recommendations.                                              | .50   |
| 8/22/17 | TLB  | Review orders regarding precedent on rate base and expense issues.                                                       | 1.30  |
| 8/24/17 | TLB  | Prepare and finalize client meeting invitation and agenda.                                                               | .60   |
| 8/25/17 | TLB  | Review consultant recommendations; discuss case with city clients.                                                       | 1.70  |
| 8/28/17 | TLB  | Review issues list; review discovery responses; discuss case with K. Nalepa; prepare for consultant meeting.             | 2.30  |
| 8/31/17 | TLB  | Review consultants report.                                                                                               | .80   |

**TOTAL PROFESSIONAL SERVICES**

**\$ 5,649.50**

**SUMMARY OF PROFESSIONAL SERVICES**

| Name             | Staff Level | Hours        | Rate   | Total              |
|------------------|-------------|--------------|--------|--------------------|
| Thomas L Brocato | Principal   | 11.90        | 340.00 | 4,046.00           |
| Mauldin, Jamie L | Associate   | 5.70         | 275.00 | 1,567.50           |
| Kathy M Hand     | Paralegal   | .30          | 120.00 | 36.00              |
| <b>TOTALS</b>    |             | <b>17.90</b> |        | <b>\$ 5,649.50</b> |

**DISBURSEMENTS**

| Date    | Description                                                                                                                                                                                                                                  | Amount   |
|---------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------|
| 8/21/17 | Jamie Mauldin Check # - 009902935 Travel Expenses Southwest air fare for meeting in McAllen with TGS cities.                                                                                                                                 | 227.96   |
| 8/31/17 | ReSolved Energy Cons Voucher # - 000090206 ReSolved Energy Consulting, LLC, Consultant Services, Professional services for August 2017 - Regarding Project LG TGS RGV 17 RC - Consulting (K. Nalepa and E. Cromleigh), Invoice date 9/7/2017 | 9,861.00 |

ATTACHMENT 2

**Lloyd Gosselink Rochelle & Townsend, P.C.**

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McAllen, City of  
TGS Rate Case  
I.D.678-38-TLB

September 13, 2017  
Invoice: 97485864

|                            |                     |
|----------------------------|---------------------|
| <b>TOTAL DISBURSEMENTS</b> | <b>\$ 10,088.96</b> |
| <b>TOTAL THIS INVOICE</b>  | <b>\$ 15,738.46</b> |



ATTACHMENT 2

**Lloyd Gosselink Rochelle & Townsend, P.C.**

McAllen, City of  
TGS Rate Case  
I.D.678-38-TLB

September 13, 2017  
Invoice: 97485864

**OUTSTANDING INVOICES**

| INVOICE<br>NUMBER | DATE    | INVOICE<br>TOTAL | PAYMENTS<br>RECEIVED | ENDING<br>BALANCE |
|-------------------|---------|------------------|----------------------|-------------------|
| 97484238          | 7/14/17 | 8,803.50         | .00                  | 8,803.50          |
| 97485132          | 8/10/17 | 18,533.30        | .00                  | 18,533.30         |

|                          |                            |
|--------------------------|----------------------------|
| Previous Balance         | \$ 27,336.80               |
| Balance Due This Invoice | <u>\$ 15,738.46</u>        |
| <b>TOTAL BALANCE DUE</b> | <b><u>\$ 43,075.26</u></b> |

## ReSolved Energy Consulting, LLC

11044 Research Blvd., Suite A-420  
Austin, Texas 78759  
Phone (512) 331-4949

## Invoice

| DATE     | INVOICE NUMBER |
|----------|----------------|
| 9/7/2017 | 4040           |

### BILL TO

Thomas Brocato  
Lloyd Gosselink Lawfirm  
816 Congress Ave, # 1900  
Austin, Tx 78701

| PROJECT                               |       |           |            |
|---------------------------------------|-------|-----------|------------|
| LG TGS RGV 17 RC                      |       |           |            |
| DESCRIPTION                           | HOURS | RATE      | AMOUNT     |
| Consulting (K. Nalepa)                | 14.1  | 260.00    | 3,666.00   |
| Consulting (E. Cromleigh)             | 35.4  | 175.00    | 6,195.00   |
| Total Labor                           |       |           | 9,861.00   |
| Work Completed thru - August 31, 2017 |       | TOTAL DUE | \$9,861.00 |

## Monthly Recap

Karl Nalepa

| Date            | Task                                                                                                                                                            | Hours |
|-----------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------|-------|
| August 2, 2017  | Work on analysis.                                                                                                                                               | 1.50  |
| August 3, 2017  | Work on analysis. Provide adjustments to E. Cromleigh to input into COS model.                                                                                  | 1.70  |
| August 4, 2017  | Work on analysis. Call with T. Brocato to discuss case issues and preliminary adjustments. Review and edit 3rd set of discovery. Send to T. Brocato for filing. | 1.80  |
| August 9, 2017  | Review responses to 2nd set of discovery.                                                                                                                       | 1.50  |
| August 10, 2017 | Work on analysis and adjustments.                                                                                                                               | 1.20  |
| August 11, 2017 | Work on analysis and adjustments.                                                                                                                               | 0.80  |
| August 21, 2017 | Review responses to 3rd set of discovery.                                                                                                                       | 0.50  |
| August 22, 2017 | Work on analysis and adjustments.                                                                                                                               | 0.80  |
| August 29, 2017 | Review and edit draft report.                                                                                                                                   | 1.30  |
| August 30, 2017 | Work on draft report.                                                                                                                                           | 1.80  |
| August 31, 2017 | Complete draft report and send to T. Brocato for review.                                                                                                        | 1.20  |
|                 |                                                                                                                                                                 | 14.10 |

## Monthly Recap

Erin Cromleigh

| Date            | Task                                                                                                                       | Hours        |
|-----------------|----------------------------------------------------------------------------------------------------------------------------|--------------|
| August 1, 2017  | Review expenses and draft RFI.                                                                                             | 2.90         |
| August 2, 2017  | Review incentive compensation.                                                                                             | 4.20         |
| August 3, 2017  | Compile City adjustments model and incorporate K. Nalepa adjustments.                                                      | 3.80         |
| August 4, 2017  | Compile City adjustments model, incorporate adjustments, participate on conference call with T. Brocato to discuss issues. | 3.90         |
| August 9, 2017  | Incorporate City adjustments and review 2nd RFI responses.                                                                 | 2.80         |
| August 10, 2017 | Add incentive comp adjustments to model, review O&M expenses, work on report.                                              | 2.40         |
| August 14, 2017 | Draft report.                                                                                                              | 4.50         |
| August 15, 2017 | Draft report.                                                                                                              | 2.50         |
| August 16, 2017 | Draft report.                                                                                                              | 1.70         |
| August 21, 2017 | Review RFI responses and work on report draft.                                                                             | 3.60         |
| August 23, 2017 | Work on report draft.                                                                                                      | 2.10         |
| August 30, 2017 | Work on report draft.                                                                                                      | 0.50         |
| August 31, 2017 | Work on report draft.                                                                                                      | 0.50         |
|                 |                                                                                                                            | <b>35.40</b> |

**ORDINANCE NO. 2017-50**

**AN ORDINANCE ADOPTING UNANIMOUS SETTLEMENT AGREEMENT, SETTING RATES AND ESTABLISHING TARIFFS FOR THE PROVISION OF NATURAL GAS SERVICE BY TEXAS GAS SERVICE COMPANY, A DIVISION OF ONE GAS, INC., WITHIN THE CITY OF WESLACO; DECLARING THIS ORDINANCE TO BE A FINAL DETERMINATION OF RATES; REQUIRING ACCEPTANCE BY TEXAS GAS SERVICE COMPANY OF THE RATES PRESCRIBED HEREIN; AND ESTABLISHING AN EFFECTIVE DATE.**

**BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF WESLACO:**

**PART 1.** The Council finds:

- (A) On June 15, 2017, Texas Gas Service Company ("TGS" or "Company") filed with the City of Weslaco ("City") and the other affected Rio Grande Valley Service Area municipalities its Statement of Intent to increase its annual revenue by \$5.17 million within its Rio Grande Valley Service Area ("RGVSA").
- (B) In accordance with the Gas Utility Regulatory Act, Utilities Code, §104.107, the City suspended the TGS' proposed effective date of July 20, 2017, for a period not to exceed 90 days from TGS' proposed effective date, to October 18, 2017.
- (C) TGS provided public notice of its proposed increase in rates in accordance with the Gas Utility Regulatory Act.
- (D) A base rate revenue increase in the amount of \$4.1 million per annum is reasonable and consistent with the requirements of the Gas Utility Regulatory Act, will permit TGS a reasonable opportunity to earn a reasonable return on its invested capital, and will yield a fair return upon the adjusted value of TGS' property used and useful in rendering service to the public.
- (E) TGS and the City agree to implement the Company's Pipeline Integrity Testing Rider, including provisions that require TGS to file its annual reconciliation report on or before February 1 and allows for a 60-day review period.
- (F) TGS and the City agree to continue the Energy Efficiency Program reflected in Rate Schedule EEP and Rate Schedule IEE within the City.
- (G) The tariffs and specific rates and charges, and customer service rules appended to this ordinance are reasonable and in the public interest.

- (H) The costs of the City's rate consultants, attorneys, and technical staff to conduct investigations, present evidence, advise and represent the City in these rate-making proceedings as set out in the settlement agreement are reasonable and necessary expenses, as are the rate case expenses incurred by TGS in this proceeding.

**PART 2.** The City is the regulatory body with exclusive original jurisdiction over the rates, operations, and services of Texas Gas Service Company, a division of ONE Gas, Inc., within the municipality.

**PART 3.** The Unanimous Settlement Agreement ("Settlement Agreement") entered into between TGS and the City and appended to this ordinance as "Attachment 1" is in the public interest and is adopted by this ordinance.

**PART 4.** An increase in the amount of \$4.1 million in TGS' annual base-rate revenue, as determined on a systemwide basis for the RGVSA, is approved within the City.

**PART 5.** Except to the extent approved in this ordinance and the settlement agreement appended to this ordinance as "Attachment 1", the City denies TGS' request for rates, tariffs, and charges as proposed in TGS' Statement of Intent and rate increase request filed with the City on or about June 15, 2017.

**PART 6.** The rates, tariffs, charges, schedules, and service rules appended to this ordinance as "Attachment 2" for natural gas service provided by TGS within the City, are reasonable and are hereby approved.

**PART 7.** The proposed depreciation and amortization rates set forth on the Depreciation and Amortization Expense summary appended to this ordinance as "Attachment 2" are reasonable and hereby approved by this ordinance.

**PART 8.** The costs of rate consultants, attorneys, and technical staff to conduct investigations, present evidence, advise, and represent the City in these rate-making proceedings shall be reimbursed to the City by TGS no later than 30 days after the effective date of this ordinance.

**PART 9.** Nothing in this ordinance shall be construed as limiting or modifying in any manner the right and power of the City under the law to regulate the rates and charges of TGS Company.

**PART 10.** This ordinance takes effect on October 18, 2017. Should the City not approve this Ordinance in time for TGS to implement rates for meters read on or after October 18, 2017, TGS's rates as agreed herein, will be established as temporary rates for service on and after that date until such time as the City takes final action to approve this Ordinance no later than October 27, 2017.

**PASSED AND APPROVED** on first reading at a regular meeting of the City Commission this 3<sup>rd</sup> day of October, 2017.

**PASSED AND APPROVED** on second reading at a regular meeting of the City Commission this \_\_\_\_ day of \_\_\_\_\_, 2017.

**CITY OF WESLACO**

\_\_\_\_\_  
David Suarez,  
**MAYOR**

**ATTEST:**

\_\_\_\_\_  
Elizabeth M. Walker, **CITY SECRETARY**

**APPROVED AS TO FORM:**

\_\_\_\_\_  
Juan E. Gonzalez, **CITY ATTORNEY**



## Standardized Agenda Request Form

|                                                                                                                                                                                                                                                                                                                                    |                 |                                                              |  |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------|--------------------------------------------------------------|--|
| <b>Date of Meeting:</b><br>October 3, 2017                                                                                                                                                                                                                                                                                         |                 | <b>Agenda Item No.</b> (to be assigned by CSO):<br>2017-1249 |  |
| <b>From:</b>                                                                                                                                                                                                                                                                                                                       |                 |                                                              |  |
| <b>Subject:</b><br>Approval of a request by the Weslaco Bikearoos to utilize Harlon Block Park on October 14, 2017 from 8 a.m. – 12 p.m. for a Bike Rodeo, and authorize the Mayor to execute any related documents as may be required and waive any fees that may be associated with the event. (Requested by Weslaco Bikearoos.) |                 |                                                              |  |
| <b>Background:</b><br>Need assistance from the city with traffic cones westgate, border, 18th, 6th                                                                                                                                                                                                                                 |                 |                                                              |  |
| <b>Funding Source</b> (budget code, if applicable):                                                                                                                                                                                                                                                                                |                 |                                                              |  |
| Amount:                                                                                                                                                                                                                                                                                                                            | Term of Impact: | Identified in Current Budget:                                |  |
| <b>Additional Action Prompted:</b>                                                                                                                                                                                                                                                                                                 |                 |                                                              |  |
| <b>If item previously considered, provide date and action by Commission:</b>                                                                                                                                                                                                                                                       |                 |                                                              |  |
| <b>If item requires Publication Notice, provide date and periodical of publication; indicate if comments received from letters mailed to property owners:</b>                                                                                                                                                                      |                 |                                                              |  |
| <b>Advisory Review, if any</b> (name of board/committee, date of action, recommendation):                                                                                                                                                                                                                                          |                 |                                                              |  |
| Kayla Arevalo                                                                                                                                                                                                                                                                                                                      |                 | Created/Initiated                                            |  |
| David Arce                                                                                                                                                                                                                                                                                                                         |                 | Approved                                                     |  |
| Mike Perez                                                                                                                                                                                                                                                                                                                         |                 | Final Approval                                               |  |
| <b>City Manager Comments:</b><br>Approve.                                                                                                                                                                                                                                                                                          |                 |                                                              |  |
| <b>Staff Recommendation:</b><br>Approval                                                                                                                                                                                                                                                                                           |                 |                                                              |  |
| <b>Attachments, if any:</b><br>BIKE RODEO FLYER                                                                                                                                                                                                                                                                                    |                 |                                                              |  |
| <b>Responsibilities upon Approval:</b>                                                                                                                                                                                                                                                                                             |                 |                                                              |  |



# FREE BIKE RODEO

**Saturday, October 14th | 9AM-12PM**

*Registration starts at 8:30AM*

**Harlon Block Park | 1020 W. 18th St. | Weslaco, Texas**



**BICYCLE SAFETY  
INSTRUCTION**



**WESLACO  
BIKEAROOS**

PROMOTING A BIKEABLE COMMUNITY



**FREE helmet for  
participants who  
complete safety  
training**



**3 MILE GROUP  
BIKE RIDE**

- *Must bring own bicycle*
- *All participants must wear bike helmets to participate in bike obstacle course & group ride*
- *Arrive early to fill out registration forms!*

**Already have a helmet? Bring it to be entered in a raffle!**

**Contact: Evelia Castillo • [ecastillo@sph.tamhsc.edu](mailto:ecastillo@sph.tamhsc.edu) • 956-668-6325**





# Standardized Agenda Request Form

|                                                                                                                                                                                                                                                                                                                                                                                         |                                                 |                                                              |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------|--------------------------------------------------------------|
| <b>Date of Meeting:</b><br>October 3, 2017                                                                                                                                                                                                                                                                                                                                              |                                                 | <b>Agenda Item No.</b> (to be assigned by CSO):<br>2017-1261 |
| <b>From:</b>                                                                                                                                                                                                                                                                                                                                                                            |                                                 |                                                              |
| <b>Subject:</b><br>Approval of a renewal of a Public Purpose Service Contract with the Weslaco Bicultural Museum d.b.a Weslaco Museum of Local History and Cultural Art in an amount not to exceed \$63,100.00 effective October 1, 2017 through September 30, 2018 and authorize the Mayor to execute any related documents. (Staffed by Parks and Recreation Department.) Attachment. |                                                 |                                                              |
| <b>Background:</b>                                                                                                                                                                                                                                                                                                                                                                      |                                                 |                                                              |
| <b>Funding Source</b> (budget code, if applicable):                                                                                                                                                                                                                                                                                                                                     |                                                 |                                                              |
| Amount:                                                                                                                                                                                                                                                                                                                                                                                 | Term of Impact:                                 | Identified in Current Budget:                                |
| <b>Additional Action Prompted:</b><br>Mayor's Signature                                                                                                                                                                                                                                                                                                                                 |                                                 |                                                              |
| <b>If item previously considered, provide date and action by Commission:</b>                                                                                                                                                                                                                                                                                                            |                                                 |                                                              |
| <b>If item requires Publication Notice, provide date and periodical of publication; indicate if comments received from letters mailed to property owners:</b>                                                                                                                                                                                                                           |                                                 |                                                              |
| <b>Advisory Review, if any</b> (name of board/committee, date of action, recommendation):                                                                                                                                                                                                                                                                                               |                                                 |                                                              |
| Kayla Arevalo<br>David Arce<br>Mike Perez                                                                                                                                                                                                                                                                                                                                               | Created/Initiated<br>Approved<br>Final Approval |                                                              |
| <b>City Manager Comments:</b><br>Approve.                                                                                                                                                                                                                                                                                                                                               |                                                 |                                                              |
| <b>Staff Recommendation:</b>                                                                                                                                                                                                                                                                                                                                                            |                                                 |                                                              |
| <b>Attachments, if any:</b><br>Public Purpose Contract Bicultural Museum 2018                                                                                                                                                                                                                                                                                                           |                                                 |                                                              |
| <b>Responsibilities upon Approval:</b>                                                                                                                                                                                                                                                                                                                                                  |                                                 |                                                              |

|                    |   |                            |
|--------------------|---|----------------------------|
| THE STATE OF TEXAS | § | PUBLIC PURPOSE SERVICES    |
|                    | § | CONTRACT BETWEEN THE CITY  |
| CITY OF WESLACO    | § | OF WESLACO AND THE WESLACO |
|                    | § | BICULTURAL MUSEUM d.b.a.   |
| COUNTY OF HIDALGO  | § | WESLACO MUSEUM OF LOCAL    |
|                    | § | HISTORY AND CULTURAL ART   |

This Contract is entered into on this the \_\_\_\_ day of October 2017, by and between the City of Weslaco, a Home-ruled Municipal Corporation of Hidalgo County, Texas (hereinafter called "City") and The Weslaco Bicultural Museum d.b.a. Weslaco Museum of Local History and Cultural Art (hereinafter called "Contractor").

Whereas, City is interested in assisting Contractor in providing the city and citizens of Weslaco with such services that accomplish a legitimate public purpose, as is mandated by Article III, Section 52(a) of the Texas Constitution and such services are desirable by the City of Weslaco and such services are identified below and incorporated herein for all purposes; and

Whereas, City has available certain public funds that may be spent for services which accomplish legitimate public purposes; and

Whereas, the City has negotiated with Contractor to provide these public purpose services to the City of Weslaco; and

Whereas, the Contractor, upon accepting these public funds obligates and commits itself to provide these public purpose services during the duration of this contract; and

Whereas, Contractor is the sole source and only organization or entity that can provide the public purpose services that are described in this contract.

## SECTION I.

Contractor agrees to use the public funds it is to receive from City to provide the public purpose services described in Exhibit "A" for the duration of the term of this contract and under the conditions set forth herein. Contractor will be acting as an Independent Contractor in the performance of the terms and conditions of this contract. In consideration of the continued provision of the services in the quality and quantity as represented by Contractor to City, City shall make payment to Contractor as provided in Section VII of this contract.



## SECTION II. RECORDS AND REPORTING

Contractor agrees to furnish City its budget and all related expenditures for the duration of this contract. Contractor will maintain all records of operation for the period of this contract that confirms and establishes that the funds furnished by City are and have been used exclusively for the purposes as outlined and detailed herein. A written report of expenditures and the progress of the activities will be submitted on a monthly basis to City. Contractor will, if requested by City, make presentations to the Weslaco City Commission, of the status of the expenditures of public monies and the status of the activities contracted for in this Contract. Contractor acknowledges and agrees that records (as the term is defined under the Texas Open Records Act) produced by the expenditure of funds received from the City hereunder are and will be subject to public disclosure. Contractor will develop procedures to disclose this information to the public. Contractor will have fiduciary duty to the City with respect to the public funds Contractor receives from the City.

## SECTION III. DISCRIMINATION PROHIBITED

Contractor agrees not to exclude any person from participating in or be subject to discrimination under any of the program's activities receiving City financial assistance on the ground of race, color, religion, sex, national origin or disability.

## SECTION IV. SUSPENSION AND TERMINATION

If Contractor fails to fulfill in a timely and proper manner its obligations under this contract, or Contractor violates any of the agreements or stipulation of this contract, then the Contractor shall have thirty (30) days after the date of notice, in writing, from City to cure or correct such defect or failure unless City requires that the defect should be cured in a shorter time period as set out in such notice, in which case the earlier requirement for correction shall apply. The City may terminate this contract and seek reimbursement of all funds from the City to Contractor hereunder after such period. Contractor shall not be relieved of the liability to the City for damages sustained by the City by virtue of any breach of this contract by Contractor and the City may withhold any payments to Contractor for the purpose as set out and until such time as the exact amount of damages due the City from Contractor is determined. The failure of the City to exercise any right shall in no way constitute a waiver by the City of Weslaco to otherwise demand payment or seek any other relief in law or in equity to which it may justly entitled.

## SECTION V. REVERSION OF ASSETS

Contractor agrees that should it discontinue the operations as provided for herein, then it shall remit all monies relating to any funds to the City upon receipt after the discontinuance of such program. Upon such event, the City is hereby appointed as agent for the purpose of collection of such funds and any unexpended funds still remaining will be appropriated to eligible City activities in keeping with the City's budgetary process.

## SECTION VI. TIME OF PERFORMANCE

Time of performance for this Contract shall be for seasonal activities during the city's fiscal year, which begins October 1, 2017 and ends September 30, 2018.

## SECTION VII. PAYMENTS TO CONTRACTOR

City hereby agrees to pay Contractor Fifty Thousand and 00/100 Dollars (\$63,100.00) in twelve (12) equally monthly installments of Five Thousand Two Hundred Fifty-Eight and 33/100 Dollars (\$5,258.33) each for public purpose services and activities in this contract. Contractor shall invoice City and City shall make payment within twenty-one (21) days of invoice date. The invoice shall detail all activities Contractor, expenses incurred, the number of visitors and the activities engaged in that are contracted for in this contract.

## SECTION VIII. AUDIT

Contractor agrees to furnish City with an audit certified by a certified public accountant covering the contract year with specific receipts and disbursements of the payments to Contractor hereunder. Contractor agrees to require any such auditor to cooperate with City relating to any inquiries by City as to the provisions of such audit. City may conduct service and/or expenditure audits during the term or for one year after the expiration date hereof. Contractor agrees to furnish any records requested by City and to otherwise cooperate with City in relation to any inquiries made by City in the City audit hereunder.

## SECTION IX. DEFAULT

Any signatory party to this Contract, who because of the other party's breach hereof may be required to institute any legal proceedings in relationship to this Contract, and who should prevail in any such legal proceedings, shall be entitled to recover court costs and reasonable attorney's fees from the non-prevailing party. The term prevailing party shall mean in the case of the Plaintiff, the party who receives in substantial form or amount the relief sought

by such party as set out in the final petition before the court; and as to any Defendant, it shall be considered a prevailing party where the Plaintiff did not substantially recover the relief sought.

#### SECTION X. VENUE AND REMEDIES

Venue in any suit, right or cause of action arising under or in connection with this Contract shall lie exclusively in Hidalgo County, Texas. This Contract shall be governed, interpreted and enforceable according to the laws of the State of Texas. In addition to any other remedy available by law, it is specifically provided that either party hereto may enforce this Contract by specific performance in a court of competent jurisdiction.

#### SECTION XI. NOTICES AND ADDRESS

All notices provided to given under this Contract shall be given by certified mail, return receipt requested, addressed to the proper party. The date of mailing of any notice under this Contract shall be deemed to be the date such notice is received and shall be effective from such date. The addresses of the parties to this Contract are as follows:

##### CITY

CITY OF WESLACO  
255 S. Kansas Avenue  
Weslaco, TX 78596  
Attn. City Manager

##### CONTRACTOR

WESLACO MUSEUM OF LOCAL HISTORY  
AND CULTURAL ART  
500 S. Texas Avenue  
Weslaco, TX 78596  
Attn. Executive Director

#### SECTION XII. PARTIES BOUND

This Contract shall be binding upon and inure to the benefit of the parties hereto and their respective legal representatives, successors, and assigns where permitted by this Contract. The persons signing this Contract on behalf of the City and Contractor warrant that he/she has been duly authorized to execute this Contract and legally bind the City and Contractor to this Contract.

#### SECTION XIII. LEGAL CONSTRUCTION

In case any one or more of the provisions contained in this Contract shall for any reason be held to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect other provisions thereof and this Contract shall be construed as if such invalid, illegal, or

unenforceable provision had never been contained herein.

#### SECTION XIV. AMENDMENT

No amendment, modification, or alteration of the terms hereof shall be binding unless the same is in writing, dated and subsequent to the date hereof and duly executed by the parties hereto after proper authority has been obtained.

#### SECTION XV. WAIVER OF DEFAULT

No waiver by the parties hereto of any default or breach of any term, condition, or covenant of this Contract shall be deemed to be a waiver of any other breach of the same or any other term, condition, or covenant contained herein.

#### SECTION XVI. ENUMERATION OF CONTRACT DOCUMENTS

This Contract shall be in accordance with and subject to the provisions of all documents enumerated herein or which may be attached hereto by mutual consent of the contracting parties at any future date, and are hereby made a part of this Contract unless otherwise provided for. This Contract contains the entire agreement of the parties and cannot be changed except by express written agreement. The Contract document so enumerated is:

- (1) Activities and Public Purpose Services (Exhibit "A")
- (2) Intent of Public Purpose Activities (Exhibit "B")

#### SECTION XVII. LIABILITY INSURANCE

Contractor will provide, upon execution of this Contract, City with a certificate of general liability insurance naming the City of Weslaco as an additional insured, protecting and insuring the City against claims for liability for bodily injury or other damages by youth or other individuals engaged in the activities funded by this Contract.

Contract will hold harmless and indemnify the City of Weslaco, its elected officials, employees, agents or representatives from all claims, actions and damages that are made and assessed against the City of Weslaco, its elected officials, employees, agents or representatives as a result of Contractor's performance of activities and services under this Contract.

IN WITNESS THEREOF, City and Contractor have executed two (2)

conformed copies of this Contract effective as of the date first above written.

CITY OF WESLACO

By: \_\_\_\_\_  
David Suarez, Mayor

ATTEST:

\_\_\_\_\_  
Elizabeth M. Walker, City Secretary

WESLACO MUSEUM

By: \_\_\_\_\_  
(Executive Director)

Approved as to form:

\_\_\_\_\_  
Juan E. Gonzalez, City Attorney



## Exhibit "A"

### ACTIVITIES AND PUBLIC PURPOSE SERVICES

Contractor will, for the public funds it is receiving from City, operate and maintain a building facility that will house historical information on Weslaco, works of art such as paintings, displays, present cultural programs to citizens of Weslaco and to the general public.

## Exhibit "B"

### INTENT OF PUBLIC PURPOSE ACTIVITIES

The City of Weslaco desires that Contractor provide exhibits to citizens of the City of Weslaco that will benefit and assist them in developing an appreciation to cultural arts.



# Standardized Agenda Request Form

|                                                                                                                                                                                                                                                                                                                                                                                              |                                                 |                                                              |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------|--------------------------------------------------------------|
| <b>Date of Meeting:</b><br>October 3, 2017                                                                                                                                                                                                                                                                                                                                                   |                                                 | <b>Agenda Item No.</b> (to be assigned by CSO):<br>2017-1262 |
| <b>From:</b>                                                                                                                                                                                                                                                                                                                                                                                 |                                                 |                                                              |
| <b>Subject:</b><br>Approval of the renewal of a Public Purposes Services Contract with the Boys & Girls Club of Weslaco in an amount not to exceed \$50,000.00 for the public purpose services and activities in this contract, effective October 1, 2017 through September 30, 2018 and authorize the Mayor to execute any related documents. (Staffed by Parks and Recreation Department.) |                                                 |                                                              |
| <b>Background:</b>                                                                                                                                                                                                                                                                                                                                                                           |                                                 |                                                              |
| <b>Funding Source</b> (budget code, if applicable):                                                                                                                                                                                                                                                                                                                                          |                                                 |                                                              |
| Amount:                                                                                                                                                                                                                                                                                                                                                                                      | Term of Impact:                                 | Identified in Current Budget:                                |
| <b>Additional Action Prompted:</b><br>Mayor's Signature                                                                                                                                                                                                                                                                                                                                      |                                                 |                                                              |
| <b>If item previously considered, provide date and action by Commission:</b>                                                                                                                                                                                                                                                                                                                 |                                                 |                                                              |
| <b>If item requires Publication Notice, provide date and periodical of publication; indicate if comments received from letters mailed to property owners:</b>                                                                                                                                                                                                                                |                                                 |                                                              |
| <b>Advisory Review, if any</b> (name of board/committee, date of action, recommendation):                                                                                                                                                                                                                                                                                                    |                                                 |                                                              |
| Kayla Arevalo<br>David Arce<br>Mike Perez                                                                                                                                                                                                                                                                                                                                                    | Created/Initiated<br>Approved<br>Final Approval |                                                              |
| <b>City Manager Comments:</b><br>Approve.                                                                                                                                                                                                                                                                                                                                                    |                                                 |                                                              |
| <b>Staff Recommendation:</b>                                                                                                                                                                                                                                                                                                                                                                 |                                                 |                                                              |
| <b>Attachments, if any:</b><br>FIVE CORE PROGRAMS, EXHIBIT A, Public Purpose Contract Boys & Girls Club 2018                                                                                                                                                                                                                                                                                 |                                                 |                                                              |
| <b>Responsibilities upon Approval:</b>                                                                                                                                                                                                                                                                                                                                                       |                                                 |                                                              |

## Five Service Core Programs

**CHARACTER DEVELOPMENT AND LEADERSHIP DEVELOPMENT** empower youth to support and influence their Club and Community, sustain meaningful relationships with others, develop a positive self-image, participate in the democratic process and respect their own and other cultural identities.

Programs include: Teen Supreme Keystone Clubs, Torch Clubs, Youth of the Year, Talking with T.J., Street Smart, SMART Girls, Leadership training for junior staff, voter registration drives, community service project, town hall meetings, youth councils, etc.

**EDUCATION AND CAREER DEVELOPMENT** enable youth to become proficient in basic educational disciplines, apply learning to everyday situations and embrace technology to optimize employability.

Programs include: Power Hour, Homework help, the Ultimate Journey, tutoring, newspaper Clubs, puzzles, education games (Scrabble, Boggle, Trivial Pursuit, Voyagers, etc.), motivational reading programs, typing skills, Internet exploration, utilizing computer technology to improve the quality of life.

**HEALTH AND LIFE SKILLS** develop young people's capacity to engage in positive behaviors that nurture their own well being, set personal goals and develop the competencies to live successfully as self sufficient adults.

Programs include: SMART Moves, Broader Horizons, Goals for Growth, youth entrepreneur programs, health and prevention programs, independent living classes.

**THE ARTS** enable youth to develop their creativity and cultural awareness through knowledge and appreciation to visual and tactile arts and crafts, performing arts and creative writing.

Programs include: Drawing, dance, folk festivals, origami, painting photography, puppetry, sculpture, story telling, and woodworking.

**SPORTS, FITNESS AND RECREATION** develop fitness, positive use of leisure time, skills for stress management, appreciation for the environment and social and interpersonal skills.

Program includes: Team sports (baseball, basketball, football, soccer, volleyball), individual sports (track & field, tennis, golf, gymnastics, billiards, table tennis, board and table games, martial arts, wrestling), fitness testing aerobics relay races, athletic leagues and tournaments.

## EXHIBIT "A"

### Statement of Work

The funding of \$ 50,000 will be for paying staff salaries, membership insurance, BGCA Dues, and all equipment necessary to maintain the every day programs of The Boys and Girls Club of Weslaco, INC.

**The following services will be performed in the following via the 5 Service Core Programs (see attached for definition of service core program):**

1. Provide guidance in behavior and promote health, social education, vocational, and characters development of boys and girls.
2. Provide educational enhancement of computer applications.
3. Provide community- wide programs such as flag football, t-ball, slow pitch, softball, senior and peewee basketball, gymnastics, karate and volleyball.
4. Enhance leadership skill and provide opportunities for planning, decision making and contributing to the club and the community.
5. Provide opportunities for career explorations.
6. Provide a highly enriched remedial program, which concentrates in reading, writing, and arithmetic, arts and crafts, outdoor and environmental education, liberal arts and music.
7. Provide preventive programs such as "SMART Moves," which deal with alcohol abuse, drug abuse, pregnancy prevention, violence prevention, gangs and school dropouts.
8. Provide guidance and counseling for the youth who are referred to Club for community service.

**The following services will be maintained as a result of the City fund expenditures:**

1. Teen outreach program;
2. Violence prevention programs;
3. on- the Job training program;
4. Promote Membership;
5. Expend the number of members participating daily;
6. Help at risk youth realize their potential growth and development; and
7. Extend our service to teens.

**The following type of beneficiaries will be served:**

1. At risk youth 6-18 years of age; and
2. Low income children.

**The services will be provided at the following address/ location(s):**

Mayor Pablo G. Pena City Park, at 300 N Airport Dr., 78596

**STATE OF TEXAS                    § PUBLIC PURPOSE SERVICES CONTRACT**  
**COUNTY OF HIDALGO        § BETWEEN THE CITY OF WESLACO AND THE**  
**CITY OF WESLACO        § BOYS AND GIRLS CLUB OF WESLACO**

This Contract is entered into on this the \_\_\_\_ day of October 2017, by and between the City of Weslaco, a Home-ruled Municipal Corporation of Hidalgo County, Texas (hereinafter called "City") and The Boys and Girls Club of Weslaco, Inc. (hereinafter called "Contractor").

Whereas, City is interested in assisting Contractor in providing the city and citizens of Weslaco with such services that accomplish a legitimate public purpose, as is mandated by Article III, Section 52(a) of the Texas Constitution and such services are desirable by the City of Weslaco and such services are identified below and incorporated herein for all purposes; and

Whereas, City has available certain public funds that may be spent for services which accomplish legitimate public purposes; and

Whereas, the City desires to negotiate with Contractor to provide these public purpose services to the City of Weslaco; and

Whereas, the Contractor, upon accepting these public funds obligates and commits itself to provide these public purpose services during the duration of this contract; and

Whereas, Contractor is the sole source and only organization or entity that can provide the public purpose services that are described in this contract.

**SECTION I.**

Contractor agrees to use the public funds it is to receive from City to provide the public purpose services described in Exhibit "A" for the duration of the term of this contract and under the conditions set forth herein. Contractor will be acting as an Independent Contractor in the performance of the terms and conditions of this contract. In consideration of the continued provision of the services in the quality and quantity as represented by Contractor to City, City shall make payment to Contractor as provided in Section VII of this contract.

**SECTION II.**  
**RECORDS AND REPORTING**

Contractor agrees to furnish City its budget and all related expenditures for the duration of this contract. Contractor will maintain all records of operation for the period of this contract that confirms and establishes that the funds furnished by City are and have been used exclusively for the purposes as outlined and detailed herein. A written report of expenditures and the progress of the activities will be submitted on a monthly basis to City. Contractor will, if requested by City, make presentations to the Weslaco City Commission, of the status of the expenditures of public monies and the status of the activities contracted for in

this Contract. Contractor acknowledges and agrees that records (as the term is defined under the Texas Open Records Act) produced by the expenditure of funds received from the City hereunder are and will be subject to public disclosure. Contractor will develop procedures to disclose this information to the public. Contractor will have fiduciary duty to the City with respect to the public funds Contractor receives from the City.

### SECTION III. DISCRIMINATION PROHIBITED

Contractor agrees not to exclude any person from participating in or be subject to discrimination under any of the program's activities receiving City financial assistance on the ground of race, color, religion, sex, national origin or disability.

### SECTION IV. SUSPENSION AND TERMINATION

If Contractor fails to fulfill in a timely and proper manner its obligations under this contract, or Contractor violates any of the agreements or stipulation of this contract, then the Contractor shall have thirty (30) days after the date of notice, in writing, from City to cure or correct such defect or failure unless City requires that the defect should be cured in a shorter time period as set out in such notice, in which case the earlier requirement for correction shall apply. The City may terminate this contract and seek reimbursement of all funds from the City to Contractor hereunder after such period. Contractor shall not be relieved of the liability to the City for damages sustained by the City by virtue of any breach of this contract by Contractor and the City may withhold any payments to Contractor for the purpose as set out and until such time as the exact amount of damages due the City from Contractor is determined. The failure of the City to exercise any right shall in no way constitute a waiver by the City of Weslaco to otherwise demand payment or seek any other relief in law or in equity to which it may justly entitled.

### SECTION V. REVERSION OF ASSETS

Contractor agrees that should it discontinue the operations as provided for herein, then it shall remit all monies relating to any funds to the City upon receipt after the discontinuance of such program. Upon such event, the City is hereby appointed as agent for the purpose of collection of such funds and any unexpended funds still remaining will be appropriated to eligible City activities in keeping with the City's budgetary process.

### SECTION VI. TIME OF PERFORMANCE

Time of performance for this Contract shall be for seasonal activities during the city's fiscal year, which begins October 1, 2017 and ends September 30, 2018.

### SECTION VII.

## PAYMENTS TO CONTRACTOR

City hereby agrees to pay Contractor Fifty Thousand and 00/100 Dollars (\$50,000.00) in twelve (12) equally monthly installments of Four Thousand One Hundred and 66/100 Dollars (\$4,166.66) each for public purpose services and activities in this contract. Contractor shall invoice City and City shall make payment within twenty-one (21) days of invoice date. The invoice shall detail all activities Contractor, expenses incurred, the number of boys and girls served and the activities engaged in that are contracted for in this contract.

## SECTION VIII. AUDIT

Contractor agrees to furnish City with an audit certified by a certified public accountant covering the contract year with specific receipts and disbursements of the payments to Contractor hereunder. Contractor agrees to require any such auditor to cooperate with City relating to any inquiries by City as to the provisions of such audit. City may conduct service and/or expenditure audits during the term or for one year after the expiration date hereof. Contractor agrees to furnish any records requested by City and to otherwise cooperate with City in relation to any inquiries made by City in the City audit hereunder.

## SECTION IX. DEFAULT

Any signatory party to this Contract, who because of the other party's breach hereof may be required to institute any legal proceedings in relationship to this Contract, and who should prevail in any such legal proceedings, shall be entitled to recover court costs and reasonable attorney's fees from the non-prevailing party. The term prevailing party shall mean in the case of the Plaintiff, the party who receives in substantial form or amount the relief sought by such party as set out in the final petition before the court; and as to any Defendant, it shall be considered a prevailing party where the Plaintiff did not substantially recover the relief sought.

## SECTION X. VENUE AND REMEDIES

Venue in any suit, right or cause of action arising under or in connection with this Contract shall lie exclusively in Hidalgo County, Texas. This Contract shall be governed, interpreted and enforceable according to the laws of the State of Texas. In addition to any other remedy available by law, it is specifically provided that either party hereto may enforce this Contract by specific performance in a court of competent jurisdiction.

## SECTION XI. NOTICES AND ADDRESS

All notices provided to given under this Contract shall be given by certified mail, return receipt requested, addressed to the proper party. The date of mailing of any notice under this



Contract shall be deemed to be the date such notice is received and shall be effective from such date. The addresses of the parties to this Contract are as follows:

CITY

CONTRACTOR

CITY OF WESLACO  
255 S. Kansas Avenue  
Weslaco, TX 78596  
Attn.: City Manager

BOYS' AND GIRLS' CLUB OF  
WESLACO  
300 N. Airport Drive Suite A  
Weslaco, TX 78596  
Attn.: Executive Director

## SECTION XII. PARTIES BOUND

This Contract shall be binding upon and inure to the benefit of the parties hereto and their respective legal representatives, successors, and assigns where permitted by this Contract. The persons signing this Contract on behalf of the City and Contractor warrant that he/she has been duly authorized to execute this Contract and legally bind the City and Contractor to this Contract.

## SECTION XIII. LEGAL CONSTRUCTION

In case anyone or more of the provision contained in this Contract shall for any reason be held to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect other provisions thereof and this Contract shall be construed as if such invalid, illegal, or unenforceable provision had never been contained herein.

## SECTION XIV. AMENDMENT

No amendment, modification, or alteration of the terms hereof shall be binding unless the same is in writing, dated and subsequent to the date hereof and duly executed by the parties hereto after proper authority has been obtained.

## SECTION XV. WAIVER OF DEFAULT

No waiver by the parties hereto of any default or breach of any term, condition, or covenant of this Contract shall be deemed to be a waiver of any other breach of the same or any other term, condition, or covenant contained herein.

## SECTION XVI. ENUMERATION OF CONTRACT DOCUMENTS

This Contract shall be in accordance with and subject to the provisions of all documents enumerated herein or which may be attached hereto by mutual consent of the contracting parties at any future date, and are hereby made a part of this Contract unless otherwise provided for. This Contract contains the entire agreement of the parties and cannot

be changed except by express written agreement. The Contract document so enumerated is:

**Statement of Work, EXHIBIT "A"**

**Attachment, Definition of FIVE SERVICE CORE PROGRAM**

SECTION XVII.  
LIABILITY INSURANCE

Contractor will provide, upon execution of this Contract, City with a certificate of general liability insurance naming the City of Weslaco as an additional insured, protecting and insuring the City against claims for liability for bodily injury or other damages by youth or other individuals engaged in the activities funded by this Contract. Contract will hold harmless and indemnify the City of Weslaco, its elected officials, employees, agents or representatives from all claims, actions and damages that are made and assessed against the City of Weslaco, its elected officials, employees, agents or representatives as a result of Contractor's performance of activities and services under this Contract.

IN WITNESS THEREOF, City and Contractor have executed two (2) conformed copies of this Contract effective as of this the \_\_\_\_ day of \_\_\_\_\_, 2017

**CITY OF WESLACO**

\_\_\_\_\_  
David Suarez, **MAYOR**

**ATTEST:**

\_\_\_\_\_  
Elizabeth M. Walker, **CITY SECRETARY**

**APPROVED AS TO FORM:**

\_\_\_\_\_  
Juan E. Gonzalez, **CITY ATTORNEY**

**BOYS' AND GIRLS' CLUB OF WESLACO**

\_\_\_\_\_  
Mary Lopez, **CHIEF PROFESSIONAL  
OFFICER (EXECUTIVE DIRECTOR)**



## Standardized Agenda Request Form

|                                                                                                                                                                                                                                                                                     |                 |                                                              |  |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------|--------------------------------------------------------------|--|
| <b>Date of Meeting:</b><br>October 3, 2017                                                                                                                                                                                                                                          |                 | <b>Agenda Item No.</b> (to be assigned by CSO):<br>2017-1266 |  |
| <b>From:</b>                                                                                                                                                                                                                                                                        |                 |                                                              |  |
| <b>Subject:</b><br>Approval of a renewal of a Mutual Lease Agreement with the Boys and Girls Club of Weslaco for the use of the facility located at 300 N. Airport, Suite B and authorize the Mayor to execute any related documents. (Staffed by Parks and Recreation Department.) |                 |                                                              |  |
| <b>Background:</b>                                                                                                                                                                                                                                                                  |                 |                                                              |  |
| <b>Funding Source</b> (budget code, if applicable):                                                                                                                                                                                                                                 |                 |                                                              |  |
| Amount:                                                                                                                                                                                                                                                                             | Term of Impact: | Identified in Current Budget:                                |  |
| <b>Additional Action Prompted:</b><br>Mayor's Signature                                                                                                                                                                                                                             |                 |                                                              |  |
| <b>If item previously considered, provide date and action by Commission:</b>                                                                                                                                                                                                        |                 |                                                              |  |
| <b>If item requires Publication Notice, provide date and periodical of publication; indicate if comments received from letters mailed to property owners:</b>                                                                                                                       |                 |                                                              |  |
| <b>Advisory Review, if any</b> (name of board/committee, date of action, recommendation):                                                                                                                                                                                           |                 |                                                              |  |
| Kayla Arevalo                                                                                                                                                                                                                                                                       |                 | Created/Initiated                                            |  |
| David Arce                                                                                                                                                                                                                                                                          |                 | Approved                                                     |  |
| Mike Perez                                                                                                                                                                                                                                                                          |                 | Final Approval                                               |  |
| <b>City Manager Comments:</b><br>Approve.                                                                                                                                                                                                                                           |                 |                                                              |  |
| <b>Staff Recommendation:</b>                                                                                                                                                                                                                                                        |                 |                                                              |  |
| <b>Attachments, if any:</b><br>BGC LEASE '17-'18                                                                                                                                                                                                                                    |                 |                                                              |  |
| <b>Responsibilities upon Approval:</b>                                                                                                                                                                                                                                              |                 |                                                              |  |



- 2.04 If conditions arise to warrant such, the contracting parties can mutually agree to renegotiate this contract prior to the termination date established.

### ARTICLE III

#### IMPROVEMENTS TO THE PROPERTY

- 3.01 It is agreed that all permanent improvements made to or furnished by the LESSEE on the leased premises shall be deemed to be and shall become part of the reality and shall belong to LESSOR upon expiration of this Agreement or any extension hereof.
- 3.02 LESSEE may not make any alterations which might adversely affect the exterior or interior of said building are desired by the LESSEE, such alterations shall not be made, nor such signs erected without the written consent of the LESSOR.

### ARTICLE IV

#### INSURANCE

- 4.01 LESSOR shall insure the building and equipment covered by this Agreement against fire, accident, or natural disaster. In the event the building (s), equipment or any part thereof shall, during said term or renewal hereof, be destroyed by fire, accident, or natural disaster so that the same shall be thereby rendered unfit for use and habitation, then, if economically feasible, to the LESSOR, LESSOR shall make diligent effort to restore damage premises to their working conditions for use and habitation by LESSEE. If economically unfeasible, to the LESSOR, this contract shall be renegotiated and/or terminated at LESSOR's discretion.
- 4.02 LESSEE agrees to hold LESSOR harmless for any liability for any accident or other legal cause of action based upon tort which occurs on the leased premises, caused by LESSEE, its agent or employees. LESEE further agrees that LESSOR shall not become obligated to pay any damages to any third party because of any accident or other loss and caused by the negligence of LESSEE or any of its employee, agent or licenses. LESSEE will reimburse LESSOR for the amount of LESSOR's actual payments in damages and expenses incident thereto. LESSEE must name LESSOR as additional insured on any insurance which covers its obligations under this Agreement.
- 4.03 LESSEE agrees to at all times during the term of this Agreement have in effect liability insurance policy to protect LESSOR from third party claims that may arise as a result of injuries caused to any person upon

premises herein described. The limits of this policy shall be no less than \$100,000.00 liability per each person and \$100,000.00 aggregate. LESSEE agrees to provide a copy of such policy of insurance to LESSOR at time of signing.

#### ARTICLE V

##### UTILITIES

- 5.01 LESSOR shall pay the charges for water, sewer, and garbage-trash pick-up service. LESSEE shall pay charges for telephone and internet service provider. LESSOR shall pay for electricity associated with illuminating the building and grounds. It is agreed and understood that all utilities currently installed and/or connected to the leased building prior to the date LESSEE takes possession shall be paid by the LESSOR. All utilities installed or connected after LESSEE takes possession of the leased building shall be paid by LESSEE.

#### ARTICLE VI

##### TAXES

- 6.01 The LESSEE shall be responsible for all personal property taxes as assessments on personal property it owns and uses in the demised building.

#### ARTICLE VII

##### MAINTENANCE OF PREMISES

- 7.01 LESSEE agrees to maintain the interior of the building and all equipment in condition suitable for the use of which this Agreement is intended. LESSOR will provide at least two (2) days of custodial service per week. LESSOR will provide custodial supplies not to exceed one thousand dollars (\$1,000) per fiscal year. LESSEE will supply any other supplies.

#### ARTICLE VIII

##### SUBLEASING

- 8.01 The LESSEE shall not sublet or assign The Boys and Girls Club Building or any part thereof to a third party without the written consent of the LESSOR. The Boys and Girls Club Building may not be used for any political event.

ARTICLE IX  
MISCELLANEOUS

- 9.01 This agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successor.
- 9.02 LESSEE will not suffer to be carried on upon the premises any trade or business, or anything to be done thereon, except that which has been agree to in this agreement.
- 9.03 LESSEE shall not discriminate against any employee, applicant for employment, or visitor to The Boys and Girls Club Building because of race, religion, age disability, sex, or national origin.
- 9.04 LESSEE will permit LESSOR at any reasonable time to make such repairs as it may deem necessary for the protection of the premises.
- 9.05 This Agreement shall be constructed under and in accordance with the laws of the State of Texas and all obligations of the parties created hereunder and performable in Hidalgo County, Texas.
- 9.06 In case any one or more of the provisions contained in the agreement shall for any reason be held to be invalid, illegal, or unenforceable in any respect, such invalidity, and illegality or unenforceable shall not affect any other provisions thereof and this agreement shall be construed as if such invalid, illegal, or unenforceable provisions had never been contained herein.
- 9.07 Board of Directors. It is agreed between the LESSOR and LESSEE that the Chairman of the Parks and Recreation Advisory Committee for the City of Weslaco or a designated member will be a member of the Board of Directors of The Boys and Girls Club of Weslaco. It is also agreed that the Parks and Recreation Director for the City of Weslaco shall be an ex officio member of the Board.
- 9.08 Fund raising. LESSEE shall be allowed to organize, implement, and/or establish fundraising Activities and/or services such as but not limited to operation of a gift shop which shall be used to sell related articles. It is understood between the LESSEE and LESSOR that the proceeds of the gift shop and the monies derived

from workshop and training sessions to be presented to the public shall be used for the operation of the Boys and Girls Club of Weslaco. LESSEE must comply with all City ordinances.

IN WITNESS HEREOF, the undersigned hereto execute this agreement as of the day and year first above written.

LESSORS:

**CITY OF WESLACO**

\_\_\_\_\_  
David Suarez, **MAYOR**

**ATTEST:**

\_\_\_\_\_  
Elizabeth M. Walker, **CITY SECRETARY**

**APPROVED AS TO FORM:**

\_\_\_\_\_  
Juan E. Gonzalez, **CITY ATTORNEY**

LESSEES:

**THE BOYS AND GIRLS CLUB OF WESLACO**

\_\_\_\_\_  
Carlos Robledo, **CHAIRPERSON**

**ATTEST:**

\_\_\_\_\_  
Mary Lopez, **CHIEF OFFICER**





## Standardized Agenda Request Form

|                                                                                                                                                                                                                                                                                                             |                 |                                                              |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------|--------------------------------------------------------------|
| <b>Date of Meeting:</b><br>October 3, 2017                                                                                                                                                                                                                                                                  |                 | <b>Agenda Item No.</b> (to be assigned by CSO):<br>2017-1264 |
| <b>From:</b><br>Mardoqueo Hinojosa                                                                                                                                                                                                                                                                          |                 |                                                              |
| <b>Subject:</b><br>Approval of renewal yearly agreement with UT-RGV for Stormwater Task Force in an amount not to exceed \$15,876.00 and authorize the Mayor to execute any related documents. (Staffed by Planning and Code Enforcement Department.)                                                       |                 |                                                              |
| <b>Background:</b><br>Stormwater Taskforce has been operating for several years with multiple municipalities from the Rio Grande Valley to ensure compliance with TCEQ regulations. This Agreement commences on 10/01/17, will be effective for exactly one (1) calendar year, and will terminate 09/30/18. |                 |                                                              |
| <b>Funding Source</b> (budget code, if applicable):                                                                                                                                                                                                                                                         |                 |                                                              |
| Amount:                                                                                                                                                                                                                                                                                                     | Term of Impact: | Identified in Current Budget:                                |
| <b>Additional Action Prompted:</b><br>Mayor's Signature                                                                                                                                                                                                                                                     |                 |                                                              |
| <b>If item previously considered, provide date and action by Commission:</b>                                                                                                                                                                                                                                |                 |                                                              |
| <b>If item requires Publication Notice, provide date and periodical of publication; indicate if comments received from letters mailed to property owners:</b>                                                                                                                                               |                 |                                                              |
| <b>Advisory Review, if any</b> (name of board/committee, date of action, recommendation):                                                                                                                                                                                                                   |                 |                                                              |
| Mardoqueo Hinojosa<br>Mardoqueo Hinojosa<br>Mike Perez                                                                                                                                                                                                                                                      |                 | Created/Initiated<br>Approved<br>Final Approval              |
| <b>City Manager Comments:</b><br>Approve.                                                                                                                                                                                                                                                                   |                 |                                                              |
| <b>Staff Recommendation:</b><br>Staff recommends approval.                                                                                                                                                                                                                                                  |                 |                                                              |
| <b>Attachments, if any:</b><br>Agreement                                                                                                                                                                                                                                                                    |                 |                                                              |
| <b>Responsibilities upon Approval:</b><br>Staff will continue working with UTRGV with stormwater taskforce TCEQ compliance.                                                                                                                                                                                 |                 |                                                              |

**INTERLOCAL AGREEMENT**  
**by and between**  
**CITY OF WESLACO**  
**and**  
**UNIVERSITY OF TEXAS RIO GRANDE VALLEY**  
**for Representative Appointment to Regional Task Force**  
**Agreement #CE-2017-007**

This Interlocal Agreement (hereafter termed “Agreement”) is made pursuant to Chapter 791, Texas Government Code, *Interlocal Cooperation Contract*, and is entered into by and between the **CITY OF WESLACO** (hereafter referred to as “**CITY**”), a **home-rule municipality** and **THE UNIVERSITY OF TEXAS RIO GRANDE VALLEY** (hereafter referred to as “**UTRGV**”), a member of The University of Texas System, an entity of the State of Texas.

**SECTION 1**  
**PURPOSE**

- 1.01** **CITY** and **UTRGV** agree to enter into this Agreement as a manner by which **CITY** and **UTRGV** can actively participate in a Regional Task Force (“Task Force”) formed to respond and aid compliance with the *Texas Commission on Environmental Quality Phase II Stormwater Rules* (“Rules”) and other pertinent issues as needed.
- 1.02** **CITY** and **UTRGV** desire to accomplish the goals of responding and complying with the Rules through the formation of a Regional Task Force, established and managed by **UTRGV**.
- 1.03** **UTRGV** desires to participate in the establishment and management of the Regional Task Force, since such participation will provide **UTRGV** with an avenue for students to:
- A. Gain knowledge and experience in the process and procedures of governmental environmental regulation, rule making, and committee process;
  - B. Gain supervisory, organizational, and executive skills through the creation of the Task Force body, the implementation of the Task Force by-laws and policies, creation and submission of Task Force agenda and minutes, and budget creation; and,
  - C. Gain experience about the interfacing, communication, and interaction between state agencies and local governments; thus, aiding the students in being at ease publicly speaking, presenting issues, and expounding opinions.

## **SECTION 2 TERM**

- 2.01** *Fixed Term:* This Agreement commences on **10/01/17**, will be effective for exactly one (1) calendar year, and will terminate **09/30/18**, unless extended according to section 2.02 of this Agreement.
- 2.02** *Extension:* Upon written, mutual consent of **CITY** and **UTRGV**, this Agreement may be extended for a maximum of one (1) calendar year, after the date of expiration of the Fixed Term.
- 2.03** *Cancellation:* This Agreement may be cancelled prior to the expiration of the Fixed Term of any Extension Term, upon thirty (30) calendar days written notice to the other party, sent to the address indicated in Section 5.01 of this Agreement.

## **SECTION 3 CONSIDERATION**

- 3.01** *Fee:* **CITY** agrees to pay to **UTRGV** a Task Force membership contribution of **\$15,876.00**. Payment of contribution is due in one single payment, tendered by check or wired transfer, payable to **UTRGV** and delivered to the address indicated in Section 5.01 of this Agreement. Payment must be made within fourteen (14) days after execution of this Agreement. Failure of **CITY** to make such payment within the subscribed time, and without a written extension from **UTRGV**, may result in this Agreement terminating.

## **SECTION 4 RIGHTS AND DUTIES**

- 4.01** The following rights and duties will be held or performed by **CITY**:
- A. **CITY** will provide one representative to the Task Force. Such representative must be chosen by majority vote of the City Council, as evidenced by an adopted resolution or other evidence of the appointment acceptable to **UTRGV**.
  - B. The **CITY**'s representative will serve a term not to exceed one (1) calendar year or past December 31st, whichever occurs first, but may be reappointed by the **CITY** through written notification for an additional one (1) year term.
  - C. The **CITY**'s representative will be subject to the bylaws, policies, rules and procedures of the Task Force. Any breach or violation of such bylaws, etc., may result in expulsion of the representative from the Task Force. If expulsion occurs, the **CITY** will appoint another representative no later than thirty (30) calendar days after notice of the expulsion.

- D. The **CITY**'s representative will act as the liaison between the **CITY** and the Task Force, apprising each entity of the other's objectives. The representative will brief the City Council, or other municipal entity responsible for Task Force participation, a minimum of once quarterly.
- E. Each **CITY** having representation on the Task Force will be responsible for paying a membership fee as detailed in Section 3.01 of this Agreement.
- F. The **CITY** may make recommendations to the Regional Task Force regarding the fee assessment, expenditures, or other financial matters; however, the Task Force is not bound by such recommendations.

**4.02** The following rights and duties will be held or performed by **UTRGV**:

- A. **UTRGV** will assign representation to the Task Force.
- B. **UTRGV** will formulate and facilitate the bylaws, policies, rules and procedures by which the Task Force will be governed. **UTRGV** will provide **CITY** with a copy of such bylaws, policies, rules and procedures, as warranted.
- C. **UTRGV** will formulate and propose to the Task Force, methods and approaches for compliance with the *Texas Commission on Environmental Quality Phase II Stormwater Rules*. For each method or approach proposed, **UTRGV** will assist with educational outreach, training, and information to facilitate compliance.
- D. **UTRGV** will provide assistance with research and educational services and technical support to the Task Force, and for any adopted methods and approaches for compliance. **UTRGV** will not participate in the implementation of the **CITY**'s stormwater management program (SWMP) unless otherwise specified in **Section 4.03**.
- E. **UTRGV** will manage the Task Force administration, including meetings, and efforts pertaining to the methods and approaches for assisting in complying with the *Texas Commission on Environmental Quality Phase II Stormwater Rules*.
- F. The Task Force will oversee the establishment and operation of all financial policies, requirements, and expenditures. As overseer of the Task Force, **UTRGV** will assist with the financial management and policy of the Task Force.
- G. **UTRGV** will assist the Task Force with the management of any funding acquired by the Task Force. This does not apply to the funding provided by this interlocal agreement. The management of Task Force funding will adhere to the by laws of the organization.

- H. Membership fees paid to **UTRGV** will be earmarked in a separate **UTRGV** account for use only by **UTRGV** for the Task Force. Any unappropriated funds will be carried over.
- I. Membership fees paid to **UTRGV** will be utilized by **UTRGV** for costs associated with but not necessarily limited to staffing, travel, training, equipment and materials, recruiting, scholarships, meal and food expenses associated with meetings and events, and communication related expenses.
- J. **UTRGV** is authorized to utilize membership fees to leverage grant funds, for conference planning, travel expenses, staff training, to support outreach events, and for sponsorships for environmental and educational events.
- K. **UTRGV** is authorized to utilize membership fees to accomplish tasks included in **Section 4.03**, if any.
- L. **UTRGV** is authorized to provide funding to the Arroyo Colorado Watershed Partnership, the Laguna Madre Estuary Program, or similar organizations on behalf of **CITY**. This funding, if any, shall be provided at the discretion of **UTRGV**.

**4.03** *SWMP Implementation:* **UTRGV** will support the **CITY** in implementing a portion of its SWMP by providing assistance with research and educational services and technical support with specific Best Management Practices (BMPs). The overall completion of the BMPs is the sole responsibility of the **CITY**.

## **SECTION 5 MISCELLANEOUS**

**5.01** *Addresses:* Fee payment or notices required under this Agreement may be sent by United States Postal Service regular surface mail, certified mail, registered mail, overnight delivery, or hand delivery. Written notice delivery is deemed made when the notice is deposited into a USPS mail receptacle, or deposited with an overnight carrier, or hand delivered. **CITY** and/or **UTRGV** can change the notice address by sending to the other party written indication of the new address. Notices should be addressed as follows:

**CITY:**  
City of Weslaco  
Mardoqueo Hinojosa, P.E., CFM  
255 S. Kansas Avenue  
Weslaco, Texas 78596-6158  
(956) 968-3181  
[mhinojosa@weslacotx.gov](mailto:mhinojosa@weslacotx.gov)

**UTRGV:**

The University of Texas Rio Grande Valley  
College of Engineering & Computer Science  
Civil Engineering Department  
Javier Guerrero, E.I.T, MS  
Director of Water Studies  
1201 W. University Dr.  
Edinburg, TX 78539  
(956) 665-3510 – office  
(956) 929-7189 - cell

- 5.02** Force Majeure: Any and all duties, obligations, and covenants of this Agreement will be suspended during time of natural disaster, war, acts of terrorism, or other “Acts of God”, which prevent a party from fulfilling any and all duties, obligations, and/or covenants of this Agreement. If a party is prevented from fulfilling a duty, obligation, and/or covenant of this Agreement, due to Force Majeure, the party prevented from fulfilling will notify the other party in writing, sent pursuant to Section 5.01 Agreement, within fourteen (14) calendar business days of the Force Majeure event.
- 5.03** Parties Relationship: Nothing in the Agreement should be construed as creating a partnership, joint venture, agency relationship, or any other relationship other than, between **CITY** and **UTRGV**.
- 5.04** Applicable Law: This Agreement is construed under and in accordance with the laws of the State of Texas.
- 5.05** Cumulative Rights: All rights, options, and remedies contained in this Agreement and held by **CITY** and **UTRGV** are cumulative and the exercising of one will not exclude exercising another. **CITY** and **UTRGV** each have the right to pursue any remedy or relief which may be provided by law, in equity, or by the stipulations of this Agreement.
- 5.06** Non-waiver: A waiver by either **CITY** or **UTRGV**, or both, of any obligation, duty, or covenant of this Agreement will not constitute a waiver of any other breach of any obligation, duty, or covenant of this Agreement.
- 5.07** Counterparts: This Agreement can be executed in multiple counterparts, each of which is declared an original.
- 5.08** Severability: If any clause or provision of this Agreement is illegal, invalid or unenforceable under present or future law, **CITY** and **UTRGV** intend that the remaining clauses or provisions of this Agreement will not be affected and will remain in full force and effect.

- 5.09** Entire Agreement: This Agreement contains the final and entire agreement between **CITY** and **UTRGV**, and will not be amended, explained, or superceded by any oral or written communications; unless done so in a subsequent, written, and mutually agreed upon amendment.
- 5.10** Successors and Assigns: All the obligations, duties, covenants, and rights contained in this Agreement and performable by **CITY** will be applicable and binding upon respective successors and assigns, including any successor by merger or consolidation; however, nothing in this provision shall be construed to be consent of Assignment of this Agreement.
- 5.11** Nondiscrimination: **CITY** and **UTRGV**, and their agents or employees, are prohibited from discriminating on the basis of race, color, sex, age, religion, national origin, or handicap, in the performance of the terms, conditions, covenants and obligations of this Agreement.
- 5.12** Dispute Resolution: Any dispute between **CITY** and **UTRGV** regarding this Agreement will be governed by Texas Government Code, Chapter 2009, *Alternative Dispute Resolution for Use by Governmental Bodies*, and any applicable Model Rules promulgated by the Office of the Attorney General, the State of Texas. Any notice of dispute tendered by **CITY** should be addressed to **Patricia M. Alvarez McHatton, PhD**, Interim Provost and Executive Vice President for Academic Affairs, **UTRGV**.

**EXECUTED** the \_\_\_\_\_ day of \_\_\_\_\_, 2017, by **CITY**, by its duly authorized agent, as evidenced by the attached Resolution of the City Council.

**“CITY”**  
**CITY OF WESLACO**

By: \_\_\_\_\_  
David Suarez  
Mayor

ATTEST:

By: \_\_\_\_\_  
Elizabeth Walker  
City Secretary

**ACKNOWLEDGMENT**

**EXECUTED** the \_\_\_\_\_ day of \_\_\_\_\_, 2017, by **UTRGV**, by its duly authorized officer.

**“UTRGV”**

**UNIVERSITY OF TEXAS RIO GRANDE VALLEY**

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

**Patricia M. Alvarez McHatton, PhD**

Interim Provost and Executive Vice President for  
Academic Affairs

**RECOMMEND APPROVAL:**



\_\_\_\_\_  
**Javier Guerrero, E.I.T., MS**

Principal Investigator  
Director of Water Studies  
Department of Civil Engineering

**ACKNOWLEDGMENT**

**STATE OF TEXAS**

§

§

**COUNTY OF HIDALGO**

§

BEFORE ME, the undersigned authority a Notary Public for the State of Texas, on this day personally appeared **Dr. Patricia M. Alvarez McHatton**, Interim Provost and Executive Vice President for Academic Affairs, **UTRGV**, known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he executed it for the purposes and consideration therein expressed, and in the capacity state in such instrument.

GIVE UNDER MY HAND AND SEAL OF OFFICE this \_\_\_\_\_ day of \_\_\_\_\_, 2017.

\_\_\_\_\_  
Notary Public, State of Texas

My Commission Expires: \_\_\_\_\_





## Standardized Agenda Request Form

|                                                                                                                                                                                                                                                                                                         |                 |                                                              |  |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------|--------------------------------------------------------------|--|
| <b>Date of Meeting:</b><br>October 3, 2017                                                                                                                                                                                                                                                              |                 | <b>Agenda Item No.</b> (to be assigned by CSO):<br>2017-1251 |  |
| <b>From:</b><br>Mardoqueo Hinojosa                                                                                                                                                                                                                                                                      |                 |                                                              |  |
| <b>Subject:</b><br>Approval of the purchase of one (1) new city unit for Animal Care Services in an amount not to exceed \$58,367.00 from the Capital Outlay funds Fiscal Year 2017-2018 and authorize the Mayor to execute any related documents. (Staffed by Planning & Code Enforcement Department.) |                 |                                                              |  |
| <b>Background:</b><br>Animal Care Services vehicle was approved as part of the 2017-2018 Budget to add for an additional Animal Care Services unit to relieve the amount of vehicle maintenance on the current fleet.                                                                                   |                 |                                                              |  |
| <b>Funding Source</b> (budget code, if applicable):                                                                                                                                                                                                                                                     |                 |                                                              |  |
| Amount:                                                                                                                                                                                                                                                                                                 | Term of Impact: | Identified in Current Budget:                                |  |
| <b>Additional Action Prompted:</b><br>Mayor's Signature                                                                                                                                                                                                                                                 |                 |                                                              |  |
| <b>If item previously considered, provide date and action by Commission:</b>                                                                                                                                                                                                                            |                 |                                                              |  |
| <b>If item requires Publication Notice, provide date and periodical of publication; indicate if comments received from letters mailed to property owners:</b>                                                                                                                                           |                 |                                                              |  |
| <b>Advisory Review, if any</b> (name of board/committee, date of action, recommendation):                                                                                                                                                                                                               |                 |                                                              |  |
| Rebekah De La Fuente<br>Mardoqueo Hinojosa<br>Mike Perez                                                                                                                                                                                                                                                |                 | Created/Initiated<br>Approved<br>Final Approval              |  |
| <b>City Manager Comments:</b><br>Approve.                                                                                                                                                                                                                                                               |                 |                                                              |  |
| <b>Staff Recommendation:</b><br>Staff recommends approval                                                                                                                                                                                                                                               |                 |                                                              |  |
| <b>Attachments, if any:</b><br>Quote                                                                                                                                                                                                                                                                    |                 |                                                              |  |
| <b>Responsibilities upon Approval:</b><br>Staff will continue procurement process.                                                                                                                                                                                                                      |                 |                                                              |  |

QUOTE# 00A-DEERSKIN

## CONTRACT PRICING WORKSHEET

| End User: CITY OF WESLACO                   |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |      | Contractor: ROCKDALE COUNTRY FORD            |             |          |
|---------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------|----------------------------------------------|-------------|----------|
| Contact Name: JOE PEDRAZA                   |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |      | CALDWELL COUNTRY                             |             |          |
| Email: JPEDRAZA@WESLACOTX.GOV               |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |      | Prepared By: Averyt Knapp                    |             |          |
| Phone #: 956-973-3123                       |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |      | Email: aknapp@caldwellcountry.com            |             |          |
| Fax #:                                      |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |      | Phone #: 800-299-7283 or 979-567-6116        |             |          |
| Location City & State: WESLACO, TX          |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |      | Fax #: 979-567-0853                          |             |          |
| Date Prepared: SEPTEMBER 6, 2017            |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |      | Address: P. O. Box 72, Rockdale, Texas 76567 |             |          |
| Contract Number: BUY BOARD #521-16          |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |      | Tax ID # 27-3037856                          |             |          |
| Product Description: 2018 FORD T250 LWB R5P |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |      |                                              |             |          |
| A Base Price & Options:                     |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |      |                                              |             |          |
|                                             |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |      |                                              |             | \$57,967 |
| B Fleet Quote Option:                       |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |      |                                              |             |          |
| Code                                        | Description                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | Cost | Code                                         | Description | Cost     |
|                                             | , 6.7L DIESEL, 6-SPD AUTOMATIC, AIR CONDITION, AMFM-STEREO, TILT, POWER WINDOWS, POWER LOCKS, POWER MIRRORS, KEYLESS ENTRY, 40-20-40 VINYL BENCH FRONT/REAR, FULL RUBBER FLOOR, SUPER CAB 56"CA, DEERSKIN ACCM6 ANIMAL CONTROL PACKAGE FOR 6 - COMPARTMENTS, BACK UP ALARM, 6-SECONDARY SAFETY DOORS, STEP BUMPER, RUBBER MATS, 6-LED INTERIOR LIGHTS, 1-12 VOLT EXHAUST FAN, 3-SWINGING PARTITIONS, LED MARKER LIGHTS, LED STOP AND TAIL LIGHTS, LED DUAL BACKUP LIGHTS, 4-SSI FLAT 6 LED BLUE/AMBER LIGHTS, 2 FRONT GRILL, 2 REAR BOX BOTTOM, WHELEN TAD8 8 LAMP TIRE3 TA 30.36" LONG DIRECTIONAL BAR-AMBER REAR BOX TOP CENTER, WHELEN DIRECTIONAL CONTROLLER, WHELEN LIBERTY II DUO AMBER/BLUE WITH | INCL |                                              |             |          |

|                                                            |                                                                                                                                                                                                                                                                                                                                                                                                                           |      |      |                             |                   |
|------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------|------|-----------------------------|-------------------|
|                                                            | FRONT AND SIDE ALLEY<br>LIGHTS CLAR, WHELEN<br>SWITCH BOX, TAIT<br>TM9455 MOBILE 762-<br>870M STANDARD MIC<br>CRADLE-SINGLE HEAD,<br>DASH MOUNT INCLUDING<br>RADIO, POWER CABLE,<br>BRACKET, MIC, 2 YEAR<br>WARARNTY (RADIO IS<br>AES CAPABLE BUT NO<br>AES ENCRYPTION PER<br>CITY OF WESLACO,<br>7/800 ANTENNA KIT,<br>HARDWARE KIT,<br>PROGRAMMING, TOTAL<br>INSTALLATION TRI-<br>COUNTY<br>COMMUNICATIONS -<br>WESLACO |      |      |                             |                   |
|                                                            | GM WARRANTY<br>5YR/100,000 MILES<br>POWERTRAIN @ N/C                                                                                                                                                                                                                                                                                                                                                                      | INCL |      | CALDWELL COUNTRY            |                   |
|                                                            |                                                                                                                                                                                                                                                                                                                                                                                                                           |      |      | PO BOX 27                   |                   |
|                                                            |                                                                                                                                                                                                                                                                                                                                                                                                                           |      |      | CALDWELL, TEXAS 77836       |                   |
|                                                            |                                                                                                                                                                                                                                                                                                                                                                                                                           |      |      |                             |                   |
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| Subtotal B                                                 |                                                                                                                                                                                                                                                                                                                                                                                                                           |      |      |                             | INCL              |
| C Unpublished Options                                      |                                                                                                                                                                                                                                                                                                                                                                                                                           |      |      |                             |                   |
| Code                                                       | Description                                                                                                                                                                                                                                                                                                                                                                                                               | Cost | Code | Description                 | Cost              |
|                                                            |                                                                                                                                                                                                                                                                                                                                                                                                                           |      |      |                             |                   |
|                                                            |                                                                                                                                                                                                                                                                                                                                                                                                                           |      |      |                             |                   |
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|                                                            |                                                                                                                                                                                                                                                                                                                                                                                                                           |      |      |                             |                   |
|                                                            |                                                                                                                                                                                                                                                                                                                                                                                                                           |      |      |                             |                   |
| Subtotal C                                                 |                                                                                                                                                                                                                                                                                                                                                                                                                           |      |      |                             |                   |
| D Other Price Adjustments (Installation, Delivery, Etc...) |                                                                                                                                                                                                                                                                                                                                                                                                                           |      |      |                             |                   |
| Subtotal D                                                 |                                                                                                                                                                                                                                                                                                                                                                                                                           |      |      |                             | INCL              |
| E Unit Cost Before Fee & Non-Equipment Charges (A+B+C+D)   |                                                                                                                                                                                                                                                                                                                                                                                                                           |      |      |                             | \$57,967          |
| Quantity Ordered                                           |                                                                                                                                                                                                                                                                                                                                                                                                                           |      |      |                             | 1                 |
| X                                                          |                                                                                                                                                                                                                                                                                                                                                                                                                           |      |      |                             |                   |
| Subtotal E                                                 |                                                                                                                                                                                                                                                                                                                                                                                                                           |      |      |                             | \$57,967          |
| F Non-Equipment Charges (Trade-In, Warranty, Etc...)       |                                                                                                                                                                                                                                                                                                                                                                                                                           |      |      |                             |                   |
| BUY BOARD                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                           |      |      |                             | \$400             |
| G. Color of Vehicle: WHITE                                 |                                                                                                                                                                                                                                                                                                                                                                                                                           |      |      |                             |                   |
| H. Total Purchase Price (E+F)                              |                                                                                                                                                                                                                                                                                                                                                                                                                           |      |      |                             | \$58,367          |
|                                                            |                                                                                                                                                                                                                                                                                                                                                                                                                           |      |      | Estimated Delivery<br>Date: | 150-165 DAYS APPX |



# Standardized Agenda Request Form

|                                                                                                                                                                                                                                                                                           |                 |                                                              |  |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------|--------------------------------------------------------------|--|
| <b>Date of Meeting:</b><br>October 3, 2017                                                                                                                                                                                                                                                |                 | <b>Agenda Item No.</b> (to be assigned by CSO):<br>2017-1268 |  |
| <b>From:</b>                                                                                                                                                                                                                                                                              |                 |                                                              |  |
| <b>Subject:</b><br>Authorization to use the Court Technology Fund to pay the yearly fee for Incode Services, which include the Court Case Management, Police (non-Incode Interface to Court), and AcuCorp Run Time in the amount not to exceed \$10,136.79. (Staffed by Municipal Court.) |                 |                                                              |  |
| <b>Background:</b><br>Municipal Court uses Incode Software from Typler Technology to manage our case load. For this services, Court pays a yearly fee for maintenance services.                                                                                                           |                 |                                                              |  |
| <b>Funding Source</b> (budget code, if applicable):                                                                                                                                                                                                                                       |                 |                                                              |  |
| Amount:                                                                                                                                                                                                                                                                                   | Term of Impact: | Identified in Current Budget:                                |  |
| <b>Additional Action Prompted:</b>                                                                                                                                                                                                                                                        |                 |                                                              |  |
| <b>If item previously considered, provide date and action by Commission:</b>                                                                                                                                                                                                              |                 |                                                              |  |
| <b>If item requires Publication Notice, provide date and periodical of publication; indicate if comments received from letters mailed to property owners:</b>                                                                                                                             |                 |                                                              |  |
| <b>Advisory Review, if any</b> (name of board/committee, date of action, recommendation):                                                                                                                                                                                                 |                 |                                                              |  |
| Rosa Huerta                                                                                                                                                                                                                                                                               |                 | Created/Initiated                                            |  |
| Rosa Huerta                                                                                                                                                                                                                                                                               |                 | Approved                                                     |  |
| Mike Perez                                                                                                                                                                                                                                                                                |                 | Final Approval                                               |  |
| <b>City Manager Comments:</b><br>Approve.                                                                                                                                                                                                                                                 |                 |                                                              |  |
| <b>Staff Recommendation:</b><br>I recommend approval on this agenda item to fulfill our contractual obligation toward the company.                                                                                                                                                        |                 |                                                              |  |
| <b>Attachments, if any:</b><br>Memo, Invoice                                                                                                                                                                                                                                              |                 |                                                              |  |
| <b>Responsibilities upon Approval:</b>                                                                                                                                                                                                                                                    |                 |                                                              |  |

# City of Weslaco

*"The City on the Grow"*



David Suarez, Mayor  
Gerardo "Jerry" Tafolla, Mayor Pro-Tem, District 4  
Leo Munoz, Commissioner, District 1  
Gregory Kerr, Commissioner, District 2  
Olga M. Noriega, Commissioner, District 3  
Letty Lopez, Commissioner, District 5  
Josh Pedraza, Commissioner, District 6

Mike Perez, City Manager

## INTERDEPARTMENTAL MEMO WESLACO MUNICIPAL COURT

DATE: September 19, 2017  
TO: Mike Perez, City Manager  
FROM: Judge Samuel Sanchez  
SUBJECT: H.R. 798/HR 799

---

"The House of Representatives of the 85<sup>th</sup> Texas Legislature during their last session voted to recognize the weeks of November 6 – 10, 2017 and November 5 – 9, 2018 as Municipal Courts Week and took special note of the important work performed by all those associated with the state's municipal court."

"Municipal courts provide citizens with a local forum where questions of law and fact can be resolved in regard to alleged violations of state law and municipal ordinances. Because more citizens come into contact with municipal courts than any other courts, the public impression of the Texas judicial system is largely dependent on their experience there. Municipal judges, clerks, court administrators, prosecutors, juvenile case managers, bailiffs, and warrant officers continually strive to improve the administration of justice through participation in judicial education programs, seminars, workshops, and the annual meeting of their state and local professional organizations. Municipal courts in Texas play a vital role in preserving public safety, protecting the quality of life for area residents, and deterring future criminal behavior, and it is indeed fitting to recognize municipal judges and

court support personnel for their exemplary dedication of the communities they serve."

I witness the non-stop flow of traffic every day at our court and therefore agree whole heartily with the recognition given to the courts. I especially concur with the mention of the work done by the court clerks and other staff, including our Police Department personnel who initiate the process with their efforts, for which they receive little love. There is no time for the clerks to sit back and cha at the court. During the time that I spend there, the traffic at the window is probably as heavy as the traffic at the water department window at city hall. In addition the work that is already on the shelves plus the incoming traffic from our police department keeps the court staff very busy.

I would like to suggest your office might consider some sort of small public recognition via our website or the local town crier, maybe a picture. Given the fact that most people's experience with the courts results in fines or some form of restitution, a little positive image might be in order.

My office is available to discuss this further at your discretion.

Thank you.

Cc: Judge Alvarez , Associate Judge

Justino Garza, Prosecutor Attorney



**Remittance:**  
Tyler Technologies, Inc.  
(FEIN 75-2303920)  
P.O. Box 203556  
Dallas, TX 75320-3556

# Invoice

| Invoice No | Date       | Page   |
|------------|------------|--------|
| 025-199334 | 09/01/2017 | 1 of 1 |

**Empowering people who serve the public®**

**Questions:**

Tyler Technologies - Local Government  
Phone: 1-800-772-2260 Press 2, then 2  
Fax: 1-866-673-3274  
Email: ar@tylertech.com

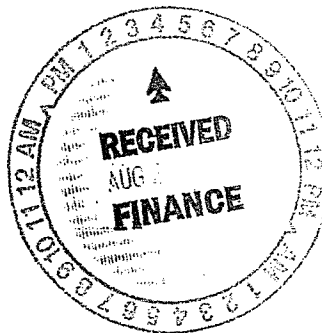


Bill To: Weslaco Municipal Court  
255 S. Kansas  
Weslaco, TX 78596

Ship To: Weslaco Municipal Court  
255 S. Kansas  
Weslaco, TX 78596

| Customer No. | Ord No | PO Number | Currency | Terms | Due Date   |
|--------------|--------|-----------|----------|-------|------------|
| 45019        | 84164  |           | USD      | NET30 | 10/01/2017 |

| Date                                              | Description                           | Units | Rate     | Extended Price |
|---------------------------------------------------|---------------------------------------|-------|----------|----------------|
| Contract No.: Weslaco, City of                    |                                       |       |          |                |
|                                                   | Court Case Management                 | 1     | 8,066.92 | 8,066.92       |
| Maintenance: Start: 01/Oct/2017, End: 30/Sep/2018 |                                       |       |          |                |
|                                                   | Police (non-INCODE Interface to Court | 1     | 2,016.38 | 2,016.38       |
| Maintenance: Start: 01/Oct/2017, End: 30/Sep/2018 |                                       |       |          |                |
|                                                   | AcuCorp Run Time                      | 1     | 53.49    | 53.49          |
| Maintenance: Start: 01/Oct/2017, End: 30/Sep/2018 |                                       |       |          |                |



**\*\*ATTENTION\*\***

Order your checks and forms from  
Tyler Business Forms at 877-749-2090 or  
tylerbusinessforms.com to guarantee  
100% compliance with your software.

|               |           |
|---------------|-----------|
| Subtotal      | 10,136.79 |
| Sales Tax     | 0.00      |
| Invoice Total | 10,136.79 |



## Standardized Agenda Request Form

|                                                                                                                                                                                                                                                                                     |  |                                                              |                                   |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--|--------------------------------------------------------------|-----------------------------------|
| <b>Date of Meeting:</b><br>October 3, 2017                                                                                                                                                                                                                                          |  | <b>Agenda Item No.</b> (to be assigned by CSO):<br>2017-1270 |                                   |
| <b>From:</b>                                                                                                                                                                                                                                                                        |  |                                                              |                                   |
| <b>Subject:</b><br>Approval of the renewal of payment to Smartcom Telephone, LLC for annual internet services and city facility network connectivity and authorize the Mayor to execute any related documents. (Staffed by IT Department).                                          |  |                                                              |                                   |
| <b>Background:</b><br>Our city relies on Smartcom infrastructure to operate our data and voice network. We are currently in year 4 of a 5 year agreement which was approved by city commission on 5/7/2013 based on RFP No: 2012-13-06. Note, this agreement will expire 6/23/2018. |  |                                                              |                                   |
| <b>Funding Source</b> (budget code, if applicable):<br>01-530-2010                                                                                                                                                                                                                  |  |                                                              |                                   |
| Amount: \$45,000.00                                                                                                                                                                                                                                                                 |  | Term of Impact: 1                                            | Identified in Current Budget: Yes |
| <b>Additional Action Prompted:</b>                                                                                                                                                                                                                                                  |  |                                                              |                                   |
| <b>If item previously considered, provide date and action by Commission:</b>                                                                                                                                                                                                        |  |                                                              |                                   |
| <b>If item requires Publication Notice, provide date and periodical of publication; indicate if comments received from letters mailed to property owners:</b>                                                                                                                       |  |                                                              |                                   |
| <b>Advisory Review, if any</b> (name of board/committee, date of action, recommendation):                                                                                                                                                                                           |  |                                                              |                                   |
| Jose Peña                                                                                                                                                                                                                                                                           |  | Created/Initiated                                            |                                   |
| Jose Peña                                                                                                                                                                                                                                                                           |  | Approved                                                     |                                   |
| Mike Perez                                                                                                                                                                                                                                                                          |  | Final Approval                                               |                                   |
| <b>City Manager Comments:</b><br>Approve.                                                                                                                                                                                                                                           |  |                                                              |                                   |
| <b>Staff Recommendation:</b><br>This item is in the Information Technology department budget and is a core component required for operations, therefore staff recommends approval.                                                                                                  |  |                                                              |                                   |
| <b>Attachments, if any:</b><br>Smartcom Agreement                                                                                                                                                                                                                                   |  |                                                              |                                   |
| <b>Responsibilities upon Approval:</b>                                                                                                                                                                                                                                              |  |                                                              |                                   |



# City of Weslaco

*"The City on the Grow"*



Miguel D. Wise, Mayor  
John F. Cuellar, Mayor Pro-Tem, District 2  
David R. Fox, Commissioner, District 1  
Olga M. Noriega, Commissioner, District 3  
Gerardo "Jerry" Tafolla, Commissioner, District 4  
Lupe V. Rivera, Commissioner, District 5  
Joe A. Martinez, Commissioner, District 6

Leonardo Olivares, City Manager

July 11, 2013

SmartCom Telephone, LLC  
Alan Yoder  
President  
600 Ash Avenue  
McAllen, Texas 78501

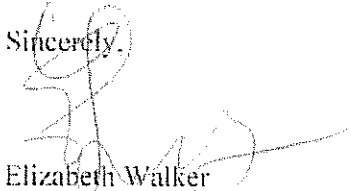
Dear Mr. Yoder:

At their regular meeting of May 7, 2013, the Weslaco City approved SmartCom Telephone, LLC as the best qualified, most advantageous bidder for the City's Multiprotocol Label Switching Data Network and Internet Service Provider Services (City-wide Fiber Project) as budgeted and authorized the Mayor to execute any related documents.

Enclosed please find the agreement as executed by Mayor Miguel D. Wise; the City has retained the original for the City's files.

Should you have any questions, please do not hesitate to call me at (956) 968-3181, Ext. 6253.

Sincerely,

  
Elizabeth Walker  
City Secretary

EMW/mv

C: Arnold Becho, Library Director  
E. Rey Garcia, IT Director  
Bret Mann, Finance Director

## DATA SERVICE AGREEMENT

THIS AGREEMENT is entered into by and between City of Weslaco, TX ("Customer"), and Smartcom Telephone, LLC ("Smartcom"), for the purpose of establishing the terms and conditions under which Smartcom will provide data service. Smartcom reserves the right to refuse service.

**SERVICE TO BE PROVIDED.** Smartcom, under the terms of this agreement will provide to Customer the selected application of services of the following type(s):

| Service                                                                           | MRC*     | Installation | Premise Equipment |
|-----------------------------------------------------------------------------------|----------|--------------|-------------------|
| Direct Internet Access – 50 Mbps X 50 Mbps<br>255 S. Kansas Ave – Weslaco         | \$600.00 | Waived       | Included          |
| MPLS Data Connection – 50 Mbps X 50 Mbps<br>255 S Kansas Ave – Weslaco            | \$650.00 | Waived       | Included          |
| MPLS Data Connection – 50 Mbps X 50 Mbps<br>525 S Kansas Ave – Weslaco            | \$650.00 | Waived       | Included          |
| MPLS Data Connection – 50 Mbps X 50 Mbps<br>1912 Joe Stephens Dr – Weslaco        | \$650.00 | Waived       | Included          |
| MPLS Data Connection – 50 Mbps X 50 Mbps<br>901 N Airport Dr – Weslaco            | \$650.00 | Waived       | Included          |
| MPLS Data Connection – 50 Mbps X 50 Mbps<br>1014 W. 18 <sup>th</sup> St – Weslaco | \$650.00 | Waived       | Included          |
| MPLS Data Connection – 10 Mbps X 10 Mbps<br>1909 Joe Stephens Dr – Weslaco        | \$200.00 | Waived       | Included          |
| MPLS Data Connection – 1.5 Mbps X 1.5 Mbps                                        | \$150.00 | Waived       | Included          |

\*Plus any applicable Taxes or regulatory fees

**TERMS OF THE AGREEMENT.** This Agreement shall be in effect for an initial term of sixty (60) months, commencing on June 24, 2013 and continuing to and including June 23, 2018. At the end of this initial term if a new term agreement is not entered into within 30 days, the service will revert to a "month-to-month" service agreement. The monthly service charges may increase to the then-current rate, unless prior to the end of the initial term either party notifies the other, in writing, of their intent to terminate the agreement.

**CHANGES TO SERVICE.** A move of service will be considered as a "disconnect" and a new installation. Charges for new service will apply.

**PAYMENT SCHEDULE.** At the time of the first bill, the Customer will be billed Non-Recurring (installation) charges, as well as the appropriate monthly recurring charges ("MRC") for the service(s) ordered. All billing for services is done in advance. Title to any premise equipment supplied by Smartcom shall remain the property of Smartcom.

Revised 01/2013

Customer's Initials: Joe

600 Ash Ave - McAllen, TX 78501 • (956) 687-7070 • (956) 213-1247 (fax)

Customer assumes the risk of loss or damage of the equipment upon delivery to Customer's location.

Monthly service charges are due and payable upon receipt of statement. Failure to pay monthly service charges shall give Smartcom the right, without liability, to temporarily disconnect service. To restore service will require payment of any unpaid balance and a reconnect charge. The charge for reconnecting is \$50.00 per site. If service is not restored within ten (10) calendar days, the service will be permanently disconnected. To restore service after permanent disconnect, pre-payment of full unpaid balance, early termination charge, and new installation charges will apply.

**RETURNED CHECKS:** A returned check will be considered non-payment of the account. A \$35.00 processing fee will be charged on all returned checks.

**APPROPRIATE USE.** Appropriate use of Smartcom's Services. Customer agrees to maintain all passwords as private and confidential information. Customer agrees to use its Smartcom account in a way that conforms to all applicable laws and regulations. Customer understands that violation of certain generally accepted guidelines on Internet usage, such as restrictions on mass e-mailings (Spam) and advertising, or posting to inappropriate newsgroups, may cause severe operating difficulties for Smartcom, and would be a likely cause for the termination of Customer's account. Customer specifically agrees not to make any attempt to gain unauthorized access to any other systems or networks. Customer agrees to abide by Smartcom's Subscriber Acceptable Use Policy which can be located at:

**INTERNET CONTENT.** Customer understands that the information available through Smartcom or interconnecting networks may not be accurate, including the content displayed on the Smartcom Desktop. Customer understands that the some of the information available through Smartcom or interconnecting networks may be intended for adult audiences. Any filtering of internet content will be the sole responsibility of Customer.

**IP ADDRESS.** IP Blocks that are assigned by Smartcom are for Customer use only, and it is understood that Smartcom will not guarantee routing of any IP's of any user other than those assigned to the Customer. IP addresses issued by Smartcom are not portable and remain the property of Smartcom. If the Customer discontinues service with Smartcom, Smartcom will bear no responsibility or liability for any actions or costs incurred by Customer in obtaining or reconfiguring its equipment with new IP addresses.

**SECURITY POLICY.** Customer understands that internetworking communications are not secure, and may be subject to interception or loss. Smartcom makes no warranties of any kind, either express, implied, or statutory concerning the data or information available through the use of its Smartcom network. Customer understands that the use of its Smartcom account, and any data or information accessed using that account, will be completely at its own risk. Customer is responsible for its network security. Smartcom will not be liable for damages arising out of unauthorized access to Customer's network.

**CUSTOMER PROVIDED EQUIPMENT** (CPE). Smartcom is not responsible for equipment purchased/installed by Customer. Smartcom will not work on, or open any Customer-owned or personal computers. Any equipment purchased from Smartcom becomes Customer Provided Equipment (CPE) upon installation.

**INSTALLATION**. Prior to installation, Customer is responsible for ensuring that their computers are configured for network connection. Smartcom will provide/install the service to the modem/router at the Customer's premises at the Customer's request. Customer will provide, or through a third party vendor, inside wiring and jack work. Smartcom reserves the right to change, modify or offer special promotions for the T-1 or DSL product offering.

Installation dates and times will be determined and communicated to Customer. If technician is on site and access cannot be provided, Customer may be charged a \$45.00 "no show" fee and rescheduling may result in a delay of service.

**SERVICE DELIVERY**. Actual data transmission or throughput may be lower due to Internet congestion, server or router speeds, protocol overheads, and other factors which Smartcom cannot control.

**SERVICE CALLS**. If Smartcom is called to the Customer site and it is determined that the problem is other than the Smartcom network or Smartcom-Provided interface device, a service fee of \$65 will be charged for the first hour or any fraction thereof, and \$25.00 for each additional half hour increment. The stated rates apply during regular business hours, out-of-hours; weekend and holiday rates will be higher.

**EQUIPMENT WARRANTY**: Smartcom-provided new modem/router equipment will be covered by the by the manufacturer's warranty. During the one-year warranty period, Smartcom will support the modem/router for problems covered by the manufacturer's warranty to include full replacement of the router, if necessary. Once the one-year warranty period has expired, Smartcom will no longer support problems with the premise equipment. However, any equipment furnished by Smartcom will be maintained at no cost to the Customer throughout the duration of this Agreement.

**DELAY**. Smartcom will not be liable for any delay in the delivery or installation of any service or for any damages suffered by Customer by reason of such delay is directly or indirectly caused by, or any manner arises from transportation delays or any other cause beyond the control of Smartcom.

**CONSEQUENTIAL DAMAGES**. Smartcom is not responsible for any consequential damages resulting from failure of or suspension of services.

**RIGHT TO MODIFY**. Smartcom reserves the right to increase the monthly charge to customer if Smartcom's underlying carrier raises the cost it charges Smartcom to deliver the service to Customer's premise. Should such increase in monthly charges exceed 10% of the MRC, Customer may choose not to pay such increase in monthly charges and have service terminated at that time, abrogating this agreement and releasing both parties from the terms set herein. This document supersedes any or all previous

agreements, verbal or written. Periodic amendments to this agreement may be allowed and can be sent via electronic mail ("e-mail"). Should the parties agree to an amendment, such amendments shall be effective upon written execution of both parties.

**EARLY TERMINATION.** Cancellation/termination before the end of the initial term period will be subject to a termination liability charge equal to 50% of the remaining balance of the contract. Additional charges may apply based upon current promotions.

**ATTORNEY'S FEES.** If either party commences an action against the other party to force the provisions of this Agreement, the prevailing party shall be entitled to recover from the losing party, reasonable attorney's fees and cost of suit.

**SEVERABILITY.** If any provision or provisions of this Agreement shall be held to be invalid, illegal, unenforceable or in conflict with the law of any jurisdiction, the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired thereby.

**NO IMPLIED WARRANTIES.** The customer acknowledges that the services of the company are of such a nature that the services can be interrupted for many reasons other than the negligence of Smartcom, and that damages resulting from any interruption of the services are difficult to ascertain. Therefore, the customer agrees that Smartcom shall not be liable for any damages arising from the customer's use of the system or the services. Smartcom makes no warranties of any kind, express or implied, with respect to the system or the services. Smartcom disclaims any warrant of merchantability, fitness for a particular purpose, or non-infringement with respect to the system and the services. Smartcom shall not be liable to the user, or to any third party, for any loss or damage as a result of the use of the system or the services. This includes but is not limited to the loss of data resulting from delays, non-deliveries, mis-deliveries or service interruptions, whether caused by Smartcom's own negligence, errors, omissions or otherwise.

The liability of Smartcom for mistakes, omissions, interruptions, delays, errors, or defects in transmission shall not exceed an amount equivalent to the proportionate monthly recurring charge to the Customer for the period of service during which such events occur. No credit shall be allowed for an interruption of a continuous duration of less than two (2) hours. For purposes of determining service credits, a month shall be deemed to have seven hundred twenty (720) hours. Any credits will be offset against charges billed during the next month. Additional limitations on liability can be found in Smartcom's current End-User tariff on file with the Public Utility Commission of Texas.

**FORCE MAJEUR:** Smartcom is not liable for failure to perform their obligations if such failure is as a result of Acts of God (including fire, flood, earthquake, storm, hurricane or other natural disaster), war, invasion, act of foreign enemies, hostilities (regardless of whether war is declared), civil war, rebellion, revolution, insurrection, military or usurped power or confiscation, terrorist activities, nationalization, government sanction, blockage, embargo, labor dispute, strike, lockout or interruption or failure of electricity or telephone service. Neither party is entitled to terminate this Agreement due to such circumstances.

**VENUE.** In the event of legal action arising out of or related to this Agreement, including claims for non-payment of amounts owed hereunder, Hidalgo County, Texas shall be the exclusive jurisdiction and legal venue for said action. This Agreement shall be construed according to the laws of the State of Texas.

EXECUTED this 11 day of July, 2013.

Signature

For Customer

Miguel D. Wise

Printed Name

Signature

For Smartcom Telephone, LLC

Printed Name

**Billing Address:**

City of Weslaco – Accounts Payable  
255 S Kansas Ave  
Weslaco, TX 78596-6158

## Addendum to Agreement

Between Smartcom Telephone, LLC. and City of Weslaco (Customer) dated  
July 11, 2013

This ADDENDUM is attached to and forms part of the Agreement between Smartcom Telephone and The City of Weslaco Agreement Multiprotocol Label Switching Data Network and Internet Service Provider Services (City -wide Fiber Project) dated July 11, 2013. To the extent that any of the terms or conditions contained in this ADDENDUM may contradict or conflict with any of the terms or conditions of the attached Agreement, it is expressly understood and agreed that the terms of this ADDENDUM shall take precedence and supersede the attached Agreement.

### Services to be added:

Smartcom, under the terms of this addendum will provide to Customer the selected application of services of the following type(s):

| <u>Service</u>                                                 | <u>MRC*</u>     | <u>Installation</u> |
|----------------------------------------------------------------|-----------------|---------------------|
| <u>10 Mbps Point-to-Point Fiber Circuit</u>                    | <u>\$299.00</u> | <u>\$1000</u>       |
| <u>Demarc Site 1: 2500 North Texas, Weslaco, Texas 78596</u>   |                 |                     |
| <u>Demarc Site 2: 255 S. Kansas Ave., Weslaco, Texas 78569</u> |                 |                     |
| <u>10 Mbps Point-to-Point Fiber Circuit</u>                    | <u>\$299.00</u> | <u>\$2000</u>       |
| <u>Demarc Site 1: 907 N Airport., Weslaco, Texas 78596</u>     |                 |                     |
| <u>Demarc Site 2: 255 S. Kansas Ave., Weslaco, Texas 78569</u> |                 |                     |

**TERMS OF AMMENDED SERVICES.** These added services shall be in effect from completion date and continuing to and including (June 23, 2018). At the end of this initial term if a new term agreement is not entered into within 30 days, the service will revert to a "month-to-month" service agreement. The monthly service charges may increase to the then-current rate, unless prior to the end of the initial term either party notifies the other, in writing, of their intent to terminate the agreement.

### Signature Authority

The individuals signing below hereby represent and warrants that they are duly authorized to execute and deliver this Addendum on behalf of their organization and that this Addendum is binding upon each party and organization in accordance with its terms.

EXECUTED this 29 day of October, 2013

Signature

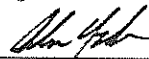


For Customer

David Salinas, CFM and Public Utilities Director

Printed Name

Signature



For Smartcom Telephone, LLC

ALAN YODER

Printed Name

### Billing Address:

City of Weslaco – Account Payables  
255 S Kansas Ave  
Weslaco, TX 78596-6158





# Standardized Agenda Request Form

|                                                                                                                                                                                                                                                                                                                                                                                                                     |  |                                                              |                                   |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--|--------------------------------------------------------------|-----------------------------------|
| <b>Date of Meeting:</b><br>October 3, 2017                                                                                                                                                                                                                                                                                                                                                                          |  | <b>Agenda Item No.</b> (to be assigned by CSO):<br>2017-1271 |                                   |
| <b>From:</b>                                                                                                                                                                                                                                                                                                                                                                                                        |  |                                                              |                                   |
| <b>Subject:</b><br>Approval of the renewal of payment to PTS Solutions, Inc for yearly software maintenance fee and authorize the Mayor to execute any related documents. (Staffed by IT Department).                                                                                                                                                                                                               |  |                                                              |                                   |
| <b>Background:</b><br>Our city police and fire departments rely on the PTS software application from PTS Solutions to run their computer aided dispatch system as well as their mobile patrol. The modules we use and are licensed for are as follows; Computer Aided Dispatch, Mapping, Mobile, Mobile Client, Automatic Vehicle Location, Incident, Jail, Fire, Case Management, Field Reporting, and interfaces. |  |                                                              |                                   |
| <b>Funding Source</b> (budget code, if applicable):<br>01-530-2780                                                                                                                                                                                                                                                                                                                                                  |  |                                                              |                                   |
| Amount: \$44,801.37                                                                                                                                                                                                                                                                                                                                                                                                 |  | Term of Impact: 1                                            | Identified in Current Budget: Yes |
| <b>Additional Action Prompted:</b>                                                                                                                                                                                                                                                                                                                                                                                  |  |                                                              |                                   |
| <b>If item previously considered, provide date and action by Commission:</b>                                                                                                                                                                                                                                                                                                                                        |  |                                                              |                                   |
| <b>If item requires Publication Notice, provide date and periodical of publication; indicate if comments received from letters mailed to property owners:</b>                                                                                                                                                                                                                                                       |  |                                                              |                                   |
| <b>Advisory Review, if any</b> (name of board/committee, date of action, recommendation):                                                                                                                                                                                                                                                                                                                           |  |                                                              |                                   |
| Jose Peña                                                                                                                                                                                                                                                                                                                                                                                                           |  | Created/Initiated                                            |                                   |
| Jose Peña                                                                                                                                                                                                                                                                                                                                                                                                           |  | Approved                                                     |                                   |
| Mike Perez                                                                                                                                                                                                                                                                                                                                                                                                          |  | Final Approval                                               |                                   |
| <b>City Manager Comments:</b><br>Approve.                                                                                                                                                                                                                                                                                                                                                                           |  |                                                              |                                   |
| <b>Staff Recommendation:</b><br>This item was added to the Information Technology department budget and staff recommends approval.                                                                                                                                                                                                                                                                                  |  |                                                              |                                   |
| <b>Attachments, if any:</b><br>PTS Renewal                                                                                                                                                                                                                                                                                                                                                                          |  |                                                              |                                   |
| <b>Responsibilities upon Approval:</b>                                                                                                                                                                                                                                                                                                                                                                              |  |                                                              |                                   |

PTS Solutions, Inc.  
PO Box 469  
Harrisonburg, LA 71340  
1-888-831-5151

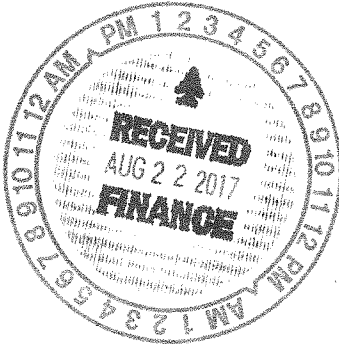
# Invoice

| Date      | Invoice # |
|-----------|-----------|
| 8/17/2017 | 2017018-M |

Bill To:

CITY OF WESLACO  
ACCOUNTING DEPARTMENT  
255 SOUTH KANSAS AVENUE  
WESLACO, TX 78596-6158

| P.O. No.    | Terms          |
|-------------|----------------|
| Maintenance | Due on receipt |

| Description                                                                                                                                                                                                                                                                                                                                                                       | Qty | Rate      | Amount      |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----|-----------|-------------|
| Annual Software Maintenance; Includes Updates and 24 hrs. a day, 7 days a week Telephone Support from October 1, 2017 to October 1, 2018<br><br>Covers CAD, Mapping, Mobile, AVL, ANI/ALI, NCIC, Incident, Jail, Fire, Case Management, SQL, GoGlobal, Field Reporting, Firehouse Interface, and CopLogic Interface<br><br>Note: will increase by \$4,086 in 2018 for E-Citations | 1   | 40,715.37 | 40,715.37   |
|                                                                                                                                                                                                                                                                                               |     |           |             |
| Payments/Credits                                                                                                                                                                                                                                                                                                                                                                  |     |           | \$0.00      |
| Balance Due                                                                                                                                                                                                                                                                                                                                                                       |     |           | \$40,715.37 |



## Standardized Agenda Request Form

|                                                                                                                                                                                                                                                                                                                                                                                                                                                        |  |                                                              |                                   |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--|--------------------------------------------------------------|-----------------------------------|
| <b>Date of Meeting:</b><br>October 3, 2017                                                                                                                                                                                                                                                                                                                                                                                                             |  | <b>Agenda Item No.</b> (to be assigned by CSO):<br>2017-1272 |                                   |
| <b>From:</b>                                                                                                                                                                                                                                                                                                                                                                                                                                           |  |                                                              |                                   |
| <b>Subject:</b><br>Approval of the renewal of payment to Tyler Technologies for yearly software maintenance fee and authorize the Mayor to execute any related documents. (Staffed by IT Department).                                                                                                                                                                                                                                                  |  |                                                              |                                   |
| <b>Background:</b><br>Our city relies on the Incode application from Tyler Technologies to run many of our internal processes. The modules we use and are licensed for are as follows; Accounts Payables/Receivables, Permits/Inspections/Licenses, Municipal Court, Cash Collections, Fixed Assets, General Ledger, Project Accounting, Purchase Orders, Human Resources, Payroll/Personnel, Position Control/Budgeting and Utilities/Service Orders. |  |                                                              |                                   |
| <b>Funding Source</b> (budget code, if applicable):<br>01-530-2780                                                                                                                                                                                                                                                                                                                                                                                     |  |                                                              |                                   |
| Amount: \$44,495.02                                                                                                                                                                                                                                                                                                                                                                                                                                    |  | Term of Impact: 1                                            | Identified in Current Budget: Yes |
| <b>Additional Action Prompted:</b>                                                                                                                                                                                                                                                                                                                                                                                                                     |  |                                                              |                                   |
| <b>If item previously considered, provide date and action by Commission:</b>                                                                                                                                                                                                                                                                                                                                                                           |  |                                                              |                                   |
| <b>If item requires Publication Notice, provide date and periodical of publication; indicate if comments received from letters mailed to property owners:</b>                                                                                                                                                                                                                                                                                          |  |                                                              |                                   |
| <b>Advisory Review, if any</b> (name of board/committee, date of action, recommendation):                                                                                                                                                                                                                                                                                                                                                              |  |                                                              |                                   |
| Jose Peña                                                                                                                                                                                                                                                                                                                                                                                                                                              |  | Created/Initiated                                            |                                   |
| Jose Peña                                                                                                                                                                                                                                                                                                                                                                                                                                              |  | Approved                                                     |                                   |
| Mike Perez                                                                                                                                                                                                                                                                                                                                                                                                                                             |  | Final Approval                                               |                                   |
| <b>City Manager Comments:</b><br>Approve.                                                                                                                                                                                                                                                                                                                                                                                                              |  |                                                              |                                   |
| <b>Staff Recommendation:</b><br>This item is in the Information Technology department budget and staff recommends approval.                                                                                                                                                                                                                                                                                                                            |  |                                                              |                                   |
| <b>Attachments, if any:</b><br>Tyler Renewal Quote                                                                                                                                                                                                                                                                                                                                                                                                     |  |                                                              |                                   |
| <b>Responsibilities upon Approval:</b>                                                                                                                                                                                                                                                                                                                                                                                                                 |  |                                                              |                                   |



**Remittance:**  
Tyler Technologies, Inc.  
(FEIN 75-2303920)  
P.O. Box 203556  
Dallas, TX 75320-3556

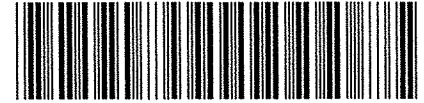
# Invoice

| Invoice No | Date       | Page   |
|------------|------------|--------|
| 025-199333 | 09/01/2017 | 1 of 2 |

**Empowering people who serve the public®**

## Questions:

Tyler Technologies - Local Government  
Phone: 1-800-772-2260 Press 2, then 2  
Fax: 1-866-673-3274  
Email: ar@tylertech.com

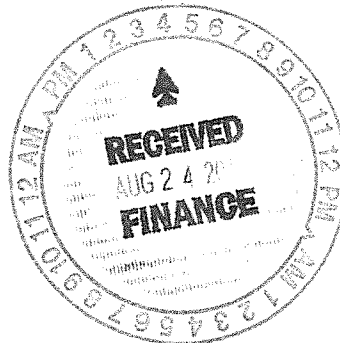


Bill To: City of Weslaco  
255 S. Kansas  
Weslaco, TX 78596

Ship To: City of Weslaco  
255 S. Kansas  
Weslaco, TX 78596

| Customer No. | Ord No | PO Number | Currency | Terms | Due Date   |
|--------------|--------|-----------|----------|-------|------------|
| 45019        | 84163  |           | USD      | NET30 | 10/01/2017 |

| Date                           | Description                                       | Units | Rate     | Extended Price |
|--------------------------------|---------------------------------------------------|-------|----------|----------------|
| Contract No.: Weslaco, City of |                                                   |       |          |                |
|                                | Badger Utility Handheld Meter-Reader Interface    | 1     | 896.61   | 896.61         |
|                                | Maintenance: Start: 01/Oct/2017, End: 30/Sep/2018 |       |          |                |
|                                | Utility Payment Import                            | 1     | 814.07   | 814.07         |
|                                | Maintenance: Start: 01/Oct/2017, End: 30/Sep/2018 |       |          |                |
|                                | Accounts Payable                                  | 1     | 2,532.37 | 2,532.37       |
|                                | Maintenance: Start: 01/Oct/2017, End: 30/Sep/2018 |       |          |                |
|                                | Accounts Receivable                               | 1     | 1,832.05 | 1,832.05       |
|                                | Maintenance: Start: 01/Oct/2017, End: 30/Sep/2018 |       |          |                |
|                                | Business License                                  | 1     | 1,238.13 | 1,238.13       |
|                                | Maintenance: Start: 01/Oct/2017, End: 30/Sep/2018 |       |          |                |
|                                | Central Cash Collection                           | 1     | 2,476.22 | 2,476.22       |
|                                | Maintenance: Start: 01/Oct/2017, End: 30/Sep/2018 |       |          |                |
|                                | Fixed Assets                                      | 1     | 1,054.90 | 1,054.90       |
|                                | Maintenance: Start: 01/Oct/2017, End: 30/Sep/2018 |       |          |                |
|                                | General Ledger                                    | 1     | 3,690.70 | 3,690.70       |
|                                | Maintenance: Start: 01/Oct/2017, End: 30/Sep/2018 |       |          |                |
|                                | Payroll/Personnel                                 | 1     | 3,378.93 | 3,378.93       |
|                                | Maintenance: Start: 01/Oct/2017, End: 30/Sep/2018 |       |          |                |
|                                | Permits & Inspections                             | 1     | 1,811.37 | 1,811.37       |
|                                | Maintenance: Start: 01/Oct/2017, End: 30/Sep/2018 |       |          |                |
|                                | Purchase Orders                                   | 1     | 2,532.37 | 2,532.37       |
|                                | Maintenance: Start: 01/Oct/2017, End: 30/Sep/2018 |       |          |                |
|                                | Utility CIS System                                | 1     | 5,717.75 | 5,717.75       |
|                                | Maintenance: Start: 01/Oct/2017, End: 30/Sep/2018 |       |          |                |
|                                | Service Order Management                          | 1     | 2,287.09 | 2,287.09       |
|                                | Maintenance: Start: 01/Oct/2017, End: 30/Sep/2018 |       |          |                |
|                                | Project Accounting                                | 1     | 2,285.62 | 2,285.62       |
|                                | Maintenance: Start: 01/Oct/2017, End: 30/Sep/2018 |       |          |                |
|                                | AcuCorp AcuServer                                 | 1     | 577.73   | 577.73         |
|                                | Maintenance: Start: 01/Oct/2017, End: 30/Sep/2018 |       |          |                |
|                                | Secure Signatures                                 | 1     | 679.64   | 679.64         |
|                                | Maintenance: Start: 01/Oct/2017, End: 30/Sep/2018 |       |          |                |
|                                | HR Base Package                                   | 1     | 2,203.52 | 2,203.52       |
|                                | Maintenance: Start: 01/Oct/2017, End: 30/Sep/2018 |       |          |                |
|                                | Position Control/Budgeting                        | 1     | 1,629.64 | 1,629.64       |





**Remittance:**  
Tyler Technologies, Inc.  
(FEIN 75-2303920)  
P.O. Box 203556  
Dallas, TX 75320-3556

# Invoice

| Invoice No | Date       | Page   |
|------------|------------|--------|
| 025-199333 | 09/01/2017 | 2 of 2 |

**Empowering people who serve the public®**

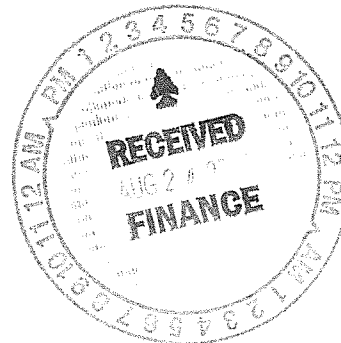
**Questions:**  
Tyler Technologies - Local Government  
Phone: 1-800-772-2260 Press 2, then 2  
Fax: 1-866-673-3274  
Email: ar@tylertech.com

Bill To: City of Weslaco  
255 S. Kansas  
Weslaco, TX 78596

Ship To: City of Weslaco  
255 S. Kansas  
Weslaco, TX 78596

| Customer No. | Ord No | PO Number | Currency | Terms | Due Date   |
|--------------|--------|-----------|----------|-------|------------|
| 45019        | 84163  |           | USD      | NET30 | 10/01/2017 |

| Date                                              | Description                                                                            | Units | Rate     | Extended Price |
|---------------------------------------------------|----------------------------------------------------------------------------------------|-------|----------|----------------|
| Maintenance: Start: 01/Oct/2017, End: 30/Sep/2018 |                                                                                        |       |          |                |
|                                                   | GASB Module                                                                            | 1     | 3,744.30 | 3,744.30       |
| Maintenance: Start: 01/Oct/2017, End: 30/Sep/2018 |                                                                                        |       |          |                |
|                                                   | 21 Combining Statements - Maintenance                                                  | 1     | 527.67   | 527.67         |
| Maintenance: Start: 01/Oct/2017, End: 30/Sep/2018 |                                                                                        |       |          |                |
|                                                   | One Time Charge Import Utility                                                         | 1     | 1,112.50 | 1,112.50       |
| Maintenance: Start: 01/Oct/2017, End: 30/Sep/2018 |                                                                                        |       |          |                |
|                                                   | Collection Agency Export Interface                                                     | 1     | 1,016.48 | 1,016.48       |
| Maintenance: Start: 01/Oct/2017, End: 30/Sep/2018 |                                                                                        |       |          |                |
|                                                   | Incode Personnel Management Suite - Payroll - Electronic Time Clock Import Maintenance | 1     | 455.36   | 455.36         |
| Maintenance Start: 01/Oct/2017, End: 30/Sep/2018  |                                                                                        |       |          |                |



**\*\*ATTENTION\*\***

Order your checks and forms from  
Tyler Business Forms at 877-749-2090 or  
tylerbusinessforms.com to guarantee  
100% compliance with your software.

|               |           |
|---------------|-----------|
| Subtotal      | 44,495.02 |
| Sales Tax     | 0.00      |
| Invoice Total | 44,495.02 |



## Standardized Agenda Request Form

|                                                                                                                                                                                                                                                                                                                                 |                 |                                                              |  |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------|--------------------------------------------------------------|--|
| <b>Date of Meeting:</b><br>October 3, 2017                                                                                                                                                                                                                                                                                      |                 | <b>Agenda Item No.</b> (to be assigned by CSO):<br>2017-1244 |  |
| <b>From:</b><br>Elizabeth Walker                                                                                                                                                                                                                                                                                                |                 |                                                              |  |
| <b>Subject:</b><br>Discussion and consideration to approve the following:<br>1) Minutes of Regular Meeting on September 19, 2017; and<br>2) Record of Workshop on September 27, 2017. Possible action. (Pulled from consent agenda on request by Commissioners Kerr and Munoz; Staffed by City Secretary's Office.) Attachment. |                 |                                                              |  |
| <b>Background:</b><br>Record of action for the regular meeting of September 19, 2017 and workshop meeting on September 27, 2017.                                                                                                                                                                                                |                 |                                                              |  |
| <b>Funding Source</b> (budget code, if applicable):                                                                                                                                                                                                                                                                             |                 |                                                              |  |
| Amount:                                                                                                                                                                                                                                                                                                                         | Term of Impact: | Identified in Current Budget:                                |  |
| <b>Additional Action Prompted:</b><br>Mayor's Signature                                                                                                                                                                                                                                                                         |                 |                                                              |  |
| <b>If item previously considered, provide date and action by Commission:</b>                                                                                                                                                                                                                                                    |                 |                                                              |  |
| <b>If item requires Publication Notice, provide date and periodical of publication; indicate if comments received from letters mailed to property owners:</b>                                                                                                                                                                   |                 |                                                              |  |
| <b>Advisory Review, if any</b> (name of board/committee, date of action, recommendation):                                                                                                                                                                                                                                       |                 |                                                              |  |
| Elizabeth Walker<br>Mike Perez                                                                                                                                                                                                                                                                                                  |                 | Created/Initiated<br>Final Approval                          |  |
| <b>City Manager Comments:</b><br>Approve.                                                                                                                                                                                                                                                                                       |                 |                                                              |  |
| <b>Staff Recommendation:</b><br>Approve.                                                                                                                                                                                                                                                                                        |                 |                                                              |  |
| <b>Attachments, if any:</b><br>17-09-19 minutes regular meeting, 17-09-27 record workshop                                                                                                                                                                                                                                       |                 |                                                              |  |
| <b>Responsibilities upon Approval:</b><br>Execute and retain.                                                                                                                                                                                                                                                                   |                 |                                                              |  |



**A REGULAR MEETING  
OF THE WESLACO CITY COMMISSION  
TUESDAY, SEPTEMBER 19, 2017**

On Tuesday, September 19, 2017, at 5:37 p.m. the City Commission of the City of Weslaco, Texas convened in a Regular Meeting at City Hall in the Legislative Chamber, located at 255 South Kansas Avenue with the following members present:

|                |                         |
|----------------|-------------------------|
| Mayor Pro-Tem  | Gerardo “Jerry” Tafolla |
| Commissioner   | Leo Muñoz               |
| Commissioner   | Greg Kerr               |
| Commissioner   | Olga Noriega            |
| Commissioner   | Letty Lopez             |
| Commissioner   | Josh Pedraza            |
| City Manager   | Mike R. Perez           |
| City Secretary | Elizabeth Walker        |
| City Attorney  | Juan E. Gonzalez        |

Also present: Mary Barrera, Finance Director; Veronica Ramirez, Human Resources Director; Jose Pena, Information Technology Director; Pete Garcia, Public Works Director; Tony Lopez, Fire Chief; Stephen Mayer, Police Chief; Mardoqueo Hinojosa, Planning and Code Enforcement Director and City Engineer; David Arce, Parks and Recreation Director; Martin Mata, Library Assistant Director; and other staff members and citizens.

**I. CALL TO ORDER**

**A. Certification of Public Notice.**

Mayor Pro-Tem Tafolla called the meeting to order and certified the public notice of the meeting as properly posted Friday, September 14, 2017.

**B. Invocation.**

Pastor Joey Aguilar, First Baptist Church, led in the invocation.

**C. Pledge of Allegiance.**

Mayor Pro-Tem Tafolla led the Pledge of Allegiance and Texas Flag.

**D. Mayoral recognition.**

Mayor Pro-Tem Tafolla issued proclamations on behalf of the Mayor recognizing the “Weslaco Reads, Weslaco Succeeds” initiative with the Weslaco Independent School District as well as Roberto “La Alemanza” Garcia Day.

**E. Roll Call.**

Elizabeth Walker, City Secretary, called the roll, noting the absence of Mayor Suarez and a quorum present.

## **II. PUBLIC COMMENTS**

Alejandro Cantu, 1400 Texas Blvd., voiced his concern of individuals driving on the shoulder of the street.

Dr. Nina Torkelson introduced herself as an applicant for the Parks Advisory Board, stating she was an avid user of the parks.

Maria Espinoza, 410 N. Republic, voiced her opposition to the proposed rezone of 400 N. Republic.

## **III. PUBLIC HEARING**

Commissioner Kerr, seconded by Commissioner Noriega, moved to open the public hearings at 6:00 p.m. The motion carried unanimously; Mayor Pro-Tem Tafolla was present and voting.

A. To solicit input on behalf of Armando Alaniz to rezone 400 N Republic Street also being Lots 12, 13, and 14, STAATS Addition Subdivision, Weslaco, Hidalgo County, Texas, from R-2 Duplex and Apartments District to B-4 Neighborhood Office District.

Sylvia Sanchez, 320 N. Republic, opposed the rezone citing concerns with traffic and parking as it is a narrow block; also she expressed concern because of the uncertainty of the type of businesses to be located there.

Armando Alaniz, applicant, stated he intends to restore the building with low impact tenants such as realtors, attorney, and accountants—no retail or restaurants; he is acquiring lots behind the building to install twelve additional parking spaces. He requests favorable consideration.

B. To solicit input on behalf of Bill Carlson to rezone 1210 Valley View also being Lot 6, Ashmelmont Subdivision, Weslaco, Hidalgo County, Texas, from R-1 One Family Dwelling District to B-4 Neighborhood Office District.

There were no comments received.

C. To solicit input on behalf of Francisco Perez to rezone 1319 E. 18th Street also being Lot 24, Margo Terrace Estates Subdivision, Weslaco, Hidalgo County, Texas, from R-1 One Family Dwelling District to B-1 Neighborhood Business District.

There were no comments received.

Commissioner Kerr, seconded by Commissioner Muñoz, moved to close the public hearing at 6:11 p.m. The motion carried unanimously; Mayor Pro-Tem Tafolla was present and voting.

## **IV. CONSENT AGENDA**

The following items are of a routine or administrative nature. The City Commission has been furnished with background and support material on each item, and/or it had been discussed



at a previous meeting. All items will be acted upon by one vote without being discussed separately unless requested by one commission member, in which event the item or items will immediately be withdrawn for individual consideration in its normal sequence after the items not requiring separate discussion have been acted upon. The remaining items will be adopted by one vote. Possible action.

A. Approval of the Minutes of the Regular Meeting on September 5, 2017. (Staffed by City Secretary's Office.)

B. Approval on second and final reading of the following:

1) Ordinance 2017-29 authorizing a budget amendment as appropriate for the purchase of two (2) recycling trailers in an amount not to exceed \$30,000.00 and authorize the Mayor to execute any related documents. (First reading held June 20, 2017; Staffed by Public Works.)

C. Approval of the renewal of the Uniting Neighbors In Drug Abuse Defense (UNIDAD) Coalition memorandum of understanding and authorize the Mayor to execute any related documents. (Staffed by Police Department.)

D. Authorization of the Finance Director to conduct any required audit of forfeiture funds as per Article 59.06 of the Code of Criminal Procedure. (Staffed by Finance Department.)

E. Authorization of solicitation of bids for the Rehabilitation of Lift Station No. 37 and authorize the Mayor to execute and related documents. (Staffed by Planning & Code Enforcement Department.)

F. Approval of the Election Services Contract with the Hidalgo County Elections Department to conduct the City of Weslaco General Election of November 7, 2017 pursuant to Texas Election Code Chapter 271, and authorize the Mayor to execute any related documents. (Staffed by City Secretary's Office.)

G. Approval of Resolution 2017-62 on the submission of an application grant to the Office of the Governor Criminal Justice Division from the Weslaco Fire Department for Rifle-Resistant Body Armor Grant Program and authorize the Mayor to execute any related documents. (Staffed by the Fire Department.)

H. Authorization to reapply and renew the Reading Is Fundamental (RIF) grant for FY 2017-2018 to accept funds upon award throughout the year, to provide local matching funds not to exceed 25% of the total granted amount in each instance and not to exceed \$700.00 total annually, and to allow the Mayor to execute any associated documents. (Staffed by Library Department.)

I. Acceptance of donated monies and gift donations from local vendors and/or the public for library programming within Fiscal Year 2017– 2018. (Staffed by Library Department.)

J. Approval of Resolution 2017-66 authorizing the submission of a grant for Northside Park to Texas Parks and Wildlife Department and authorize the Mayor to execute any related documents. (Staffed by Parks and Recreation Department.)

Commissioner Pedraza, seconded by Commissioner Muñoz, moved to approve consent agenda items A through J as presented. The motion carried unanimously; Mayor Pro-Tem Tafolla was present and voting.

For the record, the following is the ordinance:

**ORDINANCE 2017-29**

AN ORDINANCE AMENDING ORDINANCE NUMBER 2016-31, APPROVING AND ADOPTING A BUDGET FOR THE CITY OF WESLACO, TEXAS FOR THE FISCAL YEAR BEGINNING OCTOBER 1, 2016 AND ENDING SEPTEMBER 30, 2017, FINDING NEED TO AMEND THE 2016-2017 MUNICIPAL BUDGET; PROVIDING A SEVERABILITY CLAUSE; PROVIDING AN EFFECTIVE DATE, AND ORDAINING OTHER MATTERS WITH RESPECT TO THE SUBJECT MATTER HEREOF.

WHEREAS, the City Commission of the City of Weslaco utilized diligent thought and attention to the preparation of the 2016-2017 budget; and

WHEREAS, unusual and unforeseen conditions have arisen during the fiscal year which have, or will require, the expenditure of additional funds constituting an emergency expenditure; and

WHEREAS, Section 102.009 of the Texas Local Government Code authorizes the City to amend its budget in such a manner as to provide for emergency expenditures as an amendment to the original budget in a case of grave public necessity to meet an unusual and unforeseen condition; and

WHEREAS, the City Commission finds the amendments in the line items identified in the attached Exhibit are reasonable, necessary, and for municipal purposes.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COMMISSION OF THE CITY OF WESLACO, TEXAS THAT:

SECTION 1. FINDINGS. The City Commission finds the statements made in the preamble above are true.

SECTION 2. BUDGET LINE ITEMS. The City Commission approves the budget amendments in the attached Exhibit as such change is necessary to meet an unusual and unforeseen condition as the result of an emergency.

SECTION 3. BUDGET TOTAL. The City Commission further finds the amended budget line items identified in such Exhibit will not cause the total expenditures in the budget to exceed the total amount of estimated revenue.

SECTION 4. APPROVAL. The 2016-2017 Official Budget, adopted by Ordinance 2016-31, is hereby reallocated, revised, amended and approved as set forth in the attached Exhibit.

SECTION 5. AUTHORIZATION. The City Manager is authorized to undertake action to execute such transfers in accordance with state law, and file, or cause to be filed, a true and correct copy of this Ordinance, with the attached budget amendment, with the City Secretary.

SECTION 6. SEVERABILITY CLAUSE. It is the intent of the City Commission that each sentence, paragraph, subdivision, clause, phrase or section of this Ordinance be deemed severable and, should any such sentence, paragraph, subdivision, clause, phrase or section be declared invalid or unconstitutional for any reason, such declaration of invalidity or unconstitutionality shall not be construed to affect the validity of those provisions of the Ordinance left standing.

SECTION 7. EFFECTIVE DATE. This Ordinance shall take effect upon final reading.

PASSED AND APPROVED on first reading at a regular meeting of the City Commission this 20<sup>th</sup> day of June, 2017.

PASSED AND APPROVED on second reading at a regular meeting of the City Commission this 19<sup>th</sup> day of September, 2017.

CITY OF WESLACO  
/s/David Suarez, MAYOR

ATTEST:  
/s/Elizabeth M. Walker, CITY SECRETARY

APPROVED AS TO FORM:  
/s/Juan E. Gonzalez, CITY ATTORNEY

For the record, the following are the resolutions:

**RESOLUTION NO. 2017-62**

WHEREAS, The City of Weslaco finds it in the best interest of the citizens of Weslaco, Hidalgo County, Texas that the Rifle-Resistant Body Armor Grant Program be begin between January 1 and March 1, 2018 and not exceed 12 months; and

WHEREAS, The City of Weslaco agrees to provide matching funds for the said project as required by the Office of the Governor – Criminal Justice Division Rifle-Resistant Body Armor Grant Program application; and

WHEREAS, The City of Weslaco agrees that in the event of loss or misuse of the Office of the Governor funds, City of Weslaco assures that the funds will be returned to the Office of the Governor in full.

WHEREAS, The City of Weslaco designates Mayor David Suarez as the grantee's authorized official. The authorized official is given the power to apply for, accept, reject, alter or terminate the grant on behalf of the applicant agency.

NOW THEREFORE, BE IT RESOLVED that The City of Weslaco approves submission of the grant application for the Rifle-Resistant Body Armor Grant Program to the Office of the Governor.

Passed and approved this 19<sup>th</sup> day of September, 2017.

**RESOLUTION 2017-66**  
**Local Park Grant Program Resolution Authorizing Application**

A resolution of the City of Weslaco, Texas as hereinafter referred to as "Applicant," designating certain officials as being responsible for, acting for, and on behalf of the Applicant in dealing with the Texas Parks & Wildlife Department, hereinafter referred to as "Department," for the purpose of participating in the Local Park Grant Program, hereinafter referred to as the "Program"; certifying that the Applicant is eligible to receive program assistance; certifying that the Applicant matching share is readily available; and dedicating the proposed site for permanent (or for the term of the lease for leased property) public park and recreational uses.

WHEREAS, the Applicant is fully eligible to receive assistance under the Program; and

WHEREAS, the Applicant is desirous of authorizing an official to represent and act for the Applicant in dealing with the Department concerning the Program;

BE IT RESOLVED BY THE APPLICANT:

SECTION 1: That the Applicant hereby certifies that they are eligible to receive assistance under the Program, and that notice of the application has been posted according to local public hearing requirements.

SECTION 2: That the Applicant hereby certifies that the matching share for this application is readily available at this time.

SECTION 3: That the Applicant hereby authorizes and directs the Parks and Recreation Department of the City of Weslaco, Texas to act for the Applicant in dealing with the Department for the purposes of the Program, and that David Arce is hereby officially designated as the representative in this regard.

SECTION 4: The Applicant hereby specifically authorizes the official to make application to the Department concerning the site to be known as North Park in the City of Weslaco of Hidalgo County or use as a park site and is hereby dedicated (or will be dedicated upon completion of the proposed acquisition) for public park and recreation purposes in perpetuity (or for the lease term, if legal control is through a lease). Projects with federal monies may have differing requirements.

Introduced, read and passed by an affirmative vote of the "Applicant" on this 19th day of September, 2017  
CITY OF WESLACO

/s/David Suarez, MAYOR

ATTEST:

/s/Elizabeth M. Walker, CITY SECRETARY

APPROVED AS TO FORM:

/s/Juan E. Gonzalez, CITY ATTORNEY

## **V. APPOINTMENTS**

A. Discussion and consideration to remove Julian Flores from the Parks and Recreation Advisory Board and approve Resolution 2017-61 appointing one member to that unexpired term and authorize the Mayor to execute any related documents. Possible action. (Staffed by Parks and Recreation.)

Commissioner Noriega, seconded by Commissioner Muñoz, moved to remove Julian Flores and approve Resolution 2017-61 appointing Nina Torkelson to the unexpired term to the Parks and Recreation Advisory Board as presented. The motion carried unanimously; Mayor Pro-Tem Tafolla was present and voting.

For the record, the following is the resolution:

### RESOLUTION NO. 2017-61

#### A RESOLUTION OF THE CITY OF WESLACO APPOINTING ONE MEMBER TO THE PARKS & RECREATION BOARD.

WHEREAS, the City of Weslaco has established the Parks & Recreation Board pursuant to Section 98-83 of the Weslaco Municipal Code of Ordinances; and

WHEREAS, the terms of the members of this board are for three years; however, following the restructuring of this Board to consist of seven members, certain terms shall be assigned for two years so that terms are staggered such that no quorum of members expires simultaneously; and

WHEREAS, the Parks & Recreation Board members shall serve without compensation; and

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COMMISSION OF THE CITY OF WESLACO, TEXAS

THAT Nina Torkelson is appointed to serve an unexpired term on the Parks & Recreation Board and the term will begin on September 20, 2017 and end on October 22, 2019.

PASSED AND APPROVED on this 19<sup>th</sup> day of September, 2017.

CITY OF WESLACO  
/s/David Suarez, MAYOR

ATTEST:  
/s/Elizabeth M. Walker, CITY SECRETARY

APPROVED AS TO FORM:  
/s/Juan E. Gonzalez, CITY ATTORNEY

B. Discussion and consideration to accept the resignation of Clemente Mena from the Planning and Zoning Commission and approve Resolution 2017-65 appointing one member to that unexpired term. Possible action. (Staffed by Planning and Code Enforcement.)

Commissioner Kerr, seconded by Commissioner Lopez, moved to accept the resignation of Clemente Mena and approve Resolution 2017-65 appointing Raul Cabaza to an unexpired term with the exception of serving on two boards concurrently. The motion carried unanimously; Mayor Pro-Tem Tafolla was present and voting

For the record, following is the resolution:

RESOLUTION NO. 2017-65

A RESOLUTION OF THE CITY OF WESLACO APPOINTING ONE MEMBER TO THE  
PLANNING AND ZONING COMMISSION BOARD.

WHEREAS, the City of Weslaco created and established the Planning and Zoning Commission Board pursuant to Subsection 2-36 of Ordinance No. 291, as codified in the City of Weslaco Code of Ordinances.

WHEREAS, the terms of the members of this board are for three years; and

WHEREAS, the Planning and Zoning Commission Board members shall serve without compensation and unlimited terms; and

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COMMISSION OF THE CITY OF WESLACO, TEXAS THAT Raul Cabaza is appointed to serve an unexpired term on the Planning and Zoning Commission Board and your term will expire on the 3<sup>rd</sup> day of December, 2017.

PASSED AND APPROVED on this 19<sup>th</sup> day of September, 2017.

CITY OF WESLACO  
/s/David Suarez, MAYOR

ATTEST:  
/s/Elizabeth M. Walker, CITY SECRETARY

APPROVED AS TO FORM:  
/s/Juan E. Gonzalez, CITY ATTORNEY

C. Discussion and consideration to approve Resolution 2017-63 appointing an official member and an alternate member to the Amigos del Valle, Inc. Board of Directors for Fiscal Year 2017-2018 and authorize the Mayor to execute any related documents. Possible action. (Requested by Amigos del Valle.)

Commissioner Kerr, seconded by Commissioner Pedraza, moved to approve Resolution 2017-63 reappointing Mayor Pro-Tem Tafolla as the official member and Commissioner Noriega as the alternate member to the Amigos del Valle, Inc. Board of Directors for Fiscal Year 2017-2018 and authorize the Mayor to execute any related documents as presented. The motion carried unanimously; Mayor Pro-Tem Tafolla was present and voting.

For the record, the following is the resolution:

RESOLUTION NO. 2017-63

|                    |   |                                                   |
|--------------------|---|---------------------------------------------------|
| THE STATE OF TEXAS | § | A RESOLUTION APPOINTING A MEMBER AND AN           |
| COUNTY OF HIDALGO  | § | ALTERNATE MEMBER TO THE AMIGOS DEL VALLE,         |
| CITY OF WESLACO    | § | INC. BOARD OF DIRECTORS FOR FISCAL YEAR 2017-2018 |

WHEREAS, the Amigos del Valle, Inc. has requested that a City of Weslaco elected official be appointed to serve as the official member of the Amigos del Valle, Inc. Board of Directors; and

WHEREAS, the City of Weslaco may elect to appoint an individual of the City of Weslaco to serve in place of the official member; and

WHEREAS, the Amigos del Valle, Inc. has requested that a City of Weslaco elected official be appointed to serve as an alternate member of the Amigos del Valle, Inc. Board of Directors; and

NOW THEREFORE, BE IT RESOLVED BY THE CITY COMMISSION OF THE CITY OF WESLACO that Mayor Pro Tem Gerardo “Jerry” Tafolla be appointed as the official member of the Amigos del Valle, Inc. Board of Directors.

BE FURTHER RESOLVED that Olga Noriega, City Commissioner be appointed as an alternate member of the Amigos del Valle, Inc. Board of Directors and a copy of this Resolution shall be delivered to the Amigos del Valle, Inc. to evidence these appointments.

PASSED AND APPROVED this 19<sup>th</sup> day of September, 2017.

CITY OF WESLACO

/s/David Suarez, MAYOR

ATTEST:

/s/Elizabeth M. Walker, CITY SECRETARY

APPROVED AS TO FORM:

/s/Juan E. Gonzalez, CITY ATTORNEY

## **VI. OLD BUSINESS**

A. Discussion and consideration on second and final reading to approve Ordinance 2017-37 adopting the City of Weslaco's budget appropriation for the fiscal year October 1, 2017 to September 30, 2018 and authorize the Mayor to execute any related documents. Possible action. (First Reading held September 5, 2017; Staffed by Finance Department.)

Commissioner Muñoz, seconded by Commissioner Lopez, moved to discuss.

Mike Perez, City Manager, stated it was an important document reviewed in ten workshops over three weeks and recommended approval.

Commissioner Lopez, seconded by Commissioner Pedraza, moved to approve second and final reading of Ordinance 2017-37 as presented. The motion carried unanimously; Mayor Pro-Tem Tafolla was present and voting.

For the record, following is the ordinance:

ORDINANCE NO. 2017-37

AN ORDINANCE MAKING APPROPRIATIONS FOR THE SUPPORT OF THE CITY OF WESLACO FOR THE FISCAL YEAR BEGINNING OCTOBER 1, 2017 AND ENDING SEPTEMBER 30, 2018; APPROPRIATING MONEY TO A SINKING FUND TO PAY INTEREST AND PRINCIPAL ON THE CITY'S INDEBTEDNESS; AND ADOPTING THE ANNUAL BUDGET FOR THE CITY OF WESLACO, TEXAS, FOR THE 2017-2018 FISCAL YEAR.

WHEREAS, the budget appended here as Exhibit A, for the fiscal year beginning October 1, 2017, and ending September 30, 2018, was duly presented to the City Commission by the City Manager, that due and timely public notice that a Public Hearing on such budget would be held on August 22, 2017, was given and made in accordance with state law and within the time limits set forth by law; that such Public Hearing was held in accordance with the law on August 22, 2017; now therefore,

BE IT ORDAINED BY CITY OF WESLACO, TEXAS:

SECTION 1. That the appropriations for the fiscal year beginning October 1, 2017, and ending September 30, 2018, for the support of the general government of the City of Weslaco, Texas be fixed and determined for said terms in accordance with the expenditures shown in the City's Fiscal Year 2017-2018 Budget, a copy of which is appended hereto as Exhibit A;

SECTION 2. That the Budget, as shown in words and figures in Exhibit A, is hereby approved in all respects and adopted as the City's Budget for the fiscal year beginning October 1, 2017, and ending September 30, 2018.

SECTION 3. That there is hereby appropriated the amount shown in said budget necessary to provide for a sinking fund for the payment of the principal and interest and the retirement of the bonded debt requirements of Fiscal 2017-2018 of the City of Weslaco.

PASSED AND APPROVED on first reading at a regular meeting of the City Commission this 5<sup>th</sup> day of September, 2017.

PASSED AND APPROVED on second reading at a regular meeting of the City Commission this 19<sup>th</sup> day of September, 2017.

CITY OF WESLACO  
/s/David Suarez, MAYOR

ATTEST:  
/s/Elizabeth M. Walker, CITY SECRETARY

APPROVED AS TO FORM:  
/s/Juan E. Gonzalez, CITY ATTORNEY

B. Discussion and consideration on second and final reading to approve Ordinance 2017-38 adopting and levying the ad valorem tax rate for the 2017-2018 fiscal year and authorize the Mayor to execute any related documents. Possible action. (First Reading held September 5, 2017; Staffed by Finance Department.)

The City Manager stated the tax rate remained the same as last year and recommended approval adopting \$0.6667/100.00 as the ad valorem tax rate.

Commissioner Muñoz, seconded by Commissioner Kerr, moved to approve Ordinance 2017-38 adopting and levying the ad valorem tax rate for the 2017-2018 as presented. The motion carried unanimously; Mayor Pro-Tem Tafolla was present and voting.

For the record, following is the ordinance:

ORDINANCE NO. 2017-38

AN ORDINANCE LEVYING AN AD VALOREM TAX ON ALL TAXABLE PROPERTY WITHIN THE CITY OF WESLACO, TEXAS FOR THE TAX YEAR 2017, FIXING THE TAX RATE FOR THE USE AND SUPPORT OF THE GENERAL GOVERNMENT AND FOR THE INTEREST AND SINKING FUND FOR THE REDEMPTION OF BONDS AND OTHER INDEBTEDNESS OF THE CITY OF WESLACO, TEXAS, AND FIXING A LIEN ON ALL TAXABLE PROPERTY.

BE IT ORDAINED BY THE CITY COMMISSION OF THE CITY OF WESLACO, TEXAS:

I.

THAT, there is hereby levied and there shall be collected for the use and support of the municipal government of the City of Weslaco for the 2017-2018 fiscal year, upon all property, real, personal and mixed, within the corporate limits of said City subject to taxation, a tax of \$0.6667 on each \$100 valuation of property, said tax being so levied and apportioned to the specific purposes here set forth:

- a. Maintenance and operation of the General Government (General Fund) for fiscal year 2017-2018, \$0.5146 on each \$100 valuation of property. THIS TAX RATE WILL RAISE LESS TAXES FOR MAINTENANCE AND OPERATIONS THAN LAST YEAR'S TAX RATE AND WILL DECREASE TAXES FOR MAINTENANCE AND OPERATIONS ON A \$100,000 HOME BY APPROXIMATELY \$44.00.
- b. Interest and sinking fund for debt service payments for fiscal year 2017-2018, \$0.1521 on each \$100 valuation of property for the purpose of paying interest on and providing a sinking fund for the redemption of outstanding indebtedness of the City of Weslaco.

II.

THAT there is hereby fixed on each and every item of taxable property a lien for the purpose of securing the payment of the taxes assessed thereon, and said lien shall continue to exist against any item of property against which a tax is assessed here under until such tax, together with all interest shall be paid.

III.

IF, any person shall neglect or refuse to pay the taxes herein imposed on him or his property, on or before January 31, 2018 the tax collector shall apply the following schedule of penalty and interest rates for use in calculating the total



amount due on delinquent tax bills:

|               |       |
|---------------|-------|
| February 2018 | 7.0%  |
| March 2018    | 9.0%  |
| April 2018    | 11.0% |
| May 2018      | 13.0% |
| June 2018     | 15.0% |
| July 2018     | 18.0% |

PASSED AND APPROVED on first reading at a regular meeting of the City Commission this 5<sup>th</sup> day of September 2017.

PASSED AND APPROVED on second reading at a regular meeting of the City Commission this 19<sup>th</sup> day of September, 2017.

CITY OF WESLACO  
/s/David Suarez, MAYOR

ATTEST:  
/s/Elizabeth M. Walker, CITY SECRETARY

APPROVED AS TO FORM:  
/s/Juan E. Gonzalez, CITY ATTORNEY

C. Discussion and consideration on second and final reading to approve Ordinance 2017-39 ratifying the property tax increase reflected in the 2017-2018 fiscal year budget and authorize the Mayor to execute any related documents. Possible action. (First reading held September 5, 2017; Staffed by Finance Department.)

The City Manager stated state law requires an additional approval is required when total collection of property tax is more than the last year and recommended approval.

Commissioner Kerr, seconded by Commissioner Muñoz, moved to approve Ordinance 2017-39 ratifying the property tax increase reflected in the 2017-2018 fiscal year as presented. The motion carried unanimously; Mayor Pro-Tem Tafolla was present and voting

For the record, following is the ordinance:

ORDINANCE NO. 2017-39

AN ORDINANCE OF THE CITY OF WESLACO, TEXAS RATIFYING THE PROPERTY TAX INCREASE REFLECTED IN THE 2017-2018 FISCAL YEAR BUDGET; PROVIDING AN EFFECTIVE DATE.

WHEREAS, section 102.007 of the Texas Local Government Code provides in part that the adoption of a budget that will require raising more revenue from property taxes than in the previous year requires a separate vote of the governing body to ratify the property tax increase reflected in the budget; and

WHEREAS, section 102.007 of the Texas Local Government Code requires that this ratification be in addition to and separate from the vote to adopt the budget or a vote to set the tax rate required by Chapter 26, Tex. Tax Code, or other law; and

WHEREAS, the fiscal year 2017-2018 Budget, as adopted, requires raising more revenue from property taxes than in the previous year by 2.76%, and the City Commission desires by adoption of this Ordinance to

ratify the property tax increase reflected in the City's Fiscal Year 2017-2018 Budget.

NOW, THEREFORE BE IT ORDAINED BY CITY OF WESLACO, TEXAS:

SECTION 1. That the Weslaco City Commission, as the governing body of the City of Weslaco, having adopted the 2017-2018 Fiscal Year Budget that will require raising more revenue from property taxes than in the previous year by 2.76%, hereby ratifies the property tax increase reflected in the 2017-2018 Fiscal Year Budget.

SECTION 2. The above and foregoing premises are true and correct and are incorporated herein and made a part hereof.

SECTION 3. This Ordinance shall be in full force effective from and after its passage and approval.

PASSED AND APPROVED on first reading at a regular meeting of the City Commission this 5<sup>th</sup> day of September, 2017.

PASSED AND APPROVED on second reading at a regular meeting of the City Commission this 19<sup>th</sup> day of September, 2017.

CITY OF WESLACO

/s/David Suarez, MAYOR

ATTEST:

/s/Elizabeth M. Walker, CITY SECRETARY

APPROVED AS TO FORM:

/s/Juan E. Gonzalez, CITY ATTORNEY

D. Discussion and reconsideration to award the sole bidder, Mr. Victor's LLC, for Request For Bids No. 2016-17-26 to purchase Two Recycling Trailers in the amount not to exceed \$30,000.00 and authorize the Mayor to execute any related documents. Possible action. (Staffed by Public Works.)

Pete Garcia, Public Works Director, reported that at the Commission's request, staff renegotiated with Mr. Victor's and recommends approval of one 16-foot trailer with four bins and one 20-foot trailer with five bins for a total amount not to exceed \$30,000.00.

Commissioner Kerr, seconded by Commissioner Lopez, moved to award the sole bidder, Mr. Victor's LLC two recycling trailers not to exceed \$30,000.00 as presented. The motion carried unanimously; Mayor Pro-Tem Tafolla was present and voting.

## **VII. NEW BUSINESS**

A. Discussion and consideration after public hearing on behalf of Armando Alaniz to approve Ordinance 2017-40 rezoning 400 N Republic Street also being Lots 12, 13, and 14, STAATS Addition Subdivision, Weslaco, Hidalgo County, Texas, from R-2 Duplex and Apartments District to B-4 Neighborhood Office District. First reading of Ordinance 2017-40. Possible action. (Staffed by Planning and Code Enforcement.)

Mardoqueo Hinojosa, City Engineer/Director of Planning, stated thirty-one (31) property owners were notified with seven letters of opposition received which is less than twenty percent. Planning

and Zoning Commission and staff recommend approval; parking will be addressed during the permitting process.

In response to Commissioner Kerr, Mr. Hinojosa stated the Land Use map does not apply as the B-4 zone is permitted in the Neighborhood district. The City Manager stated parking must be on-site; the street will be striped so no parking in front of the property; owner will replace the chain link fence with a cedar fence to screen parking.

Commissioner Lopez voiced her opposition citing the efforts from the neighbors to submit a petition indicates lack of communication within the area.

Commissioner, Kerr, seconded by Commissioner Muñoz, moved to approve Ordinance 2017-40 rezoning 400 N Republic Street also being Lots 12, 13, and 14, STAATS Addition Subdivision on first reading as presented. The motion carried with Commissioner Lopez opposed; Mayor Pro-Tem Tafolla was present and voting.

B. Discussion and consideration after public hearing on behalf of Bill Carlson to approve Ordinance 2017-41 rezoning 1210 Valley View also being Lot 6, Ashmelmont Subdivision, Weslaco, Hidalgo County, Texas, from R-1 One Family Dwelling District to B-4 Neighborhood Office District. First reading of Ordinance 2017-41. Possible action. (Staffed by Planning and Code Enforcement.)

Mardoqueo Hinojosa stated eighteen (18) property owners were notified with two letters of opposition received. The Planning and Zoning Commission and staff recommend approval with parking proposed behind the house.

Commissioner Kerr, seconded by Commissioner Lopez, moved to approve Ordinance 2017-41 rezoning 1210 Valley View also being Lot 6, Ashmelmont Subdivision, Weslaco, Hidalgo County, Texas, from R-1 One Family Dwelling District to B-4 Neighborhood Office District on first reading as presented. The motion carried unanimously; Mayor Pro-Tem Tafolla was present and voting

C. Discussion and consideration after public hearing on behalf of Francisco Perez to approve Ordinance 2017-42 rezoning 1319 E. 18th Street also being Lot 24, Margo Terrace Estates Subdivision, Weslaco, Hidalgo County, Texas, from R-1 One Family Dwelling District to B-1 Neighborhood Business District. First reading of Ordinance 2017-42. Possible action. (Staffed by Planning and Code Enforcement.)

Mardoqueo Hinojosa stated eight (8) property owners were notified and no objections received. The Planning and Zoning Commission and staff recommended approval. This property had been identified in an earlier land use map revision.

Commissioner Kerr, seconded by Commissioner Lopez, moved to approve Ordinance 2017-42 rezoning 1319 E. 18th Street also being Lot 24, Margo Terrace Estates Subdivision from R-1 One Family Dwelling District to B-1 Neighborhood Business District on first reading as presented. The motion carried unanimously; Mayor Pro-Tem Tafolla was present and voting.

D. Discussion and consideration to approve the Final Plat for M.A. Subdivision, being a 9.00-acre tract of land out of Farm Tract 99, Block 145, West Tract Subdivision, Hidalgo County, Texas, located on the west side of Mile 4½ West, one quarter mile South of Mile 11 North Road and authorize the Mayor to execute any related documents. Possible action. (Staffed by Planning and Code Enforcement.)

Mardoqueo Hinojosa stated this is a two lot subdivision in the extraterritorial jurisdiction (ETJ). Water is being serviced North Alamo Water Supply Corporation through a 6" waterline; though sewer services are by the City, there is not a connection within one mile. Therefore, the developer requests and staff recommends approval with the variance to allow septic.

Commissioner Muñoz, seconded by Commissioner Lopez, moved to approve Final Plat for M.A. Subdivision with variance for sanitary sewer as presented. The motion carried unanimously; Mayor Pro-Tem Tafolla was present and voting.

E. Discussion and consideration to approve final payment to Castle Enterprises for the Sugarcane Drive Detention Pond Project for an amount not to exceed \$21,144.90 and authorize the Mayor to execute any related documents. Possible action. (Staffed by Planning & Code Enforcement Department.)

Mardoqueo Hinojosa recommended approval on final payment stating the contractor graded and expanded inlet; there is a reduction of \$9,658.40 applied to the contract.

Commissioner Kerr, seconded by Commissioner Muñoz, moved to approve final payment to Castle Enterprises for the Sugarcane Drive Detention Pond Project for an amount not to exceed \$21,144.90 as presented. The motion carried unanimously; Mayor Pro-Tem Tafolla was present and voting.

F. Discussion and consideration to approve final payment for DDI, Doug's Drip Irrigation and Sprinklers, for an amount not to exceed \$3,647.20 for the irrigation system installed for the Sugarcane Drive Detention Pond and authorize Mayor to execute any related documents. Possible action. (Staffed by Planning and Code and Enforcement)

Mardoqueo Hinojosa recommended approval of final payment to DDI Doug's Drip stating the project was completed under budget.

Commissioner Muñoz, seconded by Commissioner Kerr, moved to approve final payment for DDI, Doug's Drip Irrigation and Sprinklers, for an amount not to exceed \$3,647.20 as presented. The motion carried unanimously; Mayor Pro-Tem Tafolla was present and voting.

G. Discussion and consideration to award the best qualified, most advantageous response to the Request for Proposals for the City of Weslaco Group Health Insurance (RFP No. 2016-17-28) and authorize the Mayor to execute any related documents. Possible action. (Staffed by Human Resources.)

Veronica Ramirez, HR Director, stated three proposals were received and evaluated by staff and Jesse Salazar, Valley Risk Consulting. Mr. Salazar stated Allegiant has been acquired by Blue

Cross Blue Shield of Texas and was the only respondent to the proposal as fully-funded. Self-funded options were evaluated and determined not beneficial to the City. After review and evaluation, the recommendation is to award Blue Cross Blue Shield option 1 as the best respondent. This has an 8.95% increase with co-pay remaining the same, co-insurance dropping 5% and out-of-pocket deductible increasing from \$3,000.00 to \$4,500.00.

In response to Commissioner Kerr, a 5% commission to the agent of record is calculated into the premiums; Commissioner Kerr noted the City could save money on the agent of record contract to reduce the increase to employees. In clarification to Mayor Pro-Tem Tafolla, Blue Cross and Blue Shield identified two agents of record and the City may select one or both. Both Mr. Carlos Tamez and Ms. Araceli Everitt, on behalf of the respective agencies, confirmed they are willing to work together or separately.

Commissioner Muñoz stated the City could negotiate best and final terms; Mr. Carlos Tamez stated with leverage of the bid lost, it would be difficult to negotiate but he would try. The City Manager noted there could be an additional \$17,000 in savings if BCBS was awarded dental insurance.

Commissioner Muñoz, seconded by Commissioner Lopez, moved to award Blue Cross Blue Shield of Texas as the most advantageous respondent, appoint Tamez Financial and Jeff Everett as agents of record, and authorize negotiations of best and final terms. The motion carried unanimously; Mayor Pro-Tem Tafolla was present and voting.

H. Discussion and consideration to award the best qualified, most advantageous response to the Request for Proposals for the City of Commercial Package (RFP No. 2016-17-30) and authorize the Mayor to execute any related documents. Possible action. (Staffed by Human Resources.)

Commissioner Lopez, seconded by Commissioner Muñoz, moved to approve.

Veronica Ramirez stated two proposals were received for the commercial package, one complete (TML) and one partial (Montalvo Agency). The recommendation upon evaluation of both proposals was to award to Texas Municipal League Intergovernmental Risk Pool for all items.

In response to Commissioner Kerr, premiums were lower despite an increase in property value.

The City Manager stated concerns were raised by airport members regarding volunteer coverages; Luis Valdez, on behalf of TML, indicated all boards have coverage. The City Manager suggested providing TML with a copy of the additional policy as proposed and requesting TML confirm coverage; separately, he recommends authorizing the City Attorney to research any potential conflict as the agent who proposed the additional policy volunteers on the airport board.

Commissioner Lopez, seconded by Muñoz, amended the motion to award all items for the Commercial Package to TML and instruct TML to review the policy submitted by Montalvo and provide a letter to City Attorney on coverage; if coverage is not the same, bring that policy back to the Commission mindful the City Attorney verifies there is no conflict. The motion carried unanimously; Mayor Pro-Tem Tafolla was present and voting.

The original motion carried.

I. Discussion and consideration to award the best qualified, most advantageous response to the Request for Proposals for the City of Weslaco Worker's Compensation Insurance (RFP No. 2016-17-29) and authorize the Mayor to execute any related documents. Possible action. (Staffed by Human Resources.)

Veronica Ramirez stated three responses were received to the solicitation for fully-funded proposals. Staff and consultant evaluated the proposals and recommend to award TML as the most advantageous as a fully-funded plan offering a savings of \$37,392.00. The City Manager noted a self-funded plan can have more exposure and recommends avoiding any potential risks at this time.

Commissioner Muñoz, seconded by Commissioner Lopez, moved to award Texas Municipal Intergovernmental Risk Pool as the best qualified, most advantageous respondent for the Worker's Compensation Insurance as presented. The motion carried unanimously; Mayor Pro-Tem Tafolla was present and voting.

J. Discussion and consideration to award the best qualified, most advantageous response to the Request for Proposals for the City of Weslaco 125 Cafeteria Plan Voluntary Supplemental Insurance Products (RFP No. 2016-17-31) and authorize the Mayor to execute any related documents. Possible action. (Staffed by Human Resources.)

Veronica Ramirez stated thirteen proposals for the voluntary supplemental insurance products were received. Proposals were tabulated by staff and consultant, clarifying two changes to the memorandum to recommend different products for dental and accident policies. The final recommendation is as follows:

| <b>Voluntary Product</b> | <b>Awarded To</b>      | <b>Agent(s)</b>             |
|--------------------------|------------------------|-----------------------------|
| FSA/125                  | Ameriflex              | Joe Salazar                 |
| Vision                   | Eyetopia               | Carlos Tamez & Jeff Everitt |
| Dental                   | Blue Cross Blue Shield | Carlos Tamez                |
| Critical Illness         | Combined               | Joe Salazar                 |
| Accident                 | Cigna                  | Albert Salinas Jr.          |
| Cancer                   | Colonial Life          | Joe Salazar                 |
| STD/LTD                  | The Standard           | Jeff Everitt                |
| Term Life & ADD          | The Standard           | Jeff Everitt                |

Commissioner Muñoz expressed preference to keep the agents the same as those identified on the Group Health Insurance awarded in item G. However, Commissioner Pedraza noted the consultant identified named agents as respondents for each product.

Commissioner Pedraza, seconded by Commissioner Lopez, moved to award the City of Weslaco 125 Cafeteria Plan Voluntary Supplemental Insurance Products as recommended. The motion carried unanimously; Mayor Pro-Tem Tafolla was present and voting.

K. Discussion and consideration to approve Resolution 2017-64 nominating a candidate to the Hidalgo County Appraisal District Board of Directors for the 2018-2019 election and authorize the Mayor to execute any related documents. Possible action. (Staffed by the Office of the City Secretary.)

Commissioner Muñoz, seconded by Commissioner Lopez, moved to approve Resolution 2017-64 nominating a candidate to the Hidalgo County Appraisal District Board of Directors for the 2018-2019 election. The motion carried unanimously; Mayor Pro-Tem Tafolla was present and voting.

Commissioner Muñoz, seconded by Commissioner Lopez, amended the motion to reflect the nomination of David Hernandez. The motion carried unanimously; Mayor Pro-Tem Tafolla was present and voting

For the record, the resolution is as follows:

RESOLUTION NO. 2017-64

|                   |   |                                            |
|-------------------|---|--------------------------------------------|
| STATE OF TEXAS    | § | RESOLUTION NOMINATING A CANDIDATE TO       |
| COUNTY OF HIDALGO | § | HIDALGO COUNTY APPRAISAL DISTRICT BOARD OF |
| CITY OF WESLACO   | § | DIRECTORS FY2018-2019                      |

**WHEREAS**, the City of Weslaco, a governmental unit entitled to vote in the selection of a Board of Directors for the Hidalgo County Appraisal District, has been notified by the Chief Appraiser of Hidalgo County, Texas, that nominations to the said Board of Directors should be submitted in Resolution form to the Chief Appraiser before October 16, 2017; and

**WHEREAS**, the City wishes to nominate David Hernandez as candidate for Director of the Hidalgo County Appraisal District.

**NOW THEREFORE, BE IT RESOLVED BY THE CITY COMMISSISON OF THE CITY OF WESLACO as follows:**

1. The City Commission of the City of Weslaco does hereby nominate David Hernandez as a candidate for the Director of Hidalgo County Appraisal District.
2. A certified copy of this Resolution shall be delivered to the Chief Appraiser Hidalgo County, Texas, to evidence this nomination.

**PASSED AND APPROVED** this 19<sup>th</sup> day of September, 2017.

CITY OF WESLACO  
/s/David Suarez, MAYOR

ATTEST:  
/s/Elizabeth M. Walker, CITY SECRETARY

APPROVED AS TO FORM:  
/s/Juan E. Gonzalez, CITY ATTORNEY

L. Discussion and consideration to approve Mid Valley Airport Ground Lease Agreements, with a reversion clause, for the following Hangers: A) Tenant Art Beckwith for Hangars W-22 and W-30; and B) Tenant Terry Barbee, D/B/A WTB Trading Company, for Hangars W-12, W-13, W-21, W-26, and W-28 and authorize the Mayor to execute any related documents. Possible action. (Staffed by Airport.)

Andrew Muñoz, Aviation Director, stated the leases are for various west side hangers, for a seven-year term, at a rental rate of \$0.22 per square foot. The Airport Advisory Board and staff recommend approval.

In response to Commissioner Kerr, staff will clarify payment preference of annually or monthly and have tenant initial the term.

Commissioner Kerr, seconded by Commissioner Lopez, moved to approve Mid Valley Airport Ground Lease Agreements, with a reversion clause, for tenant Art Beckwith for Hangars W-22 and W-30 and tenant Terry Barbee, D/B/A WTB Trading Company, for Hangars W-12, W-13, W-21, W-26, and W-28 as presented. The motion carried unanimously; Mayor Pro-Tem Tafolla was present and voting.

M. Discussion and consideration to approve the following Mid Valley Airport Ground Lease Agreements for Hangers, with a non-reversion clause: A) Tenant Art Beckwith for Hangar E-26; and B) Tenant Terry Barbee, D/B/A WTB Trading Company, for Hangars E-11 through E-14 and E-19 and authorize the Mayor to execute any related documents. Possible action. (Staffed by Airport.)

Andrew Muñoz stated the rate for the east side hangers is \$0.27 per square foot with a 10-year term and an option to renew 10 years, however, there is no obligation to renew. The Airport Advisory Board and staff recommend approval. A non-reversion clause preserves the ability for the tenant to sell the hangar.

Commissioner Kerr, seconded by Commissioner Lopez, moved to approve Mid Valley Airport Ground Lease Agreements for Hangers, with a non-reversion clause for tenant Art Beckwith for Hangar E-26 and tenant Terry Barbee, D/B/A WTB Trading Company, for Hangars E-11 through E-14 and E-19 as presented. The motion carried unanimously; Mayor Pro-Tem Tafolla was present and voting.

N. Discussion and consideration to authorize solicitation of bids for the Isaac Rodriguez Park Restroom/Maintenance Facility Construction Project and authorize the Mayor to execute and related documents. Possible action. (Staffed by Parks and Recreation.)

Andrew Muñoz stated the City is ready to go out for bids for a maintenance room and restroom, three stalls each men and women, with metal roof adjacent to the proposed splash pad. Project completion is November with a budget of \$80,000.00. Staff recommends approval.

Commissioner Kerr, seconded by Commissioner Lopez, moved to authorize solicitation of bids for the Isaac Rodriguez Park Restroom/Maintenance Facility Construction Project as presented. The motion carried unanimously; Mayor Pro-Tem Tafolla was present and voting.

O. Discussion and consideration to approve Ordinance 2017-43 authorizing a budget amendment as appropriate for the Solid Waste Account in the amount of \$27,000.00 and authorize the Mayor to execute any related documents. First reading of Ordinance 2017-43. Possible action. (Staffed by Public Works.)

Pete Garcia recommended approval stating the budget amendment will allow the continuation of roll-containers at the Public Works department.

Commissioner Kerr, seconded by Commissioner Lopez, moved to approve Ordinance 2017-43 authorizing a budget amendment as appropriate for the Solid Waste Account in the amount of



\$27,000.00 on first reading as presented. The motion carried unanimously; Mayor Pro-Tem Tafolla was present and voting.

P. Discussion and consideration to approve the FY 2017-2018 Proposed Street Improvement Project and authorize the Mayor to execute any related documents. Possible action. (Staffed by Public Works.)

The City Manager requested no action, requesting the Commission to review the inventory of the streets. He stated he would bring back for action at the next meeting.

There was no action on this item.

## **VIII. EXECUTIVE SESSION**

Mayor Pro-Tem Tafolla announced the regular meeting to convene in executive session at 8:09 p.m. Mayor Pro-Tem Tafolla announced the City Commission had completed its Executive Session at 8:57 p.m. and reconvened the regular meeting as open to the public.

## **IX. POSSIBLE ACTION ON WHAT IS DISCUSSED IN EXECUTIVE SESSION**

A. Personnel - Discussion regarding the goals, objectives, and evaluation of the City Manager for the City of Weslaco as authorized by §551.074 of the Texas Government Code.

There was no action on the item.

B. Pending Litigation - Consultation with City Attorney regarding City of Weslaco v. Briones Consulting and Engineering as authorized by §551.071 of the Texas Government Code.

There was no action on this item.

C. Economic Development – Consultation with City Attorney regarding Economic Development opportunities and incentive programs related to Project Chicken Hatch "B" as authorized by §551.087 of The Texas Government Code.

Commissioner Muñoz, seconded by Commissioner Lopez, moved to authorize the Weslaco Economic Development Corporation to purchase the property in amount of \$225,000.00 as discussed in executive session. The motion carried unanimously; Mayor Pro-Tem Tafolla was present and voting.

D. Economic Development – Consultation with City Attorney regarding Economic Development opportunities and incentive programs related to Project Saddle as authorized by §551.087 of the Texas Government Code.

Commissioner Kerr abstained from vote and discussion.

Commissioner Muñoz, seconded by Commissioner Lopez, moved authorize the City Manager, City Attorney, Mayor and Mayor Pro-Tem Tafolla to negotiate the terms with the construction company as discussed in executive session. The motion carried with Commissioner Kerr abstaining; Mayor Pro-Tem Tafolla was present and voting.

**X. ADJOURNMENT**

Commissioner Noriega, seconded by Commissioner Muñoz, moved to adjourn at 8:59 p.m. The motion carried unanimously; Mayor Pro Tem Tafolla was present and voting.

CITY OF WESLACO

ABSENT

\_\_\_\_\_  
MAYOR, David Suarez

ATTEST:

\_\_\_\_\_  
CITY SECRETARY, Elizabeth Walker

\_\_\_\_\_  
MAYOR PRO-TEM, Gerardo “Jerry” Tafolla

\_\_\_\_\_  
COMMISSIONER, Leo Muñoz

\_\_\_\_\_  
COMMISSIONER, Greg Kerr

\_\_\_\_\_  
COMMISSIONER, Olga Noriega

\_\_\_\_\_  
COMMISSIONER, Letty Lopez

\_\_\_\_\_  
COMMISSIONER, Josh Pedraza



**RECORD OF WORKSHOP  
OF THE WESLACO CITY COMMISSION  
WEDNESDAY, SEPTEMBER 27, 2017**

On this 27<sup>th</sup> day of September at 5:40 p.m., the City Commission of the City of Weslaco, Texas convened in a Workshop at City Hall in the Planning Conference Room located at 255 S. Kansas Avenue with the following members present:

|                |                         |
|----------------|-------------------------|
| Mayor          | David Suarez            |
| Mayor Pro-Tem  | Gerardo “Jerry” Tafolla |
| Commissioner   | Greg Kerr               |
| Commissioner   | Leo Muñoz               |
| Commissioner   | Letty Lopez             |
| City Secretary | Elizabeth Walker        |

Also present: Sonia Flores, Assistant Finance Director; Mardoqueo Hinojosa, Planning and Code Enforcement Director; citizens and others.

**I. CALL TO ORDER**

A. Certification of Public Notice.

Mayor Suarez called the meeting to order and certified the public notice of the meeting as properly posted September 22, 2017.

B. Roll Call.

The City Secretary noted the absence of Commissioners Noriega and Pedraza.

**II. NEW BUSINESS**

A. Discussion regarding the performance contracting program on the energy audit and project recommendations for the City of Weslaco. (Staffed by Finance Department.)

Mr. Chad Noble and Ms. Denise Chavez, on behalf of Siemens, presenting findings from the preliminary assessment under the performance contracting program, noting various equipment beyond the useful life. He presented options including lighting retrofits, eleven air conditioning (HVAC) upgrades, 45 HVAC “armor” refurbishments, window film on six buildings, cool roof on ten buildings, and LED light replacements at thirteen traffic intersections and 27 school zones. Commissioner Munoz requested the methodology to demonstrate cost savings to building envelope weatherization, which Mr. Noble stated he would convey tomorrow as validated by engineers against the International Measurement Protocol.

Mr. Noble next highlighted the results of the seventy water meters sampled, including 5/8 x 3/4, 1”, and

2". Extrapolating the results tested according to the American Water Association for low, medium, and high flows, there appears an 84% weighted accuracy average for all meter types, which translates as sixteen percent lost revenue or nearly \$2 million annually. This AMI project proposes to replace every water meter in the City with a Neptune product, warrantied for 20 years, in order to guarantee accurate reads on water consumption. He clarified that the average increase per customer, when billed their correct usage, is \$7.00/month; however, some customers may experience no increase should their meter already read accurately. He recommends implementation during Winter months when usage is typically lower seasonally.

All proposed projects together total \$8.8 million with an eight-year payback, financed through a tax exempt lease which doesn't affect bond rating or debt capacity. Ten-year financing offers \$2,123,923.00 return; fifteen-year financing offers \$9,448,106.00 return. The performance assurance may be cancelled at anytime, but then the guarantee goes away; he noted many of his customers cancel the assurance after five years when they are confident the project is working.

Commissioner Kerr requested clarification on the warranty for the roof, particularly examining coverage for existing leaks. Mr. Noble indicated the roof is the portion of the project with the highest risk for him to guarantee.

Mr. Noble reported the next steps are for him to draft the contract documents, conduct the final engineering documents to send to a third-party engineering firm of the City's choosing, and bid out financing. The consensus was to remove the customer portal component from the proposal and bid FIM 6, the cool roof component, as optional for the fifteen-year term for cash flow construction. Mr. Noble said he would bring for Commission action the Siemens contract and financing proposal to the meeting October 17.

### **III. ADJOURNMENT**

With no other business before the Commission this workshop stood adjourned at 7:22 p.m. on September 27, 2017.

CITY OF WESLACO

---

MAYOR, David Suarez

ATTEST:

---

CITY SECRETARY, Elizabeth Walker



## Standardized Agenda Request Form

|                                                                                                                                                                                                                                                         |                 |                                                              |  |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------|--------------------------------------------------------------|--|
| <b>Date of Meeting:</b><br>October 3, 2017                                                                                                                                                                                                              |                 | <b>Agenda Item No.</b> (to be assigned by CSO):<br>2017-1275 |  |
| <b>From:</b>                                                                                                                                                                                                                                            |                 |                                                              |  |
| <b>Subject:</b><br>Discussion and consideration to approve an Interlocal Agreement with Hidalgo County Precinct No. 1 on Midway Road improvements and authorize the Mayor to execute any related documents. Possible action. (Requested by Precinct 1.) |                 |                                                              |  |
| <b>Background:</b>                                                                                                                                                                                                                                      |                 |                                                              |  |
| <b>Funding Source</b> (budget code, if applicable):                                                                                                                                                                                                     |                 |                                                              |  |
| Amount:                                                                                                                                                                                                                                                 | Term of Impact: | Identified in Current Budget:                                |  |
| <b>Additional Action Prompted:</b><br>Mayor's Signature                                                                                                                                                                                                 |                 |                                                              |  |
| <b>If item previously considered, provide date and action by Commission:</b>                                                                                                                                                                            |                 |                                                              |  |
| <b>If item requires Publication Notice, provide date and periodical of publication; indicate if comments received from letters mailed to property owners:</b>                                                                                           |                 |                                                              |  |
| <b>Advisory Review, if any</b> (name of board/committee, date of action, recommendation):                                                                                                                                                               |                 |                                                              |  |
| Elizabeth Walker<br>Mike Perez                                                                                                                                                                                                                          |                 | Created/Initiated<br>Final Approval                          |  |
| <b>City Manager Comments:</b><br>Approve.                                                                                                                                                                                                               |                 |                                                              |  |
| <b>Staff Recommendation:</b>                                                                                                                                                                                                                            |                 |                                                              |  |
| <b>Attachments, if any:</b><br>Interlocal Midway Road                                                                                                                                                                                                   |                 |                                                              |  |
| <b>Responsibilities upon Approval:</b>                                                                                                                                                                                                                  |                 |                                                              |  |

STATE OF TEXAS       §  
COUNTY OF HIDALGO   §

**INTERLOCAL COOPERATION AGREEMENT AMONG THE CITY OF DONNA, THE  
CITY OF WESLACO, TEXAS AND THE COUNTY OF HIDALGO, TEXAS**

THIS Agreement is made on this the \_\_\_\_\_ day of \_\_\_\_\_, 2017, by and among **THE CITY OF DONNA, TEXAS**, hereinafter referred to as "Donna", **THE CITY OF WESLACO, TEXAS** hereinafter referred to as "Weslaco" and the **COUNTY OF HIDALGO, TEXAS**, hereinafter referred to as "County", pursuant to the provisions of the Texas Interlocal Cooperation Act, as follows:

**WITNESSETH:**

**WHEREAS**, Donna is a home rule municipality located in Hidalgo County, Texas;

**WHEREAS**, Weslaco is a municipality located in Hidalgo County, Texas;

**WHEREAS**, County is a county in the State of Texas;

**WHEREAS**, County desires to reconstruct approximately 9,000 linear feet of Midway Road from 18<sup>th</sup> Street North to Business 83, such road more particularly described on Exhibit A attached hereto (the "Road");

**WHEREAS**, approximately 722 linear feet of the Road is within the municipal limits of both Donna and Weslaco as the west side of the Road is within Donna municipal limits and the east side of the Road is within Weslaco municipal limits;

**WHEREAS**, approximately 2714 linear feet of the Road is within the municipal limits of Weslaco and County as the east side of this portion of the Road is within the municipal limits of Weslaco and the west side of this portion of the Road is within the County;

**WHEREAS**, approximately 5564 feet of the Road lies within the County;

**WHEREAS**, the Road forms an integral part of the County road system and the improvements to the Road are in the best interest of Donna, Weslaco and the County;

**WHEREAS**, Donna and Weslaco, each pursuant to its statutory and constitutional authority, are responsible for maintenance and improvements of public roadways within their respective municipal limits; and

**WHEREAS**, Donna, Weslaco and County are authorized to enter into this Agreement pursuant to the Interlocal Cooperation Act, Texas Gov't. Code 791.001 et seq., which authorizes local governments to contract with each other to perform governmental functions and services under the terms of the Act, and pursuant to the



Texas Transportation Code which authorizes counties to improve roadways within the limits of a city with the city's consent.

**NOW, THEREFORE,** Donna, Weslaco and County, in consideration of the mutual covenants expressed hereinafter, agree as follows:

1. The parties agree to cooperate in making the necessary improvements to the Road as described herein.
2. County agrees to provide through its own forces or a third-party contractor(s) all labor, machinery and material necessary for reconstruction of the Road.
3. Donna and Weslaco each agrees to pay upon execution of this Agreement the sum of One Hundred Ninety-Three Thousand Eight Hundred Twenty-Three and 45 one hundredths Dollars (\$193,823.45) being the estimated cost of their share the Road improvements. Any actual costs in excess of the estimated costs shall be paid by Donna and Weslaco within thirty (30) days against invoice by the County
4. County will, to the extent reasonably possible, follow the County's standard specifications for road reconstruction unless otherwise agreed in writing by all parties.
5. Any and all costs of engineering services shall be borne exclusively by the County.
6. Donna, Weslaco and County will coordinate work schedules in order to provide for minimal disruption to the public during the reconstruction of the Road.
7. Donna and Weslaco pursuant to Tex. Trans. Code § 251.012, authorize County to perform the work described herein within their municipal limits.
8. **Conflict with Applicable Law.** Nothing in this Agreement shall be construed so as to require the commission of any act contrary to law, and whenever there is any conflict between and provision of their Agreement and any present or future law, ordinance or administrative; executive or judicial regulation, order or decree, or amendment thereof, contrary to which the parties have no legal right to contract, the latter shall prevail, but in such event the affected provision or provision of this Agreement shall be modified only to The extent necessary to bring them within the legal requirements and only during the times such conflict exists.
9. **No Waiver.** No waiver by any party hereto of any breach of any provision of the Agreement shall be deemed to be a waiver of any preceding or succeeding breach of the same or any other provision hereof.
10. **Entire Agreement.** This Agreement contains the entire contract among the parties hereto, and each party acknowledges that neither has made (either directly or through any agent or representative) any representation or agreement in

connection with this Agreement not specifically set forth herein. This Agreement may be modified or amended only by agreement in writing executed by McAllen, Donna and County, and not otherwise.

**11. Texas Law to Apply.** This Agreement shall be construed under and in accordance with the laws of the State of Texas, and all obligations of the parties created hereunder are performable in Hidalgo County, Texas. The parties hereby consent to personal jurisdiction in Hidalgo County, Texas.

**12. Notice.** Except as may be otherwise specifically provided in this Agreement, all notices, demands, requests or communication required or permitted hereunder shall be in writing and shall either be (i) personally delivered against a written receipt, or (ii) sent by registered or certified mail, return receipt requested, postage prepaid and addressed to the parties at the addresses set forth below, or at such other addresses as may have been theretofore specified by written notice delivered in accordance herewith:

If to Donna:                      City of Donna  
Irene Munoz, Mayor  
307 S. 12th St.  
Donna, Texas 78537-3337

If to Weslaco:                      City of Weslaco  
Attention: Mayor David Suarez  
255 S Kansas Ave, Weslaco, TX 78596  
Weslaco, Texas 78573

If to County:                      County of Hidalgo  
Attention: County Judge Ramon Garcia  
100 E. Cano, 2<sup>nd</sup> Floor  
Edinburg, Texas 78539

With copy to:                      Commissioner David L. Fuentes, Precinct No.1  
1902 Joe Stephens Avenue  
Weslaco, Texas 78596

Each notice, demand, request or communication which shall be delivered or mailed in the manner described above shall be deemed sufficiently given for all purposes at such time as it is personally delivered to the addressee or, if mailed, at such time as it is deposited in the United States mail.

**13. Additional Documents.** The parties hereto covenant and agree that they will execute such other and further instruments and documents as are or may become necessary or convenient to effectuate and carry out the terms of this Agreement.



14. **Successors.** This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective heirs, executors, administrators, legal representatives, successors, and assigns where permitted by this Agreement.

15. **Assignment.** This Agreement shall not be assignable.

16. **Headings.** The headings and captions contained in this Agreement are solely for convenience reference and shall not be deemed to affect the meaning or interpretation of any provision of paragraph hereof.

17. **Gender and Number.** All pronouns used in this Agreement shall include the other gender, whether used in the masculine, feminine or neuter gender, and singular shall include the plural whenever and so often as may be appropriate.

18. **Authority to Execute.** The execution and performance of this Agreement by McAllen and County have been duly authorized by all necessary laws, resolutions or corporate action, and this Agreement constitutes the valid and enforceable obligations of McAllen and County in accordance with its terms.

19. **Governmental Purpose.** Each party hereto is entering into this agreement for the purpose of providing for governmental services or functions and will pay for such services out of current revenues available to the paying party as herein provided.

20. **Commitment of Current Revenues Only.** In the event that, during any term hereof, the governing body of any party does not appropriate sufficient funds to meet the obligations of such party under this Agreement, then any party may terminate this Agreement upon ninety (90) days written notice to the other party. Each of the parties hereto agrees, however, to use its best efforts to secure funds necessary for the continued performance of this Agreement. The parties intend this provision to be a continuing right to terminate this Agreement at the expiration of each budget period of each party hereto pursuant to the provisions of Tex. Loc. Govt. Code Ann. §271.903.

WITNESS THE HANDS OF THE PARTIES effective as of the day and year first written above.

**CITY OF DONNA**

ATTEST:

\_\_\_\_\_  
Donna City Secretary

\_\_\_\_\_  
Irene Munoz, Mayor

**CITY OF WESLACO**

ATTEST:

\_\_\_\_\_  
Weslaco City Secretary

\_\_\_\_\_  
David Suarez, Mayor

**COUNTY OF HIDALGO**

ATTEST:

\_\_\_\_\_  
Arturo Guajardo, Jr., County Clerk

\_\_\_\_\_  
Ramon Garcia, County Judge

APPROVED AS TO FORM:

ATLAS, HALL & RODRIGUEZ, LLP

By: \_\_\_\_\_  
Stephen L. Crain

STATE OF TEXAS       §  
                                  §  
COUNTY OF HIDALGO   §

**APPROVAL OF  
INTERLOCAL COOPERATION AGREEMENT  
PROJECT**

In accordance with Texas Government Code §791.014, Hidalgo County, Texas, acting by and through the Hidalgo County Commissioners Court, has been advised of a proposed project whereby Donna, Weslaco and County desire to reconstruct approximately 9000 linear feet of Midway Road from 18<sup>th</sup> Street North to Business 83 which is a state road farm to market road through an Interlocal Cooperation Agreement to be entered into among Hidalgo County, the City of Donna, Texas and the City of Weslaco, Texas.

By vote on \_\_\_\_\_ 2017 the Hidalgo County Commissioners Court has approved the Project identified above.

\_\_\_\_\_  
By: Ramon Garcia, County Judge

**ATTEST:**

\_\_\_\_\_  
Arturo Guajardo, County Clerk

**APPROVED AS TO FORM:**

ATLAS, HALL & RODRIGUEZ, LLP

By: \_\_\_\_\_  
Stephen L. Crain



Midway Road Reconstruction Project

Exhibit A

Business 83

Donna

Weslaco

Hidalgo County

Hidalgo County

Weslaco

Hidalgo County

18th Street

Google Earth

© 2017 INEGI

© 2017 Google



4000 ft





## Standardized Agenda Request Form

|                                                                                                                                                                                                                                                                                                 |                 |                                                              |  |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------|--------------------------------------------------------------|--|
| <b>Date of Meeting:</b><br>October 3, 2017                                                                                                                                                                                                                                                      |                 | <b>Agenda Item No.</b> (to be assigned by CSO):<br>2017-1269 |  |
| <b>From:</b><br>Mardoqueo Hinojosa                                                                                                                                                                                                                                                              |                 |                                                              |  |
| <b>Subject:</b><br>Discussion and consideration to award Request For Bids 2016-17-27 Rehabilitation of Lift Station No. 37 to the lowest most advantageous bidder and authorize Mayor to execute any related documents. Possible action. (Staffed by Planning and Code Enforcement Department.) |                 |                                                              |  |
| <b>Background:</b><br>Lift Station rehabilitation plans and specifications have been prepared by City staff and electrical engineer consultant. Bids were received on September 28, 2017. Apparent low bidder is Castle Enterprises, LLC. Second low Bidder is JMJ Constructors.                |                 |                                                              |  |
| <b>Funding Source</b> (budget code, if applicable):                                                                                                                                                                                                                                             |                 |                                                              |  |
| Amount:                                                                                                                                                                                                                                                                                         | Term of Impact: | Identified in Current Budget:                                |  |
| <b>Additional Action Prompted:</b><br>Mayor's Signature                                                                                                                                                                                                                                         |                 |                                                              |  |
| <b>If item previously considered, provide date and action by Commission:</b>                                                                                                                                                                                                                    |                 |                                                              |  |
| <b>If item requires Publication Notice, provide date and periodical of publication; indicate if comments received from letters mailed to property owners:</b><br>Notice of the RFB appeared on The Monitor on September 13, 2017 and September 20, 2017.                                        |                 |                                                              |  |
| <b>Advisory Review, if any</b> (name of board/committee, date of action, recommendation):                                                                                                                                                                                                       |                 |                                                              |  |
| Aida Vega<br>Mardoqueo Hinojosa<br>Mike Perez                                                                                                                                                                                                                                                   |                 | Created/Initiated<br>Approved<br>Final Approval              |  |
| <b>City Manager Comments:</b><br>Approve upon further investigation of lowest bidder to complete project.                                                                                                                                                                                       |                 |                                                              |  |
| <b>Staff Recommendation:</b><br>Staff recommends approval of most advantageous bidder.                                                                                                                                                                                                          |                 |                                                              |  |
| <b>Attachments, if any:</b><br>Bid Opening List                                                                                                                                                                                                                                                 |                 |                                                              |  |
| <b>Responsibilities upon Approval:</b><br>Staff will proceed with post-bid procedures and construction.                                                                                                                                                                                         |                 |                                                              |  |

**City of Weslaco**  
**Rehabilitation LS 37**

[illegible]

**\*DISCLAIMER:** Total Bid Price is unofficial as unit prices have not been confirmed. Actual numbers will be presented at City commission on October 3, 2017.



## Standardized Agenda Request Form

|                                                                                                                                                                                                                                                                                                                                                                                                                                |                 |                                                              |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------|--------------------------------------------------------------|
| <b>Date of Meeting:</b><br>October 3, 2017                                                                                                                                                                                                                                                                                                                                                                                     |                 | <b>Agenda Item No.</b> (to be assigned by CSO):<br>2017-1228 |
| <b>From:</b><br>Mardoqueo Hinojosa                                                                                                                                                                                                                                                                                                                                                                                             |                 |                                                              |
| <b>Subject:</b><br>Discussion and consideration to approve Ordinance 2017-48 amending Ordinance 1998-27, the City Telecommunication Ordinance, codified as Chapter 130 and adding uniform, nondiscriminatory requirements for users of City right-of-way and authorize the Mayor to execute any related documents. First reading of Ordinance 2017-48. Possible action. (Staffed by Planning and Code Enforcement Department). |                 |                                                              |
| <b>Background:</b><br>Right of way ordinance is an amendment to the Telecommunications Ordinance which incorporates the regulation of cell nodes. Ordinance is being adopted Valley wide in an effort to regulate cell nodes.                                                                                                                                                                                                  |                 |                                                              |
| <b>Funding Source</b> (budget code, if applicable):                                                                                                                                                                                                                                                                                                                                                                            |                 |                                                              |
| Amount:                                                                                                                                                                                                                                                                                                                                                                                                                        | Term of Impact: | Identified in Current Budget:                                |
| <b>Additional Action Prompted:</b><br>Mayor's Signature<br>Ordinance - First Reading<br>Ordinance - Final Reading                                                                                                                                                                                                                                                                                                              |                 |                                                              |
| <b>If item previously considered, provide date and action by Commission:</b>                                                                                                                                                                                                                                                                                                                                                   |                 |                                                              |
| <b>If item requires Publication Notice, provide date and periodical of publication; indicate if comments received from letters mailed to property owners:</b>                                                                                                                                                                                                                                                                  |                 |                                                              |
| <b>Advisory Review, if any</b> (name of board/committee, date of action, recommendation):                                                                                                                                                                                                                                                                                                                                      |                 |                                                              |
| Rebekah De La Fuente<br>Mardoqueo Hinojosa<br>Mike Perez                                                                                                                                                                                                                                                                                                                                                                       |                 | Created/Initiated<br>Approved<br>Final Approval              |
| <b>City Manager Comments:</b><br>Approve.                                                                                                                                                                                                                                                                                                                                                                                      |                 |                                                              |
| <b>Staff Recommendation:</b><br>Staff recommends approval.                                                                                                                                                                                                                                                                                                                                                                     |                 |                                                              |
| <b>Attachments, if any:</b><br>Ordinance 2017-48                                                                                                                                                                                                                                                                                                                                                                               |                 |                                                              |
| <b>Responsibilities upon Approval:</b><br>Staff will enforce ordinance.                                                                                                                                                                                                                                                                                                                                                        |                 |                                                              |

**ORDINANCE NO. 2017- 48**

**AN ORDINANCE AMENDING ORDINANCE NUMBER 1998-27, THE CODE OF ORDINANCES OF THE CITY OF WESLACO CODIFIED AS CHAPTER 130 TELECOMMUNICATIONS BY ADDING UNIFORM, NONDISCRIMINATORY REQUIREMENTS FOR USERS OF CITY RIGHT-OF-WAY; PROVIDING FOR PUBLICATION; PROVIDING FOR SEVERABILITY, AND ORDAINING OTHER PROVISIONS RELATED TO THE SUBJECT MATTER HEREOF.**

**WHEREAS**, the City of Weslaco has a duty and obligation to promote the health, safety and welfare of its citizens and visitors

**WHEREAS**, regulation of the City of Weslaco's public right-of-way is necessary to the health, safety and welfare Weslaco citizens and visitors,

**WHEREAS**, the City of Weslaco, in compliance with the Constitution of the State of Texas, demands just compensation when private parties endeavor to use public land,

**NOW, THEREFORE, BE IT ORDAINED BY THE BOARD OF COMMISSIONERS OF THE CITY OF WESLACO, TEXAS, THAT:**

**SECTION I:** The Code of Ordinances, City of Weslaco, Chapter 130 Telecommunications, is hereby amended by creating sections 130-28 through 130-40.

**SECTION II:** The Code of Ordinances, City of Weslaco, Chapter 130 Telecommunications, is hereby amended by adding the following provisions such that sections 130-28 through 130-39 shall read:

**"Sec. 130-28 Ground Equipment.**

- (a) Ground Equipment near street corners and intersections: Ground equipment should be minimal and the least intrusive. In accordance with Chapter 284.102 (1), to minimize any obstruction, impediment, or hindrance to the usual travel or public safety on a public right-of-way the maximum line of sight required to add to safe travel of vehicular and pedestrian traffic and in order to maximize that line of sight at street corners and intersections and to minimize hazards at those locations, ground equipment may not be installed within 250 feet of a street corner or a street intersection.
- (b) *Ground Equipment near Municipal Parks.* For the safety of Municipal park patrons, particularly small children, and to allow full line of sights near Municipal park property, the User shall not install Ground Equipment in a Right-of-Way that is within a Park or within 250 feet of the boundary line of a Park, unless approved by the City Manager or designee and Parks Director in writing.



- (c) In accordance with Chapter 284, Sec. 284.102 (1) to enhance the safety requirements of line of sight of pedestrians, particularly small children, the City's designee may deny a request for a proposed Location if the User installs Network Node ground equipment where existing ground equipment within 300 feet already occupies a footprint of 25 sq. ft. or more.

#### **Sec. 130-29 Concealment.**

- (a) Concealment of Network Nodes and Node support poles shall be required by the City in Design Districts with Decorative Poles and in Historic Districts pursuant to Chapter 284.105.
- (b) It is also the City's preference that all new node support poles be camouflaged, except those located in an area zoned or predominantly industrial area. Companies shall submit their proposal for camouflage with the permit application.
- (c) The Network Node facilities shall be concealed or enclosed as much as reasonably possible in an equipment box, cabinet, or other unit that may include ventilation openings. External cables and wires hanging off a pole shall be sheathed or enclosed in a conduit, so that wires are protected and not visible or visually minimized to the extent possible in strict accordance with the City's rights-of-way management ordinance, and other applicable ordinances, except to the extent not consistent with Chapter 284.

#### **Sec. 130-30 Allowed Colors.**

Colors in Historic Districts and Design Districts must be approved by the City Manager or designee from a palette of approved colors. Unless otherwise provided, all colors shall be earth tones or shall match the background of any structure the facilities are located upon and all efforts shall be made for the colors to be inconspicuous. Colors in areas other than in Historic Districts and Design Districts shall conform to colors of other installations of telecommunication providers in the immediately adjacent areas.

#### **Sec. 130-31 Vacation, Discontinuance, Removal or Relocation.**

- (a) In the event that city closes, abandons, or vacates any rights-of-way that contains facilities, any such closure, abandonment, vacation, or conveyance effectuating same shall be subject to, and conditioned upon, the rights of the users of such rights-of-way.
- (b) In accordance with applicable law, upon the revocation, termination, or expiration and non-renewal of an applicable franchise agreement, license, or permit, either (a) by mutual agreement of city and a user, (b) by the user's acquiescence or failure to challenge same, or (c) by a final order of a court which a user either does not appeal or from which there is no further right of appeal, then the following shall occur: the user shall immediately discontinue the use of its facilities and all rights of said user to use the streets and public ways shall cease. The user, at the direction of city, shall remove its facilities, including all supporting structures, poles, transmission and distribution portions of the system and other appurtenances, fixtures or property from the streets and public ways, in, over, under, along, or through which they are installed within six months of the revocation, termination, or expiration except that (a) user may abandon its facilities in place with city's consent, and (b) user cannot remove underground facilities without city's consent in

advance, which shall not be unreasonably withheld. Prior to any removal the user shall notify city and persons owning property abutting public ways where removal will occur. The user shall also restore any property, public or private, to the condition in which it existed prior the installation, erection or construction of its facilities, including any improvements made to such property subsequent to the construction of its facilities. Restoration of streets and city property, including, but not limited to, the public ways, shall be in accordance with the directions and specifications of City's Planning & Code Enforcement Department, and all generally applicable laws, ordinances and generally applicable regulations, at the user's sole expense. If such removal and restoration is not completed within six months after the revocation, termination, or expiration, all of the user's property remaining in the affected streets and public ways shall, at the option of city, be deemed abandoned and shall, at the option of city, become its property or city may obtain a court order compelling the user to remove same. In the event the user fails or refuses to remove its facilities or to satisfactorily restore all areas to the condition in which they existed prior to the original construction of the facilities, city, at its option, may perform such work and if such work is performed within four years of the revocation, termination or expiration of the applicable franchise agreement, license, or permit collect the costs thereof from the user. No surety on any performance bond shall be discharged until city has certified to the user in writing that the facilities have been dismantled, removed, and all other property restored, to the satisfaction of city.

(c) Removal or Relocation by User

- (1) If the User removes or relocates a Micro Network Node, Network Node facilities, Node Support Pole or related ground equipment at its own discretion, it shall notify the City Manager's or designee in writing not less than 10 business days prior to removal or relocation. User shall obtain all Permits required for relocation or removal of its Micro Network Node, Network Node facilities, Node Support Poles and related ground equipment prior to relocation or removal.
- (2) The City shall not issue any refunds for any amounts paid by User for Micro Network Node, Network Node facilities, Node Support Poles or related ground equipment that have been removed.

(d) Removal or Relocation Required for City Project

- (1) In accordance with Chapter 284, Sec. 284.107, except as provided in existing state and federal law, a User shall relocate or adjust Micro Network Node, Network Node, Node Support Pole and related ground equipment in a public right-of-way in a timely manner and without cost to the municipality managing the public right-of-way
- (2) User understands and acknowledges that the City may require User to remove or relocate its Micro Network Node, Network Node, Node Support Pole and related ground equipment, or any portion thereof from the Right-of-Way for City construction projects as allowed by state and federal law, including the common-law.
- (3) User shall, at the City Manager's or designee's direction, remove or relocate the same at User's sole cost and expense, except as otherwise provided in existing state and federal law, whenever the City Manager or designee reasonably determines that the relocation or removal is needed for any of the following purposes: Required for the construction, completion, repair, widening, relocation, or maintenance of, or use in connection with, any City construction or maintenance project of a street or public rights-of-way to enhance the traveling public's use for travel and transportation.

(4) If User fails to remove or relocate the Micro Network Node, Network Node, Node Support Pole or related ground equipment, or portion thereof as requested by the City Manager or designee within 90 days of User's receipt of the request, then the City shall be entitled to remove the Micro Network Node, Network Node, Node Support Pole or related ground equipment, or portion thereof at User's sole cost and expense, without further notice to User.

(5) User shall, within 30 days following issuance of invoice for the same, reimburse the City for its reasonable expenses incurred in the removal (including, without limitation, overhead and storage expenses) of the Micro Network Node, Network Node, Node Support Pole or related ground equipment, or portion thereof.

(e) Removal Required by City for Safety and Imminent Danger Reasons.

(1) User shall, at its sole cost and expense, promptly disconnect, remove, or relocate the applicable Micro Network Node, Network Node, Node Support Pole and related ground equipment within the time frame and in the manner required by the City Manager or designee if the City Manager or designee reasonably determines that the disconnection, removal, or relocation of any part of a Micro Network Node, Network Node, Node Support Pole and related ground equipment (a) is necessary to protect the public health, safety, welfare, or City property, (b) the Micro Network Node, Network Node, Node Support Pole and related ground equipment, or portion thereof, is adversely affecting proper operation of streetlights or City property, or (c) User fails to obtain all applicable licenses, Permits, and certifications required by Law for its Micro Network Node, Network Node, Node Support Pole and related ground equipment, or use of any Location under applicable law. If the City Manager or designee reasonably determines that there is imminent danger to the public, then the City may immediately disconnect, remove, or relocate the applicable Micro Network Node, Network Node, Node Support Pole and related ground equipment at the User's sole cost and expense.

(2) The City Manager or designee shall provide 90 days written notice to the User before removing a Micro Network Node, Network Node, Node Support Pole and related ground equipment under this Section, unless there is imminent danger to the public health, safety, and welfare.

(3) User shall reimburse City for the City's actual cost of removal of Micro Network Node, Network Node, Node Support Pole and related ground equipment within 30 days of receiving the invoice from the City.

(e) Signal Interference with City's Communications Infrastructure Prohibited.

1) In the event that Provider's network nodes interferes with the City's traffic signal system, public safety radio system, or other City communications infrastructure operating on spectrum where the City is legally authorized to operate, Provider shall promptly cease operation of the network nodes causing said interference upon receiving notice from the City and refrain from operating. Provider shall respond to the City's request to address the source of the interference as soon as practicable, but in no event later than twenty-four(24) hours of receiving notice.

2) Protocol for Responding to Event of Interference. The protocol for responding to events of interference will require Provider to provide the City an Interference Remediation Report that includes the following items:

- A. Remediation Plan. Develop a remediation plan to stop the event of interference;
- B. Time Frame for Execution. Provide the expected time frame for execution of the remediation plan; and
- C. Additional Information. Include any additional information relevant to the execution of the remediation plan.

In the event that interference with City facilities cannot be eliminated, Provider shall shut down the network nodes and remove or relocate the network node that is the source of the interference as soon as possible to a suitable alternative location made available by City.

- 3) Following installation or modification of a network node, the City may require provider to test the network node's radio frequency and other functions to confirm it does not interfere with the City's Operations.

### **Sec. 130-32 Installation and Inspections.**

- (a) User shall, at its own cost and expense, install the Micro Network Node, Network Node facilities, Node Support Poles and related ground equipment in a good and workmanlike manner and in accordance with the requirements promulgated by the City Manager or designee, as such may be amended from time to time. User's work shall be subject to the regulation, control and direction of the City Manager or designee. All work done in connection with the installation, operation, maintenance, repair, modification, and/or replacement of the Micro Network Node, Network Node facilities, Node Support Poles and related ground equipment shall be in compliance with all applicable laws, ordinances, codes, rules and regulations of the City, applicable county, the state, and the United States ("Laws").
- (b) The City Manager or designee, may perform visual inspections of any Micro Network Node, Network Node, Node Support Pole or related ground equipment located in the Right-of-Way as the City Manager or designee deems appropriate without notice. If the inspection requires physical contact with the Micro Network Node, Network Node, Node Support Poles or related ground equipment, the City Manager's or designee or designee shall provide written notice to the User within five business days of the planned inspection. User may have a representative present during such inspection.

In the event of an emergency situation, the City may, but is not required to, notify Provider of an inspection. The City may take action necessary to remediate the emergency situation and the City shall notify Provider as soon as practically possible after remediation is complete.

### **Sec. 130-33 As-Built Maps and Records.**

User shall maintain accurate maps and other appropriate records of its Network Node facilities, Node Support Poles and related ground equipment as they are actually constructed in the Rights-of-Way, including, upon request, the use of Auto CAD/GIS digital format. User will provide additional maps to the City upon request.

Provider shall maintain a list of its network nodes and node support poles and provide City an Inventory of locations within ten (10) days of installation. The Inventory of

network nodes and node support poles shall include GIS coordinates, date of installation, City pole ID number (if applicable), type of pole used for installation, pole owner, and description/type of installation for each network node and node support pole installation.

Upon City's written request, Provider shall provide a cumulative Inventory within thirty (30) days of City's request. Concerning network nodes and node support poles that become inactive, the Inventory shall include the same information as active installations in addition to the date the network node and/or node support pole was deactivated and the date the network node and/or node support pole was removed from the Right-of-Way. City may compare the Inventory to its records to identify any discrepancies.

#### **Sec. 130-34 Drug Policy.**

It is the policy of the City to achieve a drug-free workforce and workplace. The manufacture, distribution, dispensation, possession, sale, or use of illegal drugs or alcohol by User's employees, contractors, subcontractors, sub-User's, or vendors while on City rights-of-way is prohibited.

#### **Sec. 130-35 Ownership.**

No part of a Micro Network Node, Network Node, Node Support Pole and related ground equipment erected or placed on the Right-of-Way by User will become, or be considered by the City as being affixed to or a part of, the Right-of-Way. All portions of the Micro Network Node, Network Node, Node Support Pole and related ground equipment constructed, modified, erected, or placed by User on the Right-of-Way will be and remain the property of User and may be removed by User at any time, provided the User shall notify the City Manager or designee prior to any work in the Right-of-Way.

#### **Sec. 130-36 Signage.**

- (a) User shall post its name, location identifying information, and emergency telephone number in an area on the cabinet of the Network Node facility that is visible to the public. Signage required under this section shall not exceed 4" x 6", unless otherwise required by law (e.g. RF ground notification signs) or the City Manager or designee.
- (b) Except as required by Laws or by the Utility Pole owner, User shall not post any other signage or advertising on the Micro Network Node, Network Node, Node Support Pole, Service pole or Utility Pole.

#### **Sec. 130-37 Graffiti Abatement.**

As soon as practical, but not later than fourteen (14) calendar days from the date User receives notice thereof, User shall remove all graffiti on any of its Micro Network Node, Network Node, Node Support Pole, and related ground equipment located in the Right of Way. The foregoing shall not relieve the User from complying with any City graffiti or visual blight ordinance or regulation.

#### **Sec. 130-38 Restoration.**

User shall repair any damage to the Right-of-Way, or any facilities located within the Right-of-Way, and the property of any third party resulting from User's removal or relocation activities (or any other of User's activities hereunder) within 10 calendar days following the date of such removal or relocation, at User's sole cost and expense, including restoration of the Right-of-Way and such property to substantially the same condition as it was immediately before the date User was granted a Permit for the applicable Location or did the work at such Location (even if User did not first obtain a Permit), including restoration or replacement of any damaged trees, shrubs or other vegetation. Such repair, restoration and replacement shall be subject to the sole, reasonable approval of the City Manager designee.

**Sec. 130-39 User's Responsibility.**

User shall be responsible and liable for the acts and omissions of User's employees, temporary employees, officers, directors, consultants, agents, Affiliates, subsidiaries, sub-User's and subcontractors in connection with the installations of any Micro Network Node, Network Node, Node Support Pole and related ground equipment, as if such acts or omissions were User's acts or omissions."

**Sec. 130-40 Reservation of Rights.**

1. The City reserves the right to install, and permit others to install, utility facilities in the Rights-of-Way. In permitting such work to be done by others, the City shall not be liable to Provider for any damage caused by those persons or entities.
2. The City reserves the right to locate, operate, maintain, and remove City traffic signal poles in the manner that best enables the operation of its traffic signal system and protect public safety.
3. The City reserves the right to locate, operate, maintain, and remove any City pole or structure located within the right-of-way in the manner that best enables the City's operations.

**SECTION III:** The City Secretary of the City of Weslaco is hereby authorized and directed to cause the language in Chapter 130, the Weslaco Code of Ordinances, as amended by Section 1, hereinabove, to be published in the appropriate location in the said Code of Ordinances.

**SECTION IV:** This Ordinance shall be and remain in full force and effect from and after its passage by the City Commission, and execution by the Mayor.

**SECTION V:** If any part or parts of this Ordinance are found to be invalid or unconstitutional by a court having competent jurisdiction, then such invalidity or unconstitutionality shall not affect the remaining parts hereof and such remaining parts shall remain in full force and effect, and to that extent this Ordinance is considered severable.

**PASSED AND APPROVED** on first reading at a regular meeting of the City Commission this

3<sup>rd</sup> day of October, 2017.

**PASSED AND APPROVED** on second reading at a regular meeting of the City Commission this  
\_\_\_\_ day of \_\_\_\_\_, 2017.

**CITY OF WESLACO**

---

David Suarez,

**MAYOR**

**ATTEST:**

---

Elizabeth M. Walker, **CITY SECRETARY**

**APPROVED AS TO FORM:**

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Juan E. Gonzalez, **CITY ATTORNEY**



# Standardized Agenda Request Form

|                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                 |                                                              |  |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------|--------------------------------------------------------------|--|
| <b>Date of Meeting:</b><br>October 3, 2017                                                                                                                                                                                                                                                                                                                                                                                                                     |                 | <b>Agenda Item No.</b> (to be assigned by CSO):<br>2017-1273 |  |
| <b>From:</b><br>Mardoqueo Hinojosa                                                                                                                                                                                                                                                                                                                                                                                                                             |                 |                                                              |  |
| <b>Subject:</b><br>Discussion and consideration to approve Ordinance 2017-49 amending Ordinance 320, the City Zoning Ordinance, codified as Chapter 150 adding a new Division 10 ("Overlay Design District") to section 150-3 ("Districts"), and adding section 150-11.1 Design District and authorize the Mayor to execute any related documents. First reading of Ordinance 2017-49. Possible action. (Staffed by Planning and Code Enforcement Department). |                 |                                                              |  |
| <b>Background:</b><br>Overlay Design District is an amendment to the Zoning Ordinance which incorporates the regulation of cell nodes. Ordinance is being adopted Valley wide in an effort to regulate cell nodes.                                                                                                                                                                                                                                             |                 |                                                              |  |
| <b>Funding Source</b> (budget code, if applicable):                                                                                                                                                                                                                                                                                                                                                                                                            |                 |                                                              |  |
| Amount:                                                                                                                                                                                                                                                                                                                                                                                                                                                        | Term of Impact: | Identified in Current Budget:                                |  |
| <b>Additional Action Prompted:</b><br>Mayor's Signature<br>Ordinance - First Reading<br>Ordinance - Final Reading                                                                                                                                                                                                                                                                                                                                              |                 |                                                              |  |
| <b>If item previously considered, provide date and action by Commission:</b>                                                                                                                                                                                                                                                                                                                                                                                   |                 |                                                              |  |
| <b>If item requires Publication Notice, provide date and periodical of publication; indicate if comments received from letters mailed to property owners:</b>                                                                                                                                                                                                                                                                                                  |                 |                                                              |  |
| <b>Advisory Review, if any</b> (name of board/committee, date of action, recommendation):                                                                                                                                                                                                                                                                                                                                                                      |                 |                                                              |  |
| Elizabeth Walker<br>Mardoqueo Hinojosa<br>Mike Perez                                                                                                                                                                                                                                                                                                                                                                                                           |                 | Created/Initiated<br>Approved<br>Final Approval              |  |
| <b>City Manager Comments:</b><br>Approve.                                                                                                                                                                                                                                                                                                                                                                                                                      |                 |                                                              |  |
| <b>Staff Recommendation:</b><br>Staff recommends approval                                                                                                                                                                                                                                                                                                                                                                                                      |                 |                                                              |  |
| <b>Attachments, if any:</b><br>Ordinance 2017-49                                                                                                                                                                                                                                                                                                                                                                                                               |                 |                                                              |  |
| <b>Responsibilities upon Approval:</b><br>Staff recommends approval.                                                                                                                                                                                                                                                                                                                                                                                           |                 |                                                              |  |





## **ORDINANCE NO. 2017- 49**

**AN ORDINANCE AMENDING ORDINANCE NUMBER 320, THE CODE OF ORDINANCES OF THE CITY OF WESLACO CHAPTER 150 ZONING ORDINANCE BY ADDING A NEW DIVISION 10 (“OVERLAY DESIGN DISTRICT”) TO SECTION 150-3 (“DISTRICTS”), AND ADDING SECTION 150-11.1 TO CHAPTER 150 (“ZONING”) TO CREATE A DESIGN DISTRICT; PROVIDING FOR AN EFFECTIVE DATE; PROVIDING FOR PUBLICATION; PROVIDING FOR SEVERABILITY, AND ORDAINING OTHER PROVISIONS RELATED TO THE SUBJECT MATTER HEREOF.**

**WHEREAS**, the City of Weslaco is committed to maintaining a beautiful, aesthetically pleasing environment that welcomes visitors,

**WHEREAS**, a clean, well-maintained City promotes economic development and increases property values,

**WHEREAS**, the City of Weslaco finds that the City is situated in a geographically unique location, and has features attributed to a rich cultural history,

**WHEREAS**, the City seeks to preserve the cultural history and welcoming aesthetics,

**NOW, THEREFORE, BE IT ORDAINED BY THE BOARD OF COMMISSIONERS OF THE CITY OF WESLACO, TEXAS, THAT:**

**SECTION I:** The Code of Ordinances, City of Weslaco, Chapter 150 (“Zoning”), Section 150-3 (“Districts”) is hereby amended to add new division 10, and is hereby amended by adding a section 150-11.1 (“Design District”), which shall read in full as follows:

### **SECTION 150-11.1. DESIGN DISTRICT**

#### **Sec. 150-11.1. Overlay Design District Established.**

(a) An Overlay Design District (“Design District”) is hereby established within the City

of Weslaco encompassing all land within the territorial limits of the City of Weslaco, Hidalgo County, Texas.

- (b) The overlay district established in this Division supersedes, modifies and/or supplements any conflicting requirements and limitations of Section 150.11.1 (Design District) otherwise applicable to any underlying base district. All of the 150.11.1 requirements and limitations of any underlying base district that do not conflict with those of the overlay district shall continue to apply. In the event of any conflict between the overlay district requirements or limitations and those of 150.11.1, the overlay district requirements or limitations shall prevail. However, in the event of any conflict between the overlay design district requirements or limitations and those of Chapter 149 (“Historical Preservation”), the Chapter 149 requirements or limitations shall prevail.

**Sec. 138-342. Design Manual Fully Incorporated.**

The “Design Manual for the Installation of Network Nodes and Node Support Poles Pursuant to Tex. Loc. Gov. Code Chapter 284” is fully incorporated by reference herein as if fully set forth and applies to the entirety of the Design District.

**SECTION II:** The City Secretary of the City of Weslaco is hereby authorized and directed to cause the language in Chapter 150, Section 150-3, Division 10, and adding Section 150-11.1 of the Weslaco Code of Ordinances, as amended by Section 1, hereinabove, to be published in the appropriate location in the said Code of Ordinances.

**SECTION III:** This Ordinance shall be and remain in full force and effect from and after its passage by the Board of Commissioners, and execution by the Mayor.

**SECTION IV:** If any part or parts of this Ordinance are found to be invalid or unconstitutional by a court having competent jurisdiction, then such invalidity or

unconstitutionality shall not affect the remaining parts hereof and such remaining parts shall remain in full force and effect, and to that extent this Ordinance is considered severable.

**PASSED AND APPROVED** on first reading at a regular meeting of the City Commission this 3<sup>rd</sup> day of October, 2017.

**PASSED AND APPROVED** on second reading at a regular meeting of the City Commission this \_\_\_\_ day of \_\_\_\_\_, 2017.

**CITY OF WESLACO**

\_\_\_\_\_  
David Suarez,  
**MAYOR**

**ATTEST:**

\_\_\_\_\_  
Elizabeth M. Walker, **CITY SECRETARY**

**APPROVED AS TO FORM:**

\_\_\_\_\_  
Juan E. Gonzalez, **CITY ATTORNEY**



## Standardized Agenda Request Form

|                                                                                                                                                                                                                                                                              |                 |                                                              |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------|--------------------------------------------------------------|
| <b>Date of Meeting:</b><br>October 3, 2017                                                                                                                                                                                                                                   |                 | <b>Agenda Item No.</b> (to be assigned by CSO):<br>2017-1274 |
| <b>From:</b><br>Mardoqueo Hinojosa                                                                                                                                                                                                                                           |                 |                                                              |
| <b>Subject:</b><br>Discussion and consideration to adopt the City of Weslaco Design Manual for the Installation of Network Nodes and Node Support Poles Pursuant to Tex. Loc. Gov. Code Chapter 284. Possible action. (Staffed by Planning and Code Enforcement Department.) |                 |                                                              |
| <b>Background:</b><br>Design Manual is a policy/guide which incorporates the regulation of cell nodes. Manual is being adopted Valley wide in an effort to regulate cell nodes.                                                                                              |                 |                                                              |
| <b>Funding Source</b> (budget code, if applicable):                                                                                                                                                                                                                          |                 |                                                              |
| Amount:                                                                                                                                                                                                                                                                      | Term of Impact: | Identified in Current Budget:                                |
| <b>Additional Action Prompted:</b><br>Mayor's Signature                                                                                                                                                                                                                      |                 |                                                              |
| <b>If item previously considered, provide date and action by Commission:</b>                                                                                                                                                                                                 |                 |                                                              |
| <b>If item requires Publication Notice, provide date and periodical of publication; indicate if comments received from letters mailed to property owners:</b>                                                                                                                |                 |                                                              |
| <b>Advisory Review, if any</b> (name of board/committee, date of action, recommendation):                                                                                                                                                                                    |                 |                                                              |
| Elizabeth Walker<br>Mardoqueo Hinojosa<br>Mike Perez                                                                                                                                                                                                                         |                 | Created/Initiated<br>Approved<br>Final Approval              |
| <b>City Manager Comments:</b><br>Approve.                                                                                                                                                                                                                                    |                 |                                                              |
| <b>Staff Recommendation:</b><br>Staff recommends approval                                                                                                                                                                                                                    |                 |                                                              |
| <b>Attachments, if any:</b><br>Design Manual                                                                                                                                                                                                                                 |                 |                                                              |
| <b>Responsibilities upon Approval:</b><br>Staff will use manual as reference.                                                                                                                                                                                                |                 |                                                              |



# **City of Weslaco**

# **Design Manual**

*for the*  
*Installation of Network Nodes and Node Support Poles*  
*Pursuant to Tex. Loc. Gov. Code Chapter 284.*

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## **SECTION 1. PURPOSE AND APPLICABILITY.**

The City of Weslaco (“City”) recognizes that the State of Texas has delegated to the City the fiduciary duty, as a trustee, to manage the public right-of-way for the health, safety, and welfare of the public to Texas municipalities.

*Purpose:* Loc. Gov. Code, Chapter 284 allows certain wireless Network Providers to install in the public rights-of-way their wireless facilities, described and defined in Tex. Loc. Gov. Code, Chapter 284, Sec. 284.002 as “Micro Network Nodes”, “Network Nodes”, and “Node Support Poles”.

As expressly allowed by Tex. Loc. Gov. Code, Chapter 284, Section 284.108, and pursuant to its police power authority reserved in Sec. 284.301<sup>1</sup>, the City enacts these Design Guidelines in order to meet its fiduciary duty to the citizens of the City, and to give assistance and guidance to wireless telecommunications providers to assist such companies in the timely, efficient, safe and aesthetically pleasing installation of technologically competitive equipment.

*Applicability:* This Design Manual is for siting and criteria for the installation Wireless Facilities, including Micro Network Nodes, Network Nodes, Node Support Poles and related ground equipment being installed pursuant to Loc. Gov. Code, Chapter 284

This Design Manual shall apply to any sitings, installations, collocations in, on, over or under the public rights-of-way of Network nodes, Node support poles, Micro network nodes, Distributed Antenna Systems, microwave communications or other Wireless Facilities, by whatever nomenclature, whether they are installed pursuant to Chapter 284, or installed pursuant to an agreement as agreed to and consented to by the City in its discretion, or installed as may otherwise be allowed by state law.

*City Rights-of-Way Management Ordinance:* A Network Provider shall comply with the City’s Rights-of-Way Management Ordinance except where in conflict with this Design Manual or Chapter 284, Subchapter C.

## **SECTION 2. DEFINITIONS.**

The definitions as used in Tx. Loc. Gov. Code, Chapter 284, Sec. 284.002 shall be used in this Design Manual, unless otherwise noted in this Section 2, below.<sup>2</sup>

*Abandon* and its derivatives means the facilities installed in the right-of-way (including by way of example but not limited to: poles, wires, conduit, manholes, handholes, cuts, network nodes and node support poles, or portion thereof) that have been left by Provider in an unused or non-functioning condition for more than 120 consecutive calendar days unless, after notice to Provider, Provider has established to the reasonable satisfaction of the City that the applicable facilities, or portion thereof, is still in active use.



*Antenna* means communications equipment that transmits or receives electromagnetic radio frequency signals used in the provision of wireless services.

*Applicable codes* means:

- (A) uniform building, fire, electrical, plumbing, or mechanical codes adopted by a recognized national code organization; and
- (B) local amendments to those codes to the extent not inconsistent with Chapter 284.

*City* means the City of Weslaco, Texas or its lawful successor.

*City Manager* shall mean City Manager or designee

*Chapter 284* means Tex. Loc. Gov. Code, Chapter 284.

*Collocate* and *collocation* mean the installation, mounting, maintenance, modification, operation, or replacement of network nodes in a public right-of-way on or adjacent to a pole.

*Concealment or Camouflaged* means any Wireless Facility or Pole that is covered, blended, painted, disguised, camouflaged or otherwise concealed such that the Wireless Facility blends into the surrounding environment and is visually unobtrusive as allowed as a condition for City advance approval under Chapter 284, Sec. 284.105 in Historic or Design Districts. A Concealed or Camouflaged Wireless Facility or Pole also includes any Wireless Facility or Pole conforming to the surrounding area in which the Wireless Facility or Pole is located and may include, but is not limited to hidden beneath a façade, blended with surrounding area design, painted to match the supporting area, or disguised with artificial tree branches.

*Decorative pole* means a streetlight pole specially designed and placed for aesthetic purposes and on which no appurtenances or attachments, other than specially designed informational or directional signage or temporary holiday or special event attachments, have been placed or are permitted to be placed according to nondiscriminatory municipal codes.

*Design District* means an area that is zoned, or otherwise designated by municipal code, and for which the city maintains and enforces unique design and aesthetic standards on a uniform and nondiscriminatory basis.

*Disaster emergency* or *disaster* or *emergency* means an imminent, impending, or actual natural or humanly induced situation wherein the health, safety, or welfare of the residents of the city is threatened, and includes, but is not limited to any declaration of emergency by city state or federal governmental authorities.

*Distributed Antenna System or DAS* shall be included as a type of “Network Node.”

*Easement* means and shall include any public easement or other compatible use created by dedication, or by other means, to the city for public utility purposes or any other purpose whatsoever. "Easement" shall include a private easement used for the provision of utilities.

*Federal Communications Commission or FCC* means the Federal Administrative Agency, or lawful successor, authorized to oversee cable television and other multi-channel regulation on a national level.

*Highway right-of-way* means right-of-way adjacent to a state or federal highway.

*Historic district* means an area that is zoned or otherwise designated as a historic district under municipal, state, or federal law.

*Law* means common law or a federal, state, or local law, statute, code, rule, regulation, order, or ordinance.

*Local* means within the geographical boundaries of the City.

*Location* means the City approved and lawfully permitted location for the Network Node.

*Macro tower* means a guyed or self-supported pole or monopole greater than the height parameters prescribed by Chapter 284, Section 284.103 and that supports or is capable of supporting antennas.

*Mayor* means the Mayor for the City.

*Micro network node* means a network node that is not larger in dimension than 24 inches in length, 15 inches in width, and 12 inches in height, and that has an exterior antenna, if any, not longer than 11 inches.

*Municipal park* means an area that is zoned or otherwise designated by municipal code as a public park for the purpose of recreational activity.

*Municipally owned utility pole* means a utility pole owned or operated by a municipally owned utility, as defined by Section 11.003, Utilities Code, and located in a public right-of-way.

*MUTCD* means Manual of Uniform Traffic Control Devices.

*Network node* means equipment at a fixed location that enables wireless communications between user equipment and a communications network. The term:

(A) includes:

- (i) equipment associated with wireless communications;
- (ii) a radio transceiver, an antenna, a battery-only backup power supply, and comparable equipment, regardless of technological configuration; and
- (iii) coaxial or fiber-optic cable that is immediately adjacent to and directly associated with a particular collocation; and

(B) does not include:

- (i) an electric generator;
- (ii) a pole; or
- (iii) a macro tower.

*Network provider* means:

- (A) a wireless service provider; or
- (B) a person that does not provide wireless services and that is not an electric utility but builds or installs on behalf of a wireless service provider:
  - (i) network nodes; or
  - (ii) node support poles or any other structure that supports or is capable of supporting a network node.

*Node support pole* means a pole installed by a network provider for the primary purpose of supporting a network node.

*Park* means the various properties under the direction, control and supervision of the City's Director of Parks and Recreation Department pursuant to the authority granted by City Commission and the City Code of Ordinances.

*Permit* means a written authorization for the use of the public right-of-way or collocation on a service pole required from a municipality before a network provider may perform an action or initiate, continue, or complete a project over which the municipality has police power authority.

*Pole* means a service pole, municipally owned utility pole, node support pole, or utility pole.

*Private easement* means an easement or other real property right that is only for the benefit of the grantor and grantee and their successors and assigns.

*Provider* has the same meaning as "Network Provider."

*Public right-of-way* means the area on, below, or above a public roadway, highway, street, public sidewalk, alley, waterway, or utility easement in which the municipality has an interest. The term does not include:

- (A) a private easement; or
- (B) the airwaves above a public right-of-way with regard to wireless telecommunications.

*Public right-of-way management ordinance* means Chapter 94, Article II of the Weslaco Code of Ordinances.

*Service pole* means a pole, other than a municipally owned utility pole, owned or operated by a municipality and located in a public right-of-way, including:

- (A) a pole that supports traffic control functions;
- (B) a structure for signage;
- (C) a pole that supports lighting, other than a decorative pole; and
- (D) a pole or similar structure owned or operated by a municipality and supporting only network nodes.

*Small cell* shall be included as a type of "Network Node."

*Street or public way or public right-of-way or public rights-of-way or rights-of-way or right-of-*

*way* means the surface of, and the space above and below a public street, road, highway, freeway, land, path, public way or place, alley, court, boulevard, parkway, drive, or other easement now or hereafter held by or under the control of the city, to which the city holds the property rights in regard to the use for utilities, excluding easements not intended for public works or public utility facilities but shall not include property of city which is not a dedicated public right-of-way, street, highway, or alley. Neither the inclusion of this definition nor the provisions hereof shall be construed to grant any right or privilege to utilize or occupy the city rights-of-way absent an expressed agreement of the city or by authority expressly granted by state law.

*SWPPP* shall mean Storm Water Pollution Prevention Plan.

*TAS* means Texas Accessibility Standards.

*Traffic Signal* means any device, whether manually, electrically, or mechanically operated by which traffic is alternately directed to stop and to proceed.

*Transport facility* means each transmission path physically within a public right-of-way, extending with a physical line from a network node directly to the network, for the purpose of providing backhaul for network nodes.

*Underground Requirement Area* shall mean means an area where poles, overhead wires, and associated overhead or above ground structures have been removed and buried or have been approved for burial underground pursuant to municipal ordinances, zoning regulations, state law, private deed restrictions, and other public or private restrictions, that prohibit installing aboveground structures in a public right-of-way.

*User* means a person or organization which conducts a business over facilities occupying the whole or a part of a public street or right-of-way, depending on the context.

*Utility pole* means a pole that provides:

- (A) electric distribution with a voltage rating of not more than 34.5 kilovolts; or
- (B) services of a telecommunications provider, as defined by Chapter 284, Section 51.002, Utilities Code.

*Wireless service* means any service, using licensed or unlicensed wireless spectrum, including the use of Wi-Fi, whether at a fixed location or mobile, provided to the public using a network node.

*Wireless service provider* means a person that provides wireless service to the public.

*Wireless facilities* mean “Micro Network Nodes,” “Network Nodes,” and “Node Support Poles” as defined in Texas Local Government Code Chapter 284.

### **SECTION 3. PROHIBITED AND PREFERRED LOCATIONS OF MICRO NETWORK NODE, NETWORK NODE, NODE SUPPORT POLE AND RELATED GROUND EQUIPMENT.**

#### **A. Prohibited or Restricted Areas for Certain Wireless facilities, except with Separate City Agreement or Subject to Concealment Conditions.**

1. ***Municipal Parks and Residential Areas.*** In accordance with Chapter 284, Sec. 284.104 (a), a Network Provider may not install a Node Support Pole in a public right-of-way without the City's discretionary, nondiscriminatory, and written consent if the public right-of-way is in a Municipal park or is adjacent to a street or thoroughfare that is:

(1) not more than 50 feet wide of paved street surface, being the area measured as the shortest distance between the inside of the curb to the inside of the opposite curb, or the area measured as the shortest distance between the two parallel edges of the paved roadway for vehicular travel where there is no curb; and

(2) adjacent to single-family residential lots or other multifamily residences or undeveloped land that is designated for residential use by zoning or deed restrictions.

1.1. In accordance with Chapter 284, Sec. 284.104 (b), a Network Provider installing a Network Node or Node Support Pole in a public right-of-way described above shall comply with private deed restrictions and other private restrictions in the area that apply to those facilities.

Each permit application shall disclose if it is within a Municipal Park and Residential Areas as described above.

2. ***Historic District and Design Districts.*** In accordance with Chapter 284, Sec. 284.105, a Network Provider must obtain advance written approval from the City before collocating Network Nodes or installing Node Support Poles in a Design District with Decorative Poles or in an area of the City zoned or otherwise designated as a Design District or Historic District.

2.1. As a condition for approval of Network Nodes or Node Support Poles in Design Districts with Decorative Poles or in a Historic District, the City shall require reasonable design or Concealment measures for the Network Nodes or Node Support Poles. Therefore, any request for installations in a Design District with Decorative Poles or in a Historic District, must be accompanied with proposed Concealment measures in the permit applications.

2.2. The City requests that a Network Provider explore the feasibility of using Camouflage measures to improve the aesthetics of the Network Nodes, Node Support Poles, or related ground equipment, or any portion of the nodes, poles, or equipment, to minimize the impact to the aesthetics in Design Districts or in an Historic District.

2.3. Network Provider shall comply with and observe all applicable City, State, and federal historic preservation laws and requirements.

2.4. Each permit application shall disclose if it is within a Design District with Decorative Poles or in an area of the City zoned or otherwise designated as a Design District or Historic District.

3. **Historic Landmarks.** A Network Provider is discouraged from installing a Network Node or Node Support Pole within 300 feet of a historic site or structure or Historic Landmark recognized by the City, state or federal government (*see, for example, and not limited to* §442.001(3) of the Texas Government Code, and 16 U.S.C. §470), as of the date of the submission of the permit. It is recommended that each permit application disclose if it is within 300 feet of such a structure.

4. **Compliance with Undergrounding Requirements.** In accordance with Chapter 284, Sec. 284.107, a Network Provider shall comply with nondiscriminatory undergrounding requirements, including municipal ordinances, zoning regulations, state law, private deed restrictions, and other public or private restrictions, that prohibit installing aboveground structures in a public right-of-way without first obtaining zoning or land use approval.

4.1 Areas may be designated from time to time by the City as Underground Requirement Areas in accordance with filed plats, and or conversions of overhead to underground areas, as may be allowed by law.

4.2 Each permit application shall disclose if it is within an area that has undergrounding requirements.

#### **B. Least preferable locations.**

1. **Residential Areas and Parks.** A Network Provider is discouraged from installing a Network Node on an existing pole in a public right-of-way without written consent from the City Commission if the public right-of-way is located in or adjacent to a street or thoroughfare that is adjacent to a municipal park or single-family residential lots or other multifamily residences or undeveloped land that is designated for residential use by zoning or deed restrictions.

1.1 In accordance with Chapter 284, Sec. 284.104 (b) a Network Provider installing a Network Node or a Node Support Pole in a public right-of-way shall comply with private deed restrictions and other private restrictions in the area that apply to those facilities.

2. **Historic Districts and Design Districts.** A Network Provider is discouraged from installing a Network Node or a Node Support Pole in the public right-of-way in any area designated by the City as a Design Districts or in an area of the City zoned or otherwise designated as a Historic District unless such a Network Node or a new Node Support Pole is camouflaged.

#### **C. Most preferable locations**

1. *Industrial areas* if not adjacent to a Municipal Park, Residential area, Historic District or Design District.

2. *Highway Rights-of-Way* areas if not adjacent to a Municipal Park, Residential area, Historic District or Design District.

3. *Retail and Commercial areas* if not adjacent to a Municipal Park, Residential area, Historic District or Design District.

#### **D. Designated Areas.**

1. The City Commission may designate an area as a Historic District or a Design District under Chapter 284.105 at any time.

2. The boundaries of the currently designated Design District are: the territorial limits of the City of Weslaco.

3. The failure to designate an area in this Chapter shall not mean that such an area is not within a defined district, if so designated by the City Commission. Future areas may be designated as one of these Districts at any time. Such a designation does not require a zoning case.

#### **E. Exceptions**

The City by its discretionary consent and agreement may grant exception to the above prohibited locations and sizes, but only in a non-exclusive, and non-discriminatory manner, as allowed or required by Chapter 284, Sec. 284.109 and Sec. 284.110.

#### **F. Order of Preference regarding Network Node attachment to existing facilities and New Node Support Poles.**

1. *Existing telephone or electrical lines between existing utility poles.* Micro Network Nodes shall only be lashed on existing telephone or electrical lines between existing utility poles (electric poles or telephones poles), with notice to the pole owner as required by the Federal Pole Attachment Act, and not placed on Utility Poles, Node Support Poles or Service Poles.

2. *Existing Utility Poles* (electric poles or telephones poles), shall be the preferred support facility for Network Nodes and related ground equipment.

3. *New node support poles* shall be the least preferred type of allowed facility for attachment of Network Nodes.

##### *4. Municipal Service Poles:*

a. *Non-decorative street lights* with a height of more than 20 feet.

b. *Traffic signal structures* when such installation will not interfere with the integrity of the facility and will not interfere with the safety of public and in accordance with an agreement as allowed by Chapter 284, Sec. 285.056 and Sec. 284.101 (a) (3), and (b).

c. *Street signage* shall be a low priority use for attachment of a Network Node.

d. *Other municipal Service pole* use is discouraged.

*Ground Equipment.* Ground equipment should be minimal and the least intrusive.

#### **SECTION 4. GUIDELINES ON PLACEMENT.**

##### **A. Generally.**

In accordance with Chapter 284.102, a Network Provider shall construct and maintain Network Nodes and Node Support Poles in a manner that does not:

1. obstruct, impede, or hinder the usual travel or public safety on a public right-of-way;
2. obstruct the legal use of a public right-of-way by other utility providers;
3. violate nondiscriminatory applicable codes;
4. violate or conflict with the municipality's publicly disclosed public right-of-way management ordinance or this Design Manual.
5. violate the federal Americans with Disabilities Act of 1990 (42 U.S.C. Section 12101 et seq.).

##### **B. Permitting:**

###### *Attachment to Existing Poles/ Installation of New Poles:*

Prior to installation or modification of a network node or node support pole, Provider shall complete and submit to the City a Right-of-Way Permit application, along with standard required documents and the following items:

1. Permit fee.
2. Aerial Map showing the location of the existing pole to which the network node is proposed to be attached, and a street view image.
3. Plans and drawings prepared by a professional engineer licensed in the State of Texas that has evaluated the existing pole or infrastructure for structural stability to carry proposed network nodes and can bear the wind load without pole modification or whether the installation will require pole re-enforcement. If pole re-enforcement is necessary, Provider shall provide engineering design and specification drawings for the proposed alteration to the existing pole. Any pole re-enforcement or replacement shall be at Provider's sole cost. All re-enforcement or replacement poles shall match the character of the pre-existing pole in order to blend into the surrounding environment and be visually unobtrusive. City reserves the right to deny a certain type of pole due to its differences.
4. Scaled dimensioned drawings or pictures of the proposed attachments of the



network node to the existing poles or structures as well as any other proposed equipment associated with the proposal, indicating the spacing from existing curb, driveways, sidewalk, and other existing light poles and any other poles or appurtenances. This shall include a before-and-after image of the pole and all proposed attachments and associated standalone equipment.

5. Scaled dimensioned construction plans indicating the current Right-of-Way line and showing the proposed underground conduit and equipment, and its spacing from existing utilities. The drawings shall also show a sectional profile of the Right-of-Way and identify all existing utilities and existing utility conflicts.
6. A traffic control plan, SWPPP, and trench safety plan may also be required based on the proposed scope of work.
7. The City issued Right-of-Way permit authorizes use of its Right-of-Way. Providers/applicants are responsible for obtaining permission on non-city-owned infrastructure. If the project lies within the State Right-of-Way, the applicant must provide evidence of a permit from the State.
8. Notification to adjacent residential developments/neighborhoods within 300 feet is required on all node attachments on City infrastructure.

The proposal shall comply with the following standards:

1. Any facilities located off pole must remain in cabinetry or enclosed structure underground, except for the electric meter pedestal. Facilities on pole shall be concealed or enclosed as much as possible in an equipment box, cabinet, or other unit that may include ventilation openings. There shall be no external cables or electric wire/cables on pole or structures or aerial wires or cables extending from the pole or structure.
2. The electrical meter **shall not** be mounted on a City's metal pole or structure. Provider shall use 240 voltage when connecting to any City infrastructure and provide key to meter upon inspection.
3. ***For New Poles:*** Wooden poles are prohibited. All new poles are required to be break-away and black powder-coated. All attachments for the network nodes shall also match the color of the network support pole. All network support poles shall match the existing poles in the surrounding block or district in which the network support pole is located in order to blend into the surrounding environment and be visually unobtrusive. City reserves the right to deny a certain type of pole due to its differences.

*Electrical Permit.*

1. Provider shall be responsible for obtaining any required electrical power service to the network nodes and node support poles or structures. Provider's electrical supply shall be separately metered from the City and must match City infrastructure voltage.
2. Provider shall provide City with the electrical permit and provide sealed engineered drawings for conduit size, circuit size, calculations for Amp, distances running, etc.

**C. General Requirements and Information:**

1. *Size Limits.* Network Providers shall provide detailed drawings, with calculations to show strict conformity to the size limitations as set forth in Chapter 284, in accordance with, but not limited to Chapter 284, Sec. 284.002, size of a Micro Network Node, Sec. 284.003, Size of Network Nodes, and Sec. 284.103, Max. pole height, with each application and with each request for a permit for each location.<sup>3</sup>

2. *State and Federal Rights-of-way permit.* If the project lies within a Highway Right-of-Way, the applicant must provide evidence of a permit from the State or Federal Government.

3. *Confirmation of non-interference with City Safety Communication Networks.*

a. The Network Provider needs to provide analysis that the proposed network node shall not cause any interference with City public safety radio system, traffic signal light system, or other city safety communications components in accordance with Chapter 284, Sec. 284.304.

b. It shall be the responsibility of the Network Provider to evaluate, prior to making application for permit, the compatibility between the existing City infrastructure and Provider's proposed Network Node. A Network Node shall not be installed in a location that causes any interference. Network Nodes shall not be allowed on City's public safety radio infrastructure.

4. *Improperly Located Network Node facilities, Node Support Poles and related ground equipment:*

a. Improperly Located Network Node facilities, Node Support Poles and related ground equipment shall not impede pedestrian or vehicular traffic in the Right-of-Way. If any Network Node facilities, Node Support Poles or ground equipment is installed in a location that is not in accordance with the plans approved by the City Manager and impedes pedestrian or vehicular traffic or does not comply or otherwise renders the Right-of-Way non-compliant with applicable Laws, including the American Disabilities Act, then Network Provider shall promptly remove the Network Node facilities, Node Support Poles or ground equipment.

b. Notice to Remove unauthorized facilities and relocate and penalty: After 30 days' notice to remove Network Node facilities, Node Support Poles or ground equipment that is located in the incorrect permitted location, if not relocated the Network Provider shall be subject to a penalty of \$50 per day penalty until the Network Node facilities, Node Support Poles or ground equipment is relocated to the correct area within the permitted Location, regardless of whether or not the Network Provider's contractor, subcontractor, or vendor installed the Network Node facilities, Node Support Poles or ground equipment in strict conformity with the public right-of-way management ordinance, and other applicable ordinances concerning improperly located facilities in the rights-of-way.

**D. Underground Requirement Areas.**

1. In accordance with Chapter 284.107, a Network Provider shall, in relation to installation for which the City approved a permit application, comply with nondiscriminatory undergrounding requirements, including municipal ordinances, zoning regulations, state law, private deed restrictions, and other public or private restrictions, that prohibit installing aboveground structures in a public right-of-way without first obtaining zoning or land use approval.

2. If a location is designated by the City to transits to be an Underground Requirement Area, then a Network Provider's permit for the location of the Micro Network Node, Network Node, Node Support Pole, and related ground equipment at such location will be revoked 90 days after the designation, with removal of said the Micro Network Node, Network Node, Node Support Pole, and related ground equipment at such location within 90 days of such designation, or as otherwise reasonably allowed by the City for the transition of other overhead facilities.

**E. Network Node facilities placement:**

1. *Right-of-Way:* Network Node facilities, Node Support Poles and related ground equipment shall be placed, as much as possible, within two feet of the outer edge of the Right-of-Way line to minimize any obstruction, impediment, or hindrance to the usual travel or public safety on a public right-of-way. Node support poles and ground equipment or network nodes shall not impede pedestrian or vehicular traffic in the Right-of-Way. If a node support pole and ground equipment or network node is installed in a location that is not in accordance with the plans approved by the City and impedes pedestrian or vehicular traffic or does not comply or otherwise renders the Right-of-Way non-compliant with applicable Laws, including the American Disabilities Act, then Provider shall remove the node support poles, ground equipment or network nodes.

2. *Height above ground.* Network Node attachments to a pole shall be installed at least eight (8) feet above the ground in accordance with Chapter 284, Sec. 284.108, and if a Network Node attachment is projecting toward the street, for the safety and protection of the public and vehicular traffic, the attachment shall be installed no less than sixteen (16) feet above the ground.

3. *Protrusions.* In accordance with Chapter 284, Sec. 284.003 (a) (1) (C), Sec. 284.003 (a) (2) (C) and Sec. 284.003 (a) (3) (B) no protrusion from the outer circumference of the existing structure or pole shall be more than two (2) feet.

4. *Limit on number of Network Nodes per Site.* There shall be no more than one Network Node on any one Pole.

#### **F. New Node Support Poles.**

1. *New Node Support Poles Spacing.* New node support poles shall be spaced apart from existing utility poles or Node Support poles at the same as the spacing between utility poles in the immediate proximity, but no less than at a minimum 300 feet from a utility pole or another Node Support Pole to minimize the hazard of poles adjacent to road ways and to minimize effect on property values and aesthetics on the area. The applicant will need to provide an analysis showing the appropriate spacing, unless otherwise approved by the City in writing.

2. *Height of Node Support Poles or modified Utility Pole.* In accordance with Chapter 284, Sec. 284.103 a Node support pole or modified Utility Pole may not exceed the lesser of:

- (1) 10 feet in height above the tallest existing utility pole located within 500 linear feet of the new pole in the same public right-of-way; or
- (2) 55 feet above ground level.

#### **G. Ground Equipment.**

1. *Ground Equipment near street corners and intersections:* Ground equipment should be minimal and the least intrusive. In accordance with Chapter 284.102 (1), to minimize any obstruction, impediment, or hindrance to the usual travel or public safety on a public right-of-way the maximum line of sight required to add to safe travel of vehicular and pedestrian traffic and in order to maximize that line of sight at street corners and intersections and to minimize hazards at those locations, ground equipment may not be installed within 250 feet of a street corner or a street intersection.

2. *Ground Equipment near Municipal Parks.* For the safety of Municipal park patrons, particularly small children, and to allow full line of sights near Municipal park property, the Network Provider shall not install Ground Equipment in a Right-of-Way that is within a Park or within 250 feet of the boundary line of a Park, unless approved by the City Manager and Parks Director in writing.

3. *Minimize Ground equipment density:* In accordance with Chapter 284, Sec. 284.102 (1) to enhance the safety requirements of line of sight of pedestrians, particularly small children, the City's designee may deny a request for a proposed Location if the Network Provider installs Network Node ground equipment where existing ground equipment within 300 feet already occupies a footprint of 25 sq. ft. or more.

#### **H. Municipal Service Poles:**

1. *In accordance with Agreement:* Installations on all Service Poles shall be in accordance with an agreement as allowed by Chapter 284, Sec. 285.056 and Sec. 284.101 (a) (3), and (b).

2. *Required industry standard pole load analysis:* Installations on all Service Poles shall have an industry standard pole load analysis completed and submitted to the municipality with each permit application indicating that the Service Pole to which the Network Node is to be attached will safely support the load, in accordance with Chapter 284.108.

3. *Height of attachments:* All attachments on all Service Poles shall be at least 8 feet above grade, in accordance with Chapter 284, Sec. 285.108 (a) (1) - (2) and if a Network Node attachment is projecting toward the street, for the safety and protection of the public and vehicular traffic, the attachment shall be installed no less than sixteen (16) feet above the ground. All attachments to a pole that are projecting, or any equipment or appurtenance mounted on the ground, shall comply with TAS, ADA and shall not obstruct an existing or planned sidewalk or walkway.

4. *Installations on Traffic Signals:* Installations on all Traffic signal structures must not interfere with the integrity of the facility in any way that may compromise the safety of the public and must be in accordance with an agreement as allowed by Chapter 284, Sec. 285.056 and Sec. 284.101 (a) (3), and (b). Installation of Network Node facilities on any traffic signal structures shall:

- i. Be encased in a separate conduit than the traffic light electronics;
- ii. Have a separate electric power connection than the traffic signal structure; and
- iii. Have a separate access point than the traffic signal structure.

5. *Installations on Street signage:* Installations on all street signage structures must not interfere with the integrity of the facility in any way that may compromise the safety of the public. Installation of Network Node facilities on any street signage structures that has electrics shall:

- i. Be encased in a separate conduit than any City signage electronics;
- ii. Have a separate electric power connection than the signage structure; and
- iii. Have a separate access point than the signage structure.

## **SECTION 5. GENERAL AESTHETIC REQUIREMENTS**

### **A. New Node Support Pole Spacing.**

New node support poles shall be at a minimum 300 feet from a utility pole or another Node Support Pole to minimize the hazard of poles adjacent to road ways and to minimize effect on property values and aesthetics on the area.

### **B. Allowed Colors.**

Colors in Historic Districts and Design Districts must be in strict accordance with all other applicable ordinances, except to the extent not consistent with Chapter 284. The color of the network nodes shall match the existing pole color such that the network nodes blend with the color of the pole to the extent possible. City reserves the right to deny a certain style of node due to its difference in color to pole.

### **C. Tree Maintenance.**

Provider, its contractors, and agents shall obtain written permission from the City before trimming trees hanging over its node support poles and network nodes to prevent branches of such trees from contacting node support poles and network nodes. When directed by the City, Provider shall trim under the supervision and direction of the Park Director. The City shall not be liable for any damages, injuries, or claims arising from Provider's actions under this section.

## **SECTION 6. ELECTRICAL SUPPLY**

**A. Provider Responsible for Electricity.** Network Provider shall be responsible for obtaining any required electrical power service to the Micro Network Node, Network Node facilities, Node Support Poles and ground equipment. The City shall not be liable to the Network Provider for any stoppages or shortages of electrical power furnished to the Micro Network Node, Network Node facilities, Node Support Poles or ground equipment, including without limitation, stoppages or shortages caused by any act, omission, or requirement of the public utility serving the structure or the act or omission of any other tenant or Network Provider of the structure, or for any other cause beyond the control of the City.

**B. Generators Prohibited.** Network Provider shall not allow or install generators or back-up generators in the Right-of-Way in accordance with Chapter 284, Sec. 284.002 (12) (B) (1).

**C. Fiber Connection.** Provider shall be responsible for obtaining access and connection to fiber optic lines or other backhaul solutions that may be required for its node support poles or network nodes.

## **SECTION 7. INSURANCE, INDEMNITY, BONDING AND SECURITY DEPOSITS.**

1. Insurance, bonding and security deposits shall be in strict accordance with the City's rights-of-way management ordinance, and other applicable ordinances, except to the extent not consistent with Chapter 284.

2. Indemnity shall be in accordance with Chapter 284, Sec. 284.302, as provided for in Chapter 283, Sec. 283.057 (a) and (b) of the Texas Loc. Gov't Code.

## **SECTION 8-19 RESERVED**

## **SECTION 20. DESIGN MANUAL - UPDATES**

Placement or Modification of Micro Network Node, Network Node, Node Support Pole and related ground equipment shall comply with the City's Design Manual at the time the Permit for installation or Modification is approved and as amended from time to time.

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<sup>1</sup> Sec. 284.301. LOCAL POLICE-POWER-BASED REGULATIONS. (a) Subject to this chapter and applicable federal and state law, a municipality may continue to exercise zoning, land use, planning, and permitting authority in the municipality's boundaries, including with respect to utility poles.

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(b) A municipality may exercise that authority to impose police-power-based regulations for the management of the public right-of-way that apply to all persons subject to the municipality.

(c) A municipality may impose police-power-based regulations in the management of the activities of network providers in the public right-of-way only to the extent that the regulations are reasonably necessary to protect the health, safety, and welfare of the public.

<sup>2</sup> The definitions as used in Tx. Loc. Gov. Code, Chapter 284, Sec. 284.002 shall be used in this Design Manual.

Tex. Loc. Gov. Code, Chapter 284, Sec. 284.002. DEFINITIONS. In this chapter:

(1) "Antenna" means communications equipment that transmits or receives electromagnetic radio frequency signals used in the provision of wireless services.

(2) "Applicable codes" means:

(A) uniform building, fire, electrical, plumbing, or mechanical codes adopted by a recognized national code organization; and

(B) local amendments to those codes to the extent not inconsistent with this chapter.

(3) "Collocate" and "collocation" mean the installation, mounting, maintenance, modification, operation, or replacement of network nodes in a public right-of-way on or adjacent to a pole.

(4) "Decorative pole" means a streetlight pole specially designed and placed for aesthetic purposes and on which no appurtenances or attachments, other than specially designed informational or directional signage or temporary holiday or special event attachments, have been placed or are permitted to be placed according to nondiscriminatory municipal codes.

(5) "Design district" means an area that is zoned, or otherwise designated by municipal code, and for which the city maintains and enforces unique design and aesthetic standards on a uniform and nondiscriminatory basis.

(6) "Historic district" means an area that is zoned or otherwise designated as a historic district under municipal, state, or federal law.

(7) "Law" means common law or a federal, state, or local law, statute, code, rule, regulation, order, or ordinance.

(8) "Macro tower" means a guyed or self-supported pole or monopole greater than the height parameters prescribed by Section 284.103 and that supports or is capable of supporting antennas.

(9) "Micro network node" means a network node that is not larger in dimension than 24 inches in length, 15 inches in width, and 12 inches in height, and that has an exterior antenna, if any, not longer than 11 inches.

(10) "Municipally owned utility pole" means a utility pole owned or operated by a municipally owned utility, as defined by Section 11.003, Utilities Code, and located in a public right-of-way.

(11) "Municipal park" means an area that is zoned or otherwise designated by municipal code as a public park for the purpose of recreational activity.

(12) "Network node" means equipment at a fixed location that enables wireless communications between user equipment and a communications network. The term:

(A) includes:

(i) equipment associated with wireless communications;

- 
- (ii) a radio transceiver, an antenna, a battery-only backup power supply, and comparable equipment, regardless of technological configuration; and
    - (iii) coaxial or fiber-optic cable that is immediately adjacent to and directly associated with a particular collocation; and
  - (B) does not include:
    - (i) an electric generator;
    - (ii) a pole; or
    - (iii) a macro tower.
  - (13) "Network provider" means:
    - (A) a wireless service provider; or
    - (B) a person that does not provide wireless services and that is not an electric utility but builds or installs on behalf of a wireless service provider:
      - (i) network nodes; or
      - (ii) node support poles or any other structure that supports or is capable of supporting a network node.
  - (14) "Node support pole" means a pole installed by a network provider for the primary purpose of supporting a network node.
  - (15) "Permit" means a written authorization for the use of the public right-of-way or collocation on a service pole required from a municipality before a network provider may perform an action or initiate, continue, or complete a project over which the municipality has police power authority.
  - (16) "Pole" means a service pole, municipally owned utility pole, node support pole, or utility pole.
  - (17) "Private easement" means an easement or other real property right that is only for the benefit of the grantor and grantee and their successors and assigns.
  - (18) "Public right-of-way" means the area on, below, or above a public roadway, highway, street, public sidewalk, alley, waterway, or utility easement in which the municipality has an interest. The term does not include:
    - (A) a private easement; or
    - (B) the airwaves above a public right-of-way with regard to wireless telecommunications.
  - (19) "Public right-of-way management ordinance" means an ordinance that complies with Subchapter C.
  - (20) "Public right-of-way rate" means an annual rental charge paid by a network provider to a municipality related to the construction, maintenance, or operation of network nodes within a public right-of-way in the municipality.
  - (21) "Service pole" means a pole, other than a municipally owned utility pole, owned or operated by a municipality and located in a public right-of-way, including:
    - (A) a pole that supports traffic control functions;
    - (B) a structure for signage;
    - (C) a pole that supports lighting, other than a decorative pole; and
    - (D) a pole or similar structure owned or operated by a municipality and supporting only network nodes.
  - (22) "Transport facility" means each transmission path physically within a public right-of-way, extending with a physical line from a network node directly to the network, for the



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purpose of providing backhaul for network nodes.

(23) "Utility pole" means a pole that provides:

(A) electric distribution with a voltage rating of not more than 34.5 kilovolts; or

(B) services of a telecommunications provider, as defined by Section 51.002, Utilities Code.

(24) "Wireless service" means any service, using licensed or unlicensed wireless spectrum, including the use of Wi-Fi, whether at a fixed location or mobile, provided to the public using a network node.

(25) "Wireless service provider" means a person that provides wireless service to the public.

<sup>3</sup> Sec. 284.002. DEFINITIONS (8) "Micro network node" means a network node that is not larger in dimension than 24 inches in length, 15 inches in width, and 12 inches in height, and that has an exterior antenna, if any, not longer than 11 inches.

Sec. 284.003. LIMITATION ON SIZE OF NETWORK NODES. (a) Except as provided by Section 284.109, a network node to which this chapter applies must conform to the following conditions:

(1) each antenna that does not have exposed elements and is attached to an existing structure or pole:

(A) must be located inside an enclosure of not more than six cubic feet in volume;

(B) may not exceed a height of three feet above the existing structure or pole; and

(C) may not protrude from the outer circumference of the existing structure or pole by more than two feet;

(2) if an antenna has exposed elements and is attached to an existing structure or pole, the antenna and all of the antenna's exposed elements:

(A) must fit within an imaginary enclosure of not more than six cubic feet;

(B) may not exceed a height of three feet above the existing structure or pole; and

(C) may not protrude from the outer circumference of the existing structure or pole by more than two feet;

(3) the cumulative size of other wireless equipment associated with the network node attached to an existing structure or pole may not:

(A) be more than 28 cubic feet in volume; or

(B) protrude from the outer circumference of the existing structure or a node support pole by more than two feet;

(4) ground-based enclosures, separate from the pole, may not be higher than three feet six inches from grade, wider than three feet six inches, or deeper than three feet six inches; and

(5) pole-mounted enclosures may not be taller than five feet.

(b) The following types of associated ancillary equipment are not included in the calculation of equipment volume under Subsection (a):

(1) electric meters;

(2) concealment elements;

(3) telecommunications demarcation boxes;

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- (4) grounding equipment;
  - (5) power transfer switches;
  - (6) cut-off switches; and
  - (7) vertical cable runs for the connection of power and other services.
- (c) Equipment attached to node support poles may not protrude from the outer edge of the node support pole by more than two feet.
- (d) Equipment attached to a utility pole must be installed in accordance with the National Electrical Safety Code, subject to applicable codes, and the utility pole owner's construction standards.