



NOTICE OF A PUBLIC MEETING
TOWN OF RANCHO VIEJO
BOARD OF ALDERMEN
REGULAR MEETING
JUNE 13, 2017
6:00 P.M.

NOTICE is hereby given of a REGULAR MEETING of the BOARD OF ALDERMEN of the TOWN OF RANCHO VIEJO, TEXAS, to be held on, June 13, 2017 at 6:00 P.M., in the TOWN MUNICIPAL OFFICE, 3301 CARMEN AVENUE, RANCHO VIEJO, TEXAS to consider the following items:

1. Call to Order
2. Roll Call
3. Invocation and Pledge
4. Public Comment
5. Approval of Minutes - Regular Meeting May 16, 2017
6. An Ordinance Granting to ONE Gas, Inc., Acting by and Through its Texas Gas Service Company Division, and its Successors and Assigns, for a Period of Twenty-Five (25) Years from Approval and Acceptance of this Ordinance, A Non-Exclusive Franchise and Right to Enter the Public Ways to Install, Operate and Maintain a Distribution System Within, Along, Across, Over and Under the Public Ways of the Town of Rancho Viejo, Texas for the Transportation, Distribution and/or Sale of Gas to Customers and the Public Generally in the City; Defining the Words and Phrases Therein; Providing for Assignment, Sale or Lease of the Franchise; Providing that the City May Enact an Ordinance Charging Person Transporting Gas Through Grantee's Distribution System a Fee on the Calculated Value of Such Transported Gas; Providing for Use and Repair of the Public Ways; Providing for Regulation of Service; Establishing Depth of Pipelines; Establishing Rights and Duties in the Movement and Alteration of Pipelines; Providing for Indemnification of the Town of Rancho Viejo; Providing for Grantee's Rules and Regulations; Providing for Inspection of Grantee's Records; Requiring Grantee to Pay a Franchise Fee; Providing for Inspection of Grantee's Records; Requiring Grantee to Pay a Franchise Fee; Providing for Conditions of the Franchise; Providing for Construction of this Ordinance Upon the Invalidity of Any Part Thereof; Providing for Acceptance of this Franchise by Grantee and Both an Effective and an Operative Date Thereof; Repealing All Other Ordinances Directly in Conflict Herewith; and Providing for Severability
7. Street Committee Report
8. Discussion/Consideration/Action on Bids and Award of Contract for Street Repair and Paving Improvements Phase 1A
9. Consideration/Action on Appointment of a Non-Compensated Reserve Police Officer
10. Consideration/Discussion on Police Vehicles
11. Consideration/Action on Extension of Contract with Building Inspector
12. Consideration/Reappointment of Chairman and Members to the Beautification Committee
13. Consideration/Reappointment of members to the Street Committee

14. Consideration/Action on Resolution on Reappointment for Municipal Judge
15. 2017 Movies Under the Stars Announcement
16. April 2017 Financial Report - Town Administrator
17. May 2017 Police Report - Chief of Police
18. Hurricane Preparedness Presentation - Chief of Police
19. Public Comment
20. Adjourn

A handwritten signature in blue ink, appearing to read "Fred Blanco", is written over the "Adjourn" item of the agenda.

Fred Blanco, Town Administrator

1. Call to Order by Mayor Rathbun

2. Roll Call

by Isabel Perales

Aldерwoman Guerrero

Alderman Lucio

Aldерwoman Salinas

Aldерwoman Truan

Alderman Vera

Legal Counsel, Daniel Rentfro, Jr.

Town Administrator, Fred Blanco.

3. Invocation and Pledge

The pledge of allegiance to the United States 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.”

And the pledge of allegiance to the Texas State Flag is,

“Honor the Texas Flag; I pledge allegiance to thee, Texas, one state under God, one and indivisible.”

4. Public Comment

5. Approval of Minutes - Regular Meeting May 16, 2017

MINUTES OF A REGULAR MEETING
TOWN OF RANCHO VIEJO
MAY 16, 2017

A Regular Meeting of the Board of Aldermen of the Town of Rancho Viejo, Texas, was held on, May 16, 2017 at 6:00 P.M., in the Town Municipal Office, 3301 Carmen Avenue, Rancho Viejo, Texas to consider the following items:

1. CALL TO ORDER:

The meeting was called to order by Mayor Rathbun at 6:00 P.M.

2. ROLL CALL:

Roll call was made by Isabel Perales, Assistant Town Secretary. Members present at the meeting were:

Mrs. Maribel Guerrero

Mrs. Bitty Truan

Mr. Javier Vera

Members absent were:

Mr. Erick Lucio

A quorum was present at the meeting.

Legal counsel Daniel Rentfro, Jr. was present at the meeting. Town Administrator, Fred Blanco was also present at the meeting.

Those present in the audience were:

Grace Salinas

Chief M. Cruz, Jr.

Norma Torres, BRG Railway

John Reed, BND

Donna Eymard, Port of Brownsville

3. INVOCATION AND PLEDGE:

Alderman Guerrero led the group in the invocation and pledge of allegiance to the American and Texas flags.

4. ACTION ON ISSUANCE OF CERTIFICATES OF ELECTION:

Town Administrator Fred Blanco presented the Certificates of Election to Mayor Cyndie Rathbun, Alderman Javier Vera and Alderman Bitty Truan. He also presented Alderman Grace Salinas with a certificate of appointment.

5. ADMINISTER OATH OF OFFICE AND INSTALLATION OF ELECTED OFFICIALS:

Legal Counsel Daniel Rentfro, Jr. administered the Oath of Office for Alderman Bitty Truan, Alderman Javier Vera, and Alderman Grace Salinas and then for Mayor Cyndie Rathbun.

6. PUBLIC COMMENT:

Alderman Truan announced that the annual TML Region 12 Workshop was held on Thursday and Friday, at South Padre Island. There were several topics from relations with the media, social media, fostering integrity in the city, 2020 Census, alternative funding, relations across border, open government, open leadership. It was very educational and informative. Mayor Rathbun noted that May 25, 2017 will be

the last Farmer's Market this season. The events have been very successful.

7. APPROVAL OF MINUTES - REGULAR MEETING APRIL 11, 2017:

Motion was made by Alderman Vera, seconded by Alderman Guerrero, and unanimously carried, to approve the Minutes of a Regular Meeting held on April 11, 2017 as written.

8. ELECTION OF PRESIDENT PRO TEMPORE (MAYOR PRO TEM):

Mayor Rathbun recommended that Alderman Bitty Truan be appointed as Mayor Pro Tem. Motion was made by Alderman Vera, seconded by Alderman Guerrero, and unanimously carried, to appoint Alderman Truan as Mayor Pro Tem.

9. PRESENTATION ON PROJECT AMERICA BY THE PORT OF BROWNSVILLE:

Mrs. Donna Eymard, Deputy Port Director for the Port of Brownsville made a presentation on Project America. She played a short promo video on a proposed steel mill for Big River Steel in the Port of Brownsville and explained that this project will benefit Brownsville and surrounding communities by generating over 500 jobs at a very good income. She answered several questions from the Board. The Port and the City of Brownsville have already met the criteria for the capacity to be able to power the proposed steel mill. This location will be a huge cost savings in transportation compared to the existing location in the state of Arkansas. Mrs. Eymard stated that community support is a big deal and they want to inform and educate people about the project ahead of time to gain the support that they need to go ahead with the project. She added that this will be a tremendous and beneficial project for our community.

10. CONSIDERATION/APPROVAL OF A RESOLUTION OF THE BOARD OF ALDERMEN OF THE TOWN OF RANCHO VIEJO, TEXAS, REQUESTING THAT THE TOWN OF RANCHO VIEJO, TEXAS, FORMALLY PROVIDE SUPPORT TO HELP COMPETE AGAINST OTHER CITIES IN OTHER STATES FOR A STEEL MANUFACTURING OPPORTUNITY TO BE LOCATED AT THE PORT OF BROWNSVILLE:

Motion was made by Alderman Guerrero, seconded by Alderman Vera, and unanimously carried, to approve Resolution No. 299 - A RESOLUTION OF THE BOARD OF ALDERMEN OF THE TOWN OF RANCHO VIEJO, TEXAS, REQUESTING THAT THE TOWN OF RANCHO VIEJO, TEXAS, FORMALLY PROVIDE SUPPORT TO HELP COMPETE AGAINST OTHER CITIES IN OTHER STATES FOR A STEEL MANUFACTURING OPPORTUNITY TO BE LOCATED AT THE PORT OF BROWNSVILLE.

11. REVIEW/APPROVAL OF INVESTMENT POLICY:

Motion was made by Alderman Guerrero, seconded by Alderman Salinas, and unanimously carried, to approve the Investment Policy for the Town of Rancho Viejo.

12. CONSIDERATION/APPROVAL OF RESOLUTION OF THE BOARD OF ALDERMEN OF THE TOWN OF RANCHO VIEJO, TEXAS AUTHORIZING THE CONTINUATION OF BANK ACCOUNTS AND DEPOSITORY HERETOFORE ESTABLISHING AND AUTHORIZING CERTAIN PERSONS TO SIGN CHECKS AND OTHER NECESSARY TRANSACTIONS FOR SAME:

Motion was made by Alderman Truan, seconded by Alderman Vera, and unanimously carried, to approve Resolution No. 300 - A RESOLUTION OF THE BOARD OF ALDERMEN OF THE TOWN OF RANCHO VIEJO, TEXAS AUTHORIZING THE CONTINUATION OF BANK ACCOUNTS AND DEPOSITORY HERETOFORE ESTABLISHING AND AUTHORIZING CERTAIN PERSONS TO SIGN CHECKS AND OTHER NECESSARY TRANSACTIONS FOR SAME.

13. CONSIDERATION/REAPPOINTMENT OF METROPOLITAN PLANNING ORGANIZATION (MPO) REPRESENTATIVE:

Mayor Rathbun recommended Bitty Truan as Representative for the Metropolitan Planning Organization for the Town of Rancho Viejo. Motion was made by Alderman Guerrero, seconded by Alderman Salinas, and unanimously carried, to appoint Alderman Truan as MPO Representative for the Town of Rancho Viejo.

14. CONSIDERATION/APPOINTMENT/REAPPOINTMENT OF CHAIRMAN AND MEMBERS TO THE STRATEGIC PLANNING COMMITTEE:

Mayor Rathbun recommended the reappointment of Jean Hager as Chairman and Erick Lucio as a member to the Strategic Planning Committee, each for a two year term. Mayor Rathbun also recommended the appointment of Grace Salinas as a member to the Strategic Planning Committee for a one year term. Motion was made by Alderman Guerrero, seconded by Alderman Vera, and unanimously carried, to reappoint Jean Hager as Chairman and to reappoint Erick Lucio as member to the Strategic Planning Committee, each for a two year term and to appoint Grace Salinas as a member to the Strategic Planning Committee for a one year term.

Alderman Truan was excused from the meeting at 6:43 P.M.

15. CONSIDERATION/ACTION ON APPOINTMENT OF CHAIRMAN AND VICE CHAIR TO THE STREET COMMITTEE:

Mayor Rathbun recommended to appoint Maribel Guerrero as Chairman and Javier Vera as Vice Chairman to the Street Committee. Motion was made by Alderman Guerrero, seconded by Alderman Salinas, and unanimously carried, to appoint Alderman Guerrero as Chairman and to appoint Alderman Vera as Vice Chairman to the Street Committee.

16. CONSIDERATION/ACTION ON RESOLUTION OF THE TOWN OF RANCHO VIEJO, TEXAS FINDING THAT AEP TEXAS CENTRAL COMPANY'S APPLICATION TO AMEND ITS DISTRIBUTION COST RECOVERY FACTORS TO INCREASE DISTRIBUTION RATES WITHIN THE TOWN SHOULD BE DENIED; FINDING THAT THE TOWN'S REASONABLE RATE CASE EXPENSES SHALL BE REIMBURSED BY THE COMPANY; FINDING THAT THE MEETING AT WHICH THIS RESOLUTION IS PASSED IS OPEN TO THE PUBLIC AS REQUIRED BY LAW; REQUIRING NOTICE OF THIS RESOLUTION TO THE COMPANY AND LEGAL COUNSEL:

Motion was made by Alderman Vera, seconded by Alderman Salinas, and unanimously carried, to approve Resolution No. 301 - A RESOLUTION OF THE TOWN OF RANCHO VIEJO, TEXAS FINDING THAT AEP TEXAS CENTRAL COMPANY'S APPLICATION TO AMEND ITS DISTRIBUTION COST RECOVERY FACTORS TO INCREASE DISTRIBUTION RATES WITHIN THE TOWN SHOULD BE DENIED; FINDING THAT THE TOWN'S REASONABLE RATE CASE EXPENSES SHALL BE REIMBURSED BY THE COMPANY; FINDING THAT THE MEETING AT WHICH THIS RESOLUTION IS PASSED IS OPEN TO THE PUBLIC AS REQUIRED BY LAW; REQUIRING NOTICE OF THIS RESOLUTION TO THE COMPANY AND LEGAL COUNSEL.

17. CONSIDERATION/ACTION ON RESOLUTION OF THE TOWN OF RANCHO VIEJO, TEXAS, AUTHORIZING REVIEW OF TEXAS GAS SERVICE COMPANY'S ("TGS") COST OF SERVICE ADJUSTMENT ("COSA"); APPROVING OF A JOINT REVIEW OF TGS' APPLICATION ALONG WITH OTHER CITIES SERVED BY TGS; HIRING LEGAL AND CONSULTING SERVICES TO NEGOTIATE WITH THE COMPANY AND DIRECT ANY NECESSARY LITIGATION AND APPEALS; REQUIRING TGS TO REIMBURSE ALL REASONABLE COSTS ASSOCIATED WITH CITIES' EFFORTS IN THIS RATEMAKING EFFORT; FINDING THAT THE MEETING AT

WHICH THIS RESOLUTION IS PASSED IS OPEN TO THE PUBLIC AS REQUIRED BY LAW; REQUIRING NOTICE OF THIS RESOLUTION TO THE COMPANY AND LEGAL COUNSEL:

Motion was made by Alderman Guerrero, seconded by Alderman Salinas, and unanimously carried, to table this item to be added to next month's agenda after further review with VMUD# 2.

18. CONSIDERATION/ACTION ON AN ORDINANCE OF THE BOARD OF ALDERMEN OF THE TOWN OF RANCHO VIEJO, TEXAS, AMENDING CHAPTER 62, "TRAFFIC AND MOTOR VEHICLES" BY ADDING ARTICLE V, "USE OF PORTABLE ELECTRONIC DEVICES WHILE OPERATING A MOTOR VEHICLE"; CONTAINING A PENALTY; PROVIDING FOR PUBLICATION; AND CONTAINING OTHER PROVISIONS RELATED TO THE SUBJECT:

Mayor Rathbun mentioned that the Strategic Planning Committee met and that Alderman Lucio did not like idea of this ordinance. She mentioned that if passed there will be notification periods to start with verbal notifications, verbal warnings, then written warnings and eventually once residents are well informed of the Ordinance they will start issuing citations for the violation.

Motion was made by Alderman Salinas, to table this item. There was no second on the motion.

Motion was made by Alderman Vera and seconded by Alderman Guerrero, to decline the Ordinance as drafted. Motion carried with the following vote:

AYES: Alderman Guerrero, Alderman Vera

NAYES: Alderman Salinas

ABSTAINING: None

19. RABIES VACCINATION ANNOUNCEMENT - JUNE 1, 2017 AT TOWN HALL FROM 5:30 PM TO 6:30 PM:

Mayor Rathbun announced that this year's Rabies Vaccination Clinic will be held on Thursday, June 1, 2017 at the Town Hall from 5:30 P.M. to 6:30 P.M.

20. MARCH 2017 FINANCIAL REPORT - TOWN ADMINISTRATOR:

Town Administrator Fred Blanco went over the March 2017 financial report and the bank balances for the General Account, Debt Account, Police Asset Forfeiture Account and the Certificates of Obligation Account and all interests.

21. APRIL 2017 POLICE REPORT - CHIEF OF POLICE:

Police Chief Cruz went over the items on the April 2017 Police Report.

22. CONSIDERATION/ACTION TO DECLARE ONE 2005 DODGE RAM ST MILITARY SURPLUS PROPERTY TO BE SOLD AND AUTHORIZE THE CHIEF OF POLICE/MAYOR TO ACCEPT THE HIGHEST OFFER:

Motion was made by Alderman Salinas, seconded by Alderwoman Guerrero, and unanimously carried, to Declare One 2005 Dodge RAM ST Military Surplus Property to be Sold and Authorize the Chief of Police/Mayor to Accept the Highest Offer.

23. PUBLIC COMMENT:

Alderman Guerrero stated that the Street Committee met with the engineer and they are working on getting ready to work on 2 phases. They have been in contact with VMUD #2 to work together and postpone the streets that need the water maintenance in addition to the paving. Alderman Vera gave an update on the timeline of the events for request for bids. The first notice on advertisement for bids

went out last Sunday and the next one will go out on May 21, 2017. There will be a mandatory pre-bid conference held at the Rancho Viejo Town Hall on May 24, 2017 at 10:00 A.M. The deadline to turn in bids will be May 31, 2017 at 3:00 P.M. at which time the bids received will be publicly opened and read aloud. Alderman Salinas stated that with hurricane season starting June 1, we must be prepared and document any damage to streets and infrastructures in case of a request for reimbursement for emergency funds from FEMA.

24. ADJOURN:

Motion was made by Alderman Guerrero, seconded by Alderman Vera, and unanimously carried to adjourn the meeting at 7:33 P.M.

BY: _____
Fred Blanco, Town Administrator

APPROVED: _____
Cyndie Rathbun, Mayor

DATE: _____

6. An Ordinance Granting to ONE Gas, Inc., Acting by and Through its Texas Gas Service Company Division, and its Successors and Assigns, for a Period of Twenty-Five (25) Years from Approval and Acceptance of this Ordinance, A Non-Exclusive Franchise and Right to Enter the Public Ways to Install, Operate and Maintain a Distribution System Within, Along, Across, Over and Under the Public Ways of the Town of Rancho Viejo, Texas for the Transportation, Distribution and/or Sale of Gas to Customers and the Public Generally in the City; Defining the Words and Phrases Therein; Providing for Assignment, Sale or Lease of the Franchise; Providing that the City May Enact an Ordinance Charging Person Transporting Gas Through Grantee's Distribution System a Fee on the Calculated Value of Such Transported Gas; Providing for Use and Repair of the Public Ways; Providing for Regulation of Service; Establishing Depth of Pipelines; Establishing Rights and Duties in the Movement and Alteration of Pipelines; Providing for Indemnification of the Town of Rancho Viejo; Providing for Grantee's Rules and Regulations; Providing for Inspection of Grantee's Records; Requiring Grantee to Pay a Franchise Fee; Providing for Inspection of Grantee's Records; Requiring Grantee to Pay a Franchise Fee; Providing for Conditions of the Franchise; Providing for Construction of this Ordinance Upon the Invalidity of Any Part Thereof; Providing for Acceptance of this Franchise by Grantee and Both an Effective and an Operative Date Thereof; Repealing All Other Ordinances Directly in Conflict Herewith; and Providing for Severability



March 15, 2017

Fred Blanco
Town Administrator
City of Rancho Viejo
3301 Carmen Avenue
Rancho Viejo, Texas
78575

Dear Mr. Blanco:

Texas Gas Service would like to renew its franchise with the City of Rancho Viejo which expires in 2017.

Pursuant to Section 8 of Rancho Viejo Ordinance 57, passed, adopted and approved May 19th, 1987, Texas Gas Service, a division of ONE Gas, Inc. hereby provides written notice of its desire to renew its franchise agreement with City of Rancho Viejo. Attached please find a copy of a proposed 25-year franchise agreement for your review and consideration. We look forward to working with you to renew this franchise and continuing to serve the City of Rancho Viejo. Thank you in advance for your cooperation.

Sincerely,

Larry Graham
Manager, Regulatory Affairs

ORDINANCE NO. _____

AN ORDINANCE GRANTING TO ONE GAS, INC., ACTING BY AND THROUGH ITS TEXAS GAS SERVICE COMPANY DIVISION, AND ITS SUCCESSORS AND ASSIGNS, FOR A PERIOD OF TWENTY-FIVE (25) YEARS FROM APPROVAL AND ACCEPTANCE OF THIS ORDINANCE, A NON-EXCLUSIVE FRANCHISE AND RIGHT TO ENTER THE PUBLIC WAYS TO INSTALL, OPERATE AND MAINTAIN A DISTRIBUTION SYSTEM WITHIN, ALONG, ACROSS, OVER AND UNDER THE PUBLIC WAYS OF THE TOWN OF RANCHO VIEJO, TEXAS FOR THE TRANSPORTATION, DISTRIBUTION AND/OR SALE OF GAS TO CUSTOMERS AND THE PUBLIC GENERALLY IN THE CITY; DEFINING THE WORDS AND PHRASES THEREIN; PROVIDING FOR ASSIGNMENT, SALE OR LEASE OF THE FRANCHISE; PROVIDING THAT THE CITY MAY ENACT AN ORDINANCE CHARGING PERSONS TRANSPORTING GAS THROUGH GRANTEE'S DISTRIBUTION SYSTEM A FEE ON THE CALCULATED VALUE OF SUCH TRANSPORTED GAS; PROVIDING FOR USE AND REPAIR OF THE PUBLIC WAYS; PROVIDING FOR REGULATION OF SERVICE; ESTABLISHING DEPTH OF PIPELINES; ESTABLISHING RIGHTS AND DUTIES IN THE MOVEMENT AND ALTERATION OF PIPELINES; PROVIDING FOR INDEMNIFICATION OF THE TOWN OF RANCHO VIEJO; PROVIDING FOR GRANTEE'S RULES AND REGULATIONS; PROVIDING FOR INSPECTION OF GRANTEE'S RECORDS; REQUIRING GRANTEE TO PAY A FRANCHISE FEE; PROVIDING FOR CONDITIONS OF THE FRANCHISE; PROVIDING FOR CONSTRUCTION OF THIS ORDINANCE UPON THE INVALIDITY OF ANY PART THEREOF; PROVIDING FOR ACCEPTANCE OF THIS FRANCHISE BY GRANTEE AND BOTH AN EFFECTIVE AND AN OPERATIVE DATE THEREOF; REPEALING ALL OTHER ORDINANCES DIRECTLY IN CONFLICT HERewith; AND PROVIDING FOR SEVERABILITY.

BE IT ORDAINED BY THE BOARD OF ALDERMEN OF THE TOWN OF RANCHO VIEJO, TEXAS:

SECTION 1. DEFINITIONS

As used in this Ordinance, the following words and phrases shall have the following meanings:

- A. "City" means the Town of Rancho Viejo, in Cameron County, Texas, a municipal corporation, hereinafter also referred to as "Grantor".
- B. "City Clerk" means the City Clerk of the City or other such officer of the City designated to serve as the filing officer for official documents and records of the City.
- C. "City Council" means the Board of Alderman of the City as the governing body of the City.
- D. "City Engineer" means the City Engineer of the City or such other officer of the City designated to approve engineering plans and designs for construction within Public Ways.

- E. "City Manager" means the City Manager of the City or such other chief administrative officer of the City designated to hear appeals from the decisions of other City officers.
- F. "Customer" means any individual person, corporation, company, partnership, firm, unincorporated association, trust, municipality, or public or private entity located within the municipal corporate limits of the City and serviced by the Grantee through any use of the Public Ways.
- G. "Franchise Fee" or "Franchise Fees" shall mean the sum of fees to be paid to the City by Grantee under Section 11 of this Ordinance.
- H. "Gas Sales" means the sale of natural gas to Grantee's Customers located within the corporate limits of the City by use of the System.
- I. "Gas Transportation" means the transportation of Transport Gas for redelivery to Customers with re-delivery points located within the corporate limits of the City.
- J. "Grantee" shall mean ONE Gas, Inc., an Oklahoma corporation acting by and through its Texas Gas Service Company division, and its successors and assigns.
- K. "Gross Receipts from Gas Sales" shall constitute and include Grantee's total receipts from the sale, distribution or transportation of gas to Grantee's Customers. Grantee's Gross Receipts from Gas Sales subject to the Franchise Fee shall specifically exclude, without limitation:
- [1] receipts from gas sales or services to Customers located at delivery points outside the corporate limits of the City;
 - [2] receipts from gas consumed or transported by Grantee for its own use;
 - [3] bad debt or uncollected accounts;
 - [4] receipts collected for gas utility taxes;
 - [5] receipts for any taxes, assessments, charges or fees of any kind charged by a governmental entity and collected by Grantee from the Customer by a pass through charge on the gas bill, except for Franchise Fees and gross receipts taxes;
 - [6] receipts for construction advances or contributions in aid of construction;
 - [7] receipts for maintenance of appliances, machinery or equipment;
 - [8] receipts for compensation for damage to Grantee's property;
 - [9] receipts from sales of materials, appliances or equipment, and

[10] receipts from any non-regulated utility or non-regulated services or products.

L. "Gross Receipts from Gas Transportation" shall constitute and include Grantee's total receipts from its transportation of Transport Gas, consisting of receipts from cost of service. Grantee's Gross Receipts from Gas Transportation subject to the Franchise Fee shall specifically exclude, without limitation:

[1] receipts from gas transportation services to Customers located at delivery points outside the corporate limits of the City;

[2] receipts from gas transported by Grantee for its own use;

[3] bad debt or uncollected accounts;

[4] receipts collected for gas utility taxes;

[5] receipts for any taxes, assessments, charges or fees of any kind charged by a governmental entity and collected by Grantee from the Customer by a pass through charge on the gas bill, except for Franchise Fees and gross receipts taxes;

[6] receipts for construction advances or contributions in aid of construction;

[7] receipts for maintenance of appliances, machinery or equipment;

[8] receipts for compensation for damage to Grantee's property; and

[9] receipts from any non-regulated utility or non-regulated services or products.

M. "Permit" means the authorization to Grantee:

[1] for the opening of the streets, avenues, alleys, other public places or Public Ways shown on maps or plans submitted by Grantee to the City Engineer, showing the streets, avenues, alleys, and other public places and the locations thereon wherein Grantee proposes to construct new mains and pipes,

[2] for the new construction or laying of the new mains and pipes by Grantee as shown on plans, and

[3] to perform all work on existing Grantee facilities or the System within the Public Ways or other City rights-of-way.

N. "Public Ways" means the present and future streets, avenues, boulevards, parkways, lanes, alleys, bridges, sidewalks, parks, easements, highways, and any other public place within the municipal corporate limits of the City, whether dedicated or not.

- O. "System" means Grantee's system of mains, pipelines, conduits, valves, feeders, regulator stations, laterals, service lines, measuring devices, and all other necessary plants, attachments, land, structures, facilities and appurtenances for the purpose of selling, storing, supplying, conveying, transmitting, distributing, and/or transporting natural gas and any gas, including the equivalent substitutes, for all other lawful purposes in, through, upon, under, and along the present and future streets, avenues, alleys, bridges, sidewalks, parks, easements, highways, and any other public place within the municipal corporate limits of the City.
- P. "Transport Gas" means gas owned or controlled by a user or its designee (i.e., gas that is purchased or otherwise acquired by a user from someone other than Grantee) and delivered by such user or its designee to Grantee at a point on Grantee's System, such point of delivery to be defined by Grantee, and carried, delivered or transported through Grantee's System at a point of redelivery within the municipal corporate limits of the City by Grantee to the user for a fee.
- Q. "Utility Regulated Service Charges" shall consist of charges for services (but not for natural gas sales or transportation services) that:

[1] Grantee provides to its Customers located within the corporate limits of the City and

[2] which are or may, from time to time, become subject to the rate regulation of the applicable regulatory authority.

Such Utility Regulated Service Charges shall not include receipts by Grantee from its Customers in the City, if applicable, for appliance sales, appliance light-ups, maintenance of Customer equipment or facilities and any other receipts that are not legally subject to the rate regulation of the applicable regulatory authority.

SECTION 2. GRANT OF FRANCHISE

- A. The Grantor hereby grants to Grantee for the term of twenty-five (25) years from the passage and approval of this Ordinance and the filing of a written acceptance by the Grantee, the right to enter upon the Public Ways to install, operate and maintain a System along, across, over and under the Public Ways for the privilege of transporting, distributing and/or selling gas to Customers and the public generally within the municipal corporate limits of the City, and including any territory that the City may hereafter annex, acquire, purchase; and to distribute, sell, store, supply, transport, carry and/or convey natural gas and any gas through Grantee's System in the City to other cities, towns, communities and areas outside the City and to inhabitants thereof, for the full term of this Franchise Ordinance.
- B. The Ordinance shall have the effect of and shall be a contract between Grantor and Grantee and shall be the measure of the rights and liabilities of Grantor as well as Grantee.

- C. The Franchise granted by this Ordinance shall in no way affect or impair the present or future rights, obligations, or remedies of the City or Grantee under the Texas Gas Utility Regulatory Act, as amended.

SECTION 3. FRANCHISE ASSIGNMENT, SALE OR LEASE

Grantee is expressly given the power and privilege to sell, transfer or assign the franchise granted hereby, or any part of this franchise, to any person, entity or corporation.

SECTION 4. USE AND REPAIR OF THE PUBLIC WAYS

A. Grantee's System shall be erected, placed, and laid or otherwise installed, operated and maintained in such a manner as will, consistent with reasonable necessity, least interfere with other public uses of the Public Ways. This Ordinance shall constitute the Permit to perform all work on existing Grantee facilities or the System within the Public Ways or rights of way.

B. Except in the case of an emergency, within the City's full purpose jurisdiction, when Grantee desires to lay any new mains hereunder, and before commencing its new construction work on mains, it shall submit to the City Engineer, or other proper authority, a map or plan showing the streets, avenues, alleys, and other public places and the locations thereon wherein it proposes to construct such new mains and pipes. The City Engineer, or other proper authority, shall by written notice, either issue or deny the Permit to Grantee. Approval by the City Engineer, or other proper authority, shall constitute the Permit to Grantee for the opening of the streets, avenues, alleys and other public places shown on the map or plan, and for the new construction or laying of the new mains and pipes by Grantee as shown on the plan. If the City Engineer, or other proper authority, does not respond within ten (10) calendar days, the Permit shall be deemed approved.

In the event that the Permit is denied, the City Engineer, or other proper authority, shall advise Grantee of the reasons for the denial and all necessary steps to secure approval of the Permit. Grantee shall have the right to immediately appeal the non-issuance of the Permit to the City Manager, and if not approved within ten (10) calendar days by the City Manager, Grantee may appeal to the City Council and be heard at a public meeting held in compliance with applicable law. If the City Council fails to act on the appeal within ten (10) calendar days, the appeal will be deemed to be denied unless agreed otherwise in writing by Grantee and the City. Appeal of any decision made by the City Council shall be made to the District Court of Travis County, Texas, and an appeal from any decision of the District Court shall be as in all other civil actions.

This Subsection 4 (B) shall also apply to all other facilities and equipment of Grantee to be constructed or installed on public property within the City's full purpose jurisdiction.

- C. It shall not be necessary for Grantee to secure a Permit for the laying of service pipes from the mainline pipes of Grantee to its Customers.
- D. After any excavation or disturbance, Grantee shall, with due diligence and dispatch, place the Public Way in a condition in compliance with the Grantor's reasonable standards and specifications.

SECTION 5. REGULATION OF SERVICE

The System of Grantee shall at all times be installed, operated and maintained in accordance with accepted good practice and in such condition as will enable the Grantee to furnish adequate and continuous service as required by the orders, rules and regulations of the Railroad Commission of Texas or other regulatory authority having jurisdiction. The requirements set forth in this Section shall not relieve Grantee of any other obligations set forth herein.

SECTION 6. DEPTH OF PIPELINES

After the operative date of this franchise, Grantee's main or lateral lines installed or replaced in Public Ways shall be installed or replaced at depths which comply with all applicable state and federal rules and regulations establishing minimum safety standards for the design, construction, maintenance and operation of pipelines. Depth shall be measured from the lower of existing grade or proposed future grade as set forth on plans or other specifications existing at the time such lines are installed or replaced.

SECTION 7. DUTY TO MOVE OR ALTER LINES

A. Grantor reserves the right to lay or permit to be laid cables, electric conduits, water, sewer, gas or other pipelines and to do or permit to be done any underground work deemed necessary and proper by the Grantor, along, across, over or under the Public Ways. In permitting such work to be done, the Grantor shall be liable to the Grantee for any damage to Grantee's pipelines and facilities caused by Grantor or its agents' or contractors' negligence.

B. When Grantee is required by Grantor to remove or relocate its mains, laterals, and other facilities to accommodate construction of streets and alleys by the Grantor, and Grantee is eligible under federal, state, county, local or other programs for reimbursement of costs and expenses incurred by Grantee as a result of such removal or relocation, and such reimbursement is required to be handled through Grantor, then Grantee's costs and expenses shall be included in any application by Grantor for reimbursement. Grantee will provide the Grantor its appropriate cost and expense documentation prior to the filing of the application.

C. When Grantee is required to remove or relocate its mains, laterals or other facilities to accommodate construction of streets or alleys by the Grantor without reimbursement, Grantee shall have the right to seek a surcharge to recover relocation costs pursuant to Section 104.112 of the Texas Utilities Code or any other applicable law or regulations.

D. If Grantor shall require the Grantee to adapt or conform its System or in any way to alter, relocate or change its property to enable any other person, firm, corporation or entity (whether public or private), other than the Grantor, to use the Public Ways, the Grantee shall be reimbursed by the person, firm corporation or entity desiring or occasioning such change for any and all loss, cost or expense occasioned thereby.

SECTION 8. INDEMNIFICATION

Grantee shall indemnify, save and hold City harmless from and against any and all claims for damages for which the City shall or might become liable to the extent caused by any negligent act or omission of Grantee, its agents or contractors in the construction and operation of the System; provided, however, that in the event of such claim or claims being prosecuted against the City, Grantee shall have the right to defend against the same, and to settle or discharge same in such manner as it may see fit, and the City shall give prompt written notice to Grantee of the presentation or prosecution of such claims. The indemnity provided for in this paragraph shall not apply to any claim or liability resulting from the acts, omissions, or negligence of the City, its employees, agents or contractors.

Grantee's undertakings shall be subject to its ability, by use of due diligence and normal business methods, to obtain and place in service the necessary materials and facilities. Moreover, Grantee shall be excused from failure or delay in performing such obligations if and to the extent occasioned by an act of nature or "act of God," fire, explosion, flood, act of a public enemy, contagion or contamination hazardous to human life or health, legal restraints, labor difficulties, material shortages, interruption or deficiency of gas supply not attributable to default of Grantee or, without limitation, any other cause or combination of causes not reasonably within Grantee's ability to anticipate or control. The Company shall notify the City promptly and in no case less than thirty days of its intent to utilize this provision of this Ordinance.

SECTION 9. GRANTEE'S RULES AND REGULATIONS

The Grantee shall have the right to make and enforce such reasonable rules and regulations as it may deem necessary for the extension of its facilities, the sale of its gas and the conduct of its business, provided that such rules and regulations shall neither be in conflict with the laws of the State of Texas, with the orders, rules or regulations of the Railroad Commission of Texas or other regulatory authority having jurisdiction, nor with the ordinances and regulations of the Grantor insofar as they are consistent with the jurisdiction of the Railroad Commission of Texas or such other regulatory authority. Grantee shall supply natural gas and provide regulated services at the rates and under the terms and conditions specified by such rules, its tariffs filed with the City, and as provided herein.

SECTION 10. INSPECTION OF RECORDS

Grantee shall permit Grantor or its agents to inspect, during regular business hours, the books, papers and records kept by Grantee in the ordinary course of business and pertaining to the natural gas business carried on by it in the City, such as plats, maps and atlases identifying Grantee's pipelines in the City, and the books and records necessary to verify the franchise fee payment provided for in Section 11 hereof. Notwithstanding the obligation herein, Grantee shall have the right to the reasonable protection of proprietary information and to provide redacted documents or require Grantor or its agents to enter into such agreements pertaining to confidentiality as may reasonably protect the proprietary information of Grantee but which do not unreasonably frustrate the purposes of this Section. Grantor shall promptly notify Grantee in writing of areas newly annexed into or de-annexed from the corporate limits of Grantor, and

Grantee shall update its records for the purpose of payment of franchise fees as soon as reasonably practicable after receiving such notice.

SECTION 11. CONSIDERATION FOR FRANCHISE: FRANCHISE FEE

A. As full consideration for the rights and privileges conferred by this Ordinance, Grantee agrees to pay Grantor as follows:

- (1) Grantee shall collect the Franchise Fee from its Customers and shall pay Grantor a Franchise Fee the sum of which is equal to Five Percent (5%) of the Gross Receipts received by Grantee, per billing period, from the transportation, distribution, and sale of natural gas for consumption within the municipal corporate limits of the City. The Franchise Fee shall include only Gross Receipts from Gas Sales to Customers located in the City; Gross Receipts from Gas Transportation to Transport Gas Customers with re-delivery points located in the City; plus, Gross Receipts from Utility Regulated Service Charges. All sums due from Grantee shall be in lieu of all other franchise fees, licenses, or occupational taxes, which may be levied or attempted to be levied on Grantee by the City.
- (2) Grantee shall pay such Franchise Fee collected from its Customers to the Grantor under the terms of this Ordinance, based upon meters read on or after the effective date of this Ordinance. During the term of this Ordinance, Grantee shall collect from its Customers and pay the City in January and July for the preceding six months. Grantee shall include with the Franchise Fee payment a statement showing its collections of Gross Receipts from Gas Sales and Gas Transportation in the City, and Utility Regulated Service Charges in the City, including the calculation of the Franchise Fee for the subject time period. Collection and payment of Franchise Fee shall be final as to both parties unless questioned by written notice provided by one party to the other within one year after payment thereof has been made.

It is expressly agreed that the Franchise Fee payments shall be in lieu of any payments for the right to use the Public Ways or other public rights-of-way of the City, including expressly the charge permitted to be levied by the Texas Tax Code Sections 182.021-182.026 and 182.081-182.082, or any successor statute permitting such a charge, however designated. The Franchise Fee shall be in lieu of and accepted as payment of all of Grantee's obligations to pay all other franchise fees, licenses, easement or occupation taxes, levies, exactions, rentals, street-cut fees, inspection fees, right of way inspection fees, permit fees, franchise fees, easement taxes, or charges of any kind whatsoever which may be levied or attempted to be levied in general by the City for the use of City's Public Ways and other rights-of-way, with the sole exception of sales taxes, ad valorem taxes and special assessments which are made without reference to or dependence upon Grantee's franchise or occupancy of the streets and public right of way, e.g., special assessment paving liens.

The rights, privileges, and franchises granted by this Ordinance are not to be considered exclusive, and City hereby expressly reserves the right to grant, at any time as it may see fit, like

privileges, rights, and franchises to any other person or corporation for the purpose of furnishing gas in the City. In the event any entity (other than Grantee) providing gas sales or gas transportation service to Customers within the City is subject to a lesser franchise fee than is required to be collected and paid by Grantee in this Ordinance, then with respect to such gas sales or transportation service to those Customers, Grantee's Franchise Fee obligation on sales or transportation service to those Customers will be reduced to a rate equal to the franchise fee rate required to be paid by such other entity.

Unless expressly set forth herein, or otherwise provided by law, by accepting this Ordinance, Grantee does not agree to be responsible for the payment of franchise fees other than as expressly set forth herein, or for the payment of franchise fees owed to the City by any other entity, corporation or firm.

SECTION 12. CONDITIONS OF FRANCHISE

This contract, franchise, grant and privilege is granted and accepted under and subject to all applicable laws and under and subject to all of the orders, rules, and regulations now or hereafter adopted by governmental bodies now or hereafter having jurisdiction.

To the extent that all or any other existing ordinance shall conflict with any provision of this Ordinance, this Ordinance shall prevail upon passage, adopting and acceptance of this Ordinance.

SECTION 13. INVALIDITY OF ORDINANCE

If any clause, sentence, or section of this Ordinance shall be held to be invalid, it shall not affect the remaining portions of this Ordinance, which shall remain valid and effective as if such invalid provision did not exist, although the parties shall be entitled to a judicial interpretation or construction of this Ordinance to address the validation of such provision by minimal amendment thereof. Further, should any governmental body now or hereafter having jurisdiction determine that Grantee shall not be permitted to collect in whole or in part the compensation due Grantor by others for Transport Gas as set forth in Paragraph (2) of Subsection A of Section 11 of this Ordinance, Grantee shall thereafter have no obligation to make such payment to Grantor and Paragraph (2) of Subsection A of Section 11 shall be of no force and effect with regard to the sale of Transport Gas.

SECTION 14. EFFECTIVE DATE AND TERM

This Ordinance shall take effect and be in full force from and after its final passage and approval by the City Council and the acceptance hereof in writing by Grantee as herein provided. This Franchise Ordinance shall continue and remain in full force and effect for a period of twenty-five years from the effective date.

SECTION 15. ACCEPTANCE BY GRANTEE

Grantee shall have sixty days from the execution of this Ordinance within which to file in the office of the City Clerk its consent to and written acceptance of provisions and conditions of this Franchise Ordinance.

SECTION 16. REPEALER

Each and every other ordinance or part thereof which is directly in conflict with any provision herein as to the grant of a franchise for natural gas services and the regulation thereof is hereby repealed.

SECTION 17. SEVERABILITY

The provisions of this Ordinance are severable, and if any part or provision hereof shall be adjudged invalid by any court of competent jurisdiction, such adjudication shall not affect or impair any of the remaining parts or provisions hereof.

READ, PASSED, ADOPTED AND APPROVED by the Board of Aldermen of the Town of Rancho Viejo, Texas, this ____ day of _____, 2017.

[-----]
Mayor

ATTEST:

[-----]
City Clerk

APPROVED:

[-----]
City Attorney

The above and forgoing Franchise Ordinance and the grants, franchise, powers, rights and privileges thereto were accepted by Grantee this _____, 2017.

TEXAS GAS SERVICE COMPANY

A division of ONE Gas, Inc.

By: _____

Greg Phillips

Vice President, Commercial Natural Gas Distribution,
ONE Gas, Inc.

7. Street Committee Report

8. Discussion/Consideration/Action on Bids and Award of Contract for Street Repair and Paving Improvements Phase 1A

9. Consideration/Action on Appointment of a Non- Compensated Reserve Police Officer

10. Consideration/Discussion on Police Vehicles

11. Consideration/Action on Extension of Contract with Building Inspector

INSPECTION FEES

GENERAL

Foundation Concrete/rebar	\$15 – 80
needs forms survey at Town Hall	
Framing and Roof	\$15 – 80
Insulation	\$30
Concrete flat work-	
driveway & pipe, sidewalk	\$20
Building final and C.O.	\$15 – 80

PLUMBING

In-ground	\$15 – 80
<u>Rough-in</u>	<u>\$15 – 80</u>
Sewer tie-in and Water	\$30
Final	\$15 – 80

ELECTRICAL

Temporary power	\$15
Rough-in	\$15 – 80
Working clearance	\$25
Final	\$15 – 80

HVAC

Rough-in and duct work	\$15 – 80
Final	\$15 – 80

ROOFING

Check material	\$15
Final	\$20

WALLS AND FENCES

Beginning	\$20
Final	\$20

RETAINING WALLS AND DOCKS

Beginning	\$20
Final	\$20

SWIMMING POOL

Initial	\$20
Bonding and Rebar	\$20 (2)
Final	\$20

GAS LINE	\$20
PROPANE TANK	\$20
SPRINKLER	\$20
GAZEBO	\$10
MAILBOX	\$10
RED TAGS	\$20
STOP WORK	\$50

+ \$5.00 per permit issued

Plus mileage

X-Small new	up to 1,500 sq. feet of living area	\$15
Small new	up to 2,000 sq. feet of living area	\$25 - 30
Medium new	up to 3,000 sq. feet of living area	\$40 - 50
Large new	up to 4,000 sq. feet of living area	\$60 - 70
X- Large new	4,000 sq. feet & over of living area	\$70 - 80

12. Consideration/Reappointment of Chairman and Members to the Beautification Committee

13. Consideration/Reappointment of members to the Street Committee

Mayor Rathbun to recommend the reappointment of Grady Deaton as a member and Cyndie Rathbun as an alternate member to the Street Committee.

14. Consideration/Action on Resolution on Reappointment for Municipal Judge

RESOLUTION NO.

WHEREAS, the Town of Rancho Viejo, Texas had adopted and approved Ordinance No. 36 providing for the appointment of a Judge for the Municipal Court of the Town; and

WHEREAS, said Ordinance provides that the Municipal Judge shall be appointed by resolution by the Board of Aldermen of the Town; and

WHEREAS, the Board of Aldermen has determined that Ricardo M. Adobbati possesses the judgment and requisite legal qualifications to be appointed Municipal Judge for the Town of Rancho Viejo;

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF ALDERMEN OF THE TOWN OF RANCHO VIEJO, TEXAS:

Section 1: That Ricardo M. Adobbati is hereby reappointed Municipal Judge in and for the Municipal Court of the Town of Rancho Viejo, Texas, said appointment being made pursuant to Ordinance No. 36.

Section 2: Ricardo M. Adobbati shall serve as Judge from the date of this resolution and until a successor is duly appointed, subject to Ordinance No. 36, or as may be provided by law.

Section 3: Municipal Judge Ricardo M. Adobbati will be paid a sum of Nine Hundred Dollars (\$900.00) per month.

PASSED, ADOPTED AND APPROVED by the Board of Aldermen of the Town of Rancho Viejo on this the 13th of June, 2017.

Town of Rancho Viejo

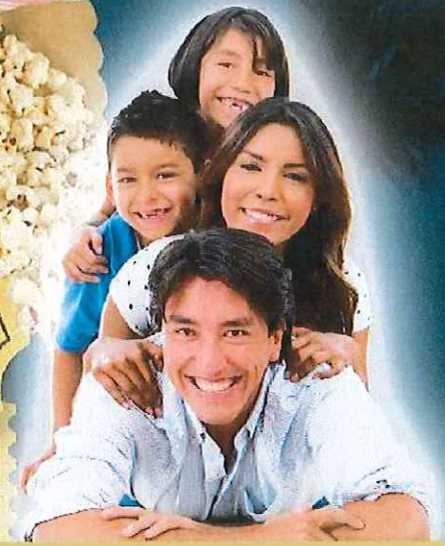
Cyndie Rathbun, Mayor

ATTEST:

Fred Blanco, Town Secretary

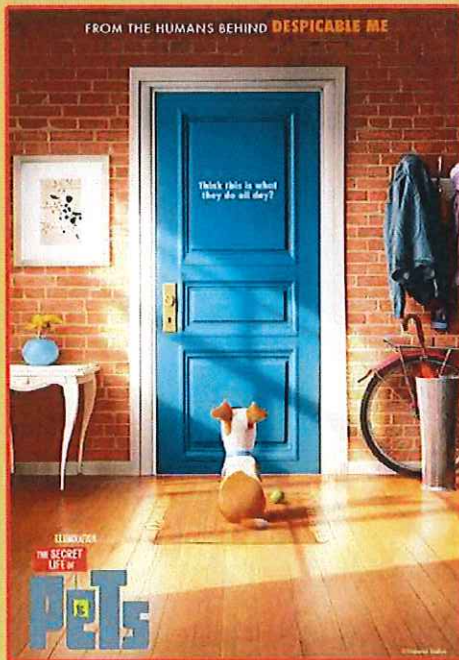
15. 2017 Movies Under the Stars Announcement

Town of
Rancho Viejo
Texas



MOVIES *Under the Stars*

Join us on the lawn next to Town Hall for Movies Under The Stars! Bring your family, lawn chairs and blankets to watch your favorite movies on our giant inflatable screen!



Friday June 23rd



Friday July 14th



Friday August 4th

FREE Event! • Movie starts at 8:30 p.m.

Gold Sponsors:



Silver Sponsor:



Bronze Sponsors:



16. April 2017 Financial Report - Town Administrator

17. April 2017 Police Report - Chief of Police

18. Hurricane Preparedness Presentation - Chief of Police

19. Public Comment

20. Adjourn