



NOTICE OF A PUBLIC MEETING
TOWN OF RANCHO VIEJO
BOARD OF ALDERMEN
REGULAR MEETING
AUGUST 13, 2019
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 August 13, 2019 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 – Special Meeting July 9, 2019, Regular Meeting July 9, 2019, Special Meeting July 24, 2019, Special Meeting August 7, 2019
6. Public Hearing on Plan for Rezone request by Ms. Irma Najera and Mr. Alejandro Najera, owners of lot 5500 Rancho Viejo Subdivision Section 5, to be changed from Single-Family Dwelling District to Business District
7. Discussion/Action on Plan for Rezone request by Ms. Irma Najera and Mr. Alejandro Najera, owners of lot 5500 Rancho Viejo Subdivision Section 5, to be changed from Single-Family Dwelling District to Business District
8. Rotary Club of Rancho Viejo Announcement
9. Keep Texas Beautiful – Keep Rancho Viejo Beautiful Silver Star Affiliate Announcement
10. A RESOLUTION OF THE BOARD OF ALDERMEN OF THE TOWN OF RANCHO VIEJO, CAMERON COUNTY, TEXAS, AUTHORIZING THE PARTICIPATION OF THE TOWN IN THE CAMERON COUNTY URBAN COUNTY PROGRAM CONSORTIUM; AND AUTHORIZING THE MAYOR TO ACT AS THE TOWN'S EXECUTIVE OFFICER AND AUTHORIZED REPRESENTATIVE IN ALL MATTERS PERTAINING TO THE TOWN'S PARTICIPATION IN THE CAMERON COUNTY URBAN COUNTY PROGRAM CONSORTIUM.
11. A RESOLUTION OF THE BOARD OF ALDERMEN OF THE TOWN OF RANCHO VIEJO, TEXAS FINDING THAT AEP TEXAS INC.'S REQUESTED INCREASE TO ITS ELECTRIC TRANSMISSION AND DISTRIBUTION RATES AND CHARGES WITHIN THE CITY SHOULD BE DENIED; FINDING THAT THE CITY'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 REIMBURSEMENT OF CITIES' RATE CASE EXPENSES; 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.

12. CONSIDERATION/ACTION OF AN ORDINANCE OF THE BOARD OF ALDERMEN OF THE TOWN OF RANCHO VIEJO, TEXAS, APPROVING A NEGOTIATED RESOLUTION BETWEEN THE TOWN AND TEXAS GAS SERVICE ("TGS" OR "THE COMPANY") REGARDING THE COMPANY'S APRIL 30, 2019 COST OF SERVICE ADJUSTMENT ("COSA") FILING; DECLARING EXISTING RATES TO BE UNREASONABLE; ADOPTING NEW 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 AND TGS' REASONABLE AND NECESSARY RATE CASE EXPENSES; ADOPTING A SAVINGS CLAUSE; DETERMINING THAT THIS ORDINANCE WAS PASSED IN ACCORDANCE WITH THE REQUIREMENTS OF THE TEXAS OPEN MEETINGS ACT; DECLARING AN EFFECTIVE DATE; REPEALING ANY PRIOR ORDINANCES INCONSISTENT WITH THIS ORDINANCE AND REQUIRING DELIVERY OF THIS ORDINANCE TO THE COMPANY'S AND THE TOWN'S LEGAL COUNSEL.
13. Consideration/Action on Extension of Bank Depository Contract with Texas Regional Bank
14. Present/Discuss Proposed Budget for Fiscal Year October 1, 2019 to September 30, 2020
15. Provide for Public Notice of Date, Time and Location of Public Hearing on Proposed Budget for Fiscal Year October 1, 2019 to September 30, 2020
16. Discuss Proposed Ad Valorem Tax Rate and Consideration/Action on Proposal for Tax Rate Increase
17. Consideration/Action to Acknowledge Receipt of Submission of Ad Valorem Property Tax Calculations for the 2019 Levy
18. Provide for Public Notice of Date, Time and Location of Public Hearings for Tax Rate Increase
19. Street Committee Report
20. Human Resource Committee Report
21. June 2019 Financial Report - Town Administrator
22. July 2019 Police Report - Chief of Police
23. Public Comment
24. Adjourn into Executive Session. as authorized by Section 551.071(2) of Chapter 551 of the Government Code to discuss with attorneys matters in which the duty of the attorneys under the Rules of Professional Conduct clearly conflict with Chapter 551.
25. Possible action discussed in executive session
26. Adjourn

Fred Blanco, Town Administrator



State of Texas
 County of Cameron
 Town of Rancho Viejo

I, the undersigned authority, do hereby certify that the above NOTICE OF A REGULAR MEETING of the Board of Aldermen of the Town of Rancho Viejo, Texas is a true and correct copy of said NOTICE, which has been posted on the Window of the Town of Rancho Viejo Municipal Office, 3301 Carmen Avenue, Rancho Viejo, Texas, a place convenient and readily accessible to the General Public, on August 9, 2019 at 5:00 P.M. and which will be continuously posted for a period of seventy-two (72) hours prior to the date and time said meeting was convened.

ATTEST:

Fred Blanco, Town Administrator

1. Call to Order

By Mayor Rathbun

2. Roll Call

By Eunice Salinas

Alderman Grove

Alderwoman Guerrero

Alderwoman Salinas

Alderman Tumlinson

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-

Special Meeting July 9, 2019,

Regular Meeting July 9, 2019,

Special Meeting July 24, 2019,

Special Meeting August 7, 2019

MINUTES OF A SPECIAL MEETING
TOWN OF RANCHO VIEJO
JULY 9, 2019

A Special Meeting of the Board of Aldermen of the Town of Rancho Viejo, Texas was held on JULY 9, 2019 at 5:00 P.M., at the Town Municipal Office, 3301 Carmen Avenue, Rancho Viejo, Texas, the same being open to the public.

1. CALL TO ORDER

The meeting was called to order by Mayor Pro-tem Maribel Guerrero at 5:11 p.m.

2. ROLL CALL

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

Mr. Craig Grove

Mrs. Maribel Guerrero

Ms. Grace Salinas

Mr. David Tumlinson

Mr. Javier Vera

Members absent:

Mayor Cyndie Rathbun

A quorum was present at the meeting.

There were no audience members present

3. ORIENTATION

Legal Counsel David Irwin presented training to the Board concerning Board Ethics.

Alderman Vera entered the meeting at 5:28 p.m.

Alderwoman Salinas entered the meeting at 5:50 p.m.

4. ADJOURN

Motion was made by Alderman Tumlinson, seconded by Alderman Vera and carried unanimously to adjourn the meeting at 5:51 p.m.

BY: _____
Fred Blanco, Town Administrator

APPROVED: _____
Cyndie Rathbun, Mayor

DATE: _____

MINUTES OF A REGULAR MEETING
TOWN OF RANCHO VIEJO
July 9, 2019

A REGULAR MEETING of the BOARD OF ALDERMEN of the TOWN OF RANCHO VIEJO, TEXAS, was held on, July 9, 2019 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 Eunice Salinas, Assistant Town Secretary. Members present at the meeting were:

Mr. Craig Grove
Mrs. Maribel Guerrero
Ms. Grace Salinas
Mr. Javier Vera
Mr. David Tumlinson

A quorum was present at the meeting

Legal Counsel David Irwin was also present

Those present in the audience were:

Laura Kachele	Miguel Ortiz	Sara C. Frost	Kendall Frost	Pat Pace Jr.
Jim Tipton	Jim Hunter	Robert Vastand	Linda Little	John Shergold
Jessica Shergold				

3. INVOCATION AND PLEDGE

Alderwoman Salinas led the group in the invocation and the pledge of allegiance to the American and Texas flags.

4. PUBLIC COMMENT

Kendall Frost wanted to question an item on the agenda regarding a presentation.

Laura Kaechele expressed her frustration with the ongoing street construction on Morelos and her concerns about the liability on the town for possible accidents that may happen with children running on the streets during farmers market.

Sara Frost wanted information on the builder of the new apartments.

Miguel Ortiz noted he was there to hear about the land swap but also wanted to remind the board of the entrance of the subdivision and possible remedies of such.

Alderman Grove motioned to close public comment, seconded by Alderwoman Salinas and carried unanimously.

5. APPROVAL OF MINUTES - REGULAR MEETING JUNE 11, 2019

Motion to approve minutes of Regular meeting June 11, 2019 was made by Alderman Tumlinson, seconded by Alderwoman Salinas and carried unanimously.

6. STREET COMMITTEE REPORT

Alderman Guerrero expressed concern over the lack of advancement on Morelos street.
Discussion ensued.

7. VIDEO PRESENTATION OF VERDUNITY WORK THROUGH BROWNSVILLE'S COMMISSIONER'S MEETING

Mayor Rathbun advised that there was no presentation at the moment but briefed the board on the work that Verdunity does to benefit economic development.

8. CONSIDERATION/DISCUSSION BY ATTORNEY JIM HUNTER FOR HIRING VERDUNITY FOR LAND SWAP WITH THE CITY OF BROWNSVILLE

Jim Hunter, Legal counsel updated the board on meetings he's had with the City of Brownsville regarding the land Rancho Viejo is interested in attaining. Mr. Hunter advised that the City of Brownsville's consideration for the land swap is contingent upon the Town of Rancho Viejo conducting a study of the land. Discussion ensued.

9. PRESENTATION ON CONSTRUCTION OF STREET ON HIDALGO AVE. SOUTH TOWARDS JUAREZ AVE – VDC LAKESIDE CAPELLA, LP

No presentation was available.

10. CONSIDERATION/ACTION OF RESOLUTION EXTENDING THE PROVISIONS OF SECTION 33.07 OF THE PROPERTY TAX CODE WHICH ENABLES THE GOVERNING BODY TO ASSESS AN ADDITIONAL COLLECTION PENALTY

Motion to approve the resolution was made by Alderman Vera, seconded by Alderman Tumlinson and carried unanimously.

11. HUMAN RESOURCES COMMITTEE REPORT

The board agreed to discuss item 11 along with items 13 and 14 of the agenda. Alderman Salinas delivered the Human Resource Committee report noting that the HR Policy has been reviewed by Legal Counsel and is ready for review by the board.

12. ASSIGNMENT OF BUDGET CATEGORIES TO EACH ALDERMAN

Item was discussed out of sequence after Item 14.
Mayor Rathbun assigned budget categories to each alderman and staff.

13. ASSIGNMENT OF HR POLICY BOOK SECTIONS TO EACH ALDERMAN

Item was discussed out of sequence after Item 11.
Alderman Salinas assigned the HR Policy book sections to each alderman.

14. SET TIME AND DATE IN JULY FOR HR PROPOSED CLASSIFICATION & COMPENSATION PLAN WORKSHOP

The board agreed to meet on July 15, 2019 at 6pm for a workshop to discuss chapters 4-6 of the HR policy.

15. SET TIME AND DATE IN JULY FOR HR POLICIES AND PROCEDURES WORKSHOP

The board agreed to set a time and date for the workshop at their next meeting on July 15th.

16. CONSIDERATION AND ACTION FOR REAPPOINTMENT OF MARIBEL GUERRERO TO CHAIRPERSON OF AD-HOC SAFETY COMMITTEE AND APPOINTMENT OF DAVID TURLINSON AS VICE-CHAIRPERSON OF AD-HOC SAFETY COMMITTEE. ANNOUNCEMENT OF COMMITTEE MEMBERS AND TASKS.

Motion to approve reappointment of Alderwoman Guerrero as chairperson of ad-hoc safety committee and appoint Alderman Turlinson as vice-chairperson was made by Alderman Vera, seconded by Alderman Grove and carried unanimously.

Alderwoman Guerrero announced the following members of the ad-hoc safety committee:

Jaime Salazar, Robert Tyler, Jodie Young, and noted a consideration for Leo Garza.

17. UPDATE BY MAYOR REGARDING INCREASING SIZE OF CHILDREN'S PARK TO ADD A BASKETBALL AREA FOR OLDER CHILDREN AND ADULTS. POSSIBLE PURCHASE OF LAND.

Mayor Rathbun updated the board by stating she spoke with a realtor that advised that a buyer's agent should be hired for the possible purchase of the land. Discussion ensued.

18. ADJOURN INTO EXECUTIVE SESSION. AS AUTHORIZED BY SECTION 551.071(2) OF CHAPTER 551 OF THE GOVERNMENT CODE TO DISCUSS WITH ATTORNEYS MATTERS IN WHICH THE DUTY OF THE ATTORNEYS UNDER THE RULES OF PROFESSIONAL CONDUCT CLEARLY CONFLICT WITH CHAPTER 551.

Motion to adjourn into executive session at 7:04 pm was made by Alderman Turlinson, seconded by Alderwoman Guerrero and carried unanimously.

19. POSSIBLE ACTION DISCUSSED IN EXECUTIVE SESSION

Regular meeting reconvened at 7:50 p.m.

Motion to proceed as discussed in executive session was made by Alderwoman Guerrero, seconded by Alderman Turlinson and carried unanimously.

20. ADJOURN

Motion to adjourn at 7:55 was made by Alderman Grove, seconded by Alderman Tumlinson and carried unanimously.

BY: _____

Fred Blanco, Town Administrator

APPROVED: _____

Cyndie Rathbun, Mayor

DATE: _____

MINUTES OF A SPECIAL MEETING
TOWN OF RANCHO VIEJO
JULY 24, 2019

NOTICE is hereby given of a HR PROPOSED CLASSIFICATION & COMPENSATION PLAN WORKSHOP of the BOARD OF ALDERMEN of the TOWN OF RANCHO VIEJO, TEXAS, to be held on, July 24, 2019 at 6:00 P.M. before the Regular Meeting 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 Alderwoman Salinas at 6:06 P.M.

2. ROLL CALL

Roll call was made by Alderwoman Salinas. Members present at the meeting were:

Ms. Grace Salinas
Mr. David L. Tumlinson, IV.
Mr. Javier Vera
Mr. Craig Grove
Mrs. Maribel Guerrero

A motion was made by Alderman Grove, seconded by Alderman Vera and carried unanimously to designate Alderwoman Salinas to take the lead in the meeting.

Members absent:
Mayor Rathbun

A quorum was present at the meeting.

Legal Counsel David Irwin and Town Administrator Fred Blanco were also present at the meeting.

Those present in the audience were:

Chief M. Cruz, Jr. Officer R. I. Cantu Officer A. Huerta Officer E. Banda

3. WORKSHOP ON PROPOSED HR CLASSIFICATION & COMPENSATION PLAN

Alderwoman Salinas gave an explanation on the information provided to the Aldermen regarding the HR classification and compensation plan. Discussion ensued.

4. ADJOURN

Motion to adjourn was made by Alderman Vera, seconded by Alderman Grove and carried unanimously. The meeting was adjourned at 8:34 P.M.

BY: _____
Fred Blanco, Town Administrator

APPROVED: _____
Cyndie Rathbun, Mayor

DATE: _____

MINUTES OF A SPECIAL MEETING
TOWN OF RANCHO VIEJO
AUGUST 7, 2019

A Special Meeting of the Board of Aldermen of the Town of Rancho Viejo, Texas was held on August 7, 2019 at 6:00 P.M., at the Town Municipal Office, 3301 Carmen Avenue, Rancho Viejo, Texas, the same being open to the public.

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 Fred Blanco, Town Administrator. Members present at the meeting were:

Ms. Grace Salinas

Mr. David L. Tumlinson, IV.

Mr. Javier Vera

Members absent:

Mrs. Maribel Guerrero

Mr. Craig Grove

A quorum was present at the meeting.

Town Administrator, Fred Blanco was present at the meeting.

Those present in the audience were:

Chief M. Cruz, Jr.

Officer R. I. Cantu

3. WORKSHOP ON PROPOSED BUDGET FOR FISCAL YEAR OCTOBER 1, 2019 TO SEPTEMBER 30, 2020

Mayor Rathbun and the Board went over the budget items.

4. ADJOURN

The meeting was adjourned at 8:05 P.M.

BY: _____
Fred Blanco, Town Administrator

APPROVED: _____
Cyndie Rathbun, Mayor

DATE: _____

6. Public Hearing on Plan for
Rezone request by Ms. Irma
Najera and Mr. Alejandro
Najera, owners of lot 5500
Rancho Viejo Subdivision
Section 5, to be changed from
Single-Family Dwelling
District to Business District

Town of Rancho Viejo

3/04/2019

Request for a Rezoning of property from residential to commercial zoning or MDU.

The following request is regarding property located on:

102 Morelos Ave. (Corner with Carmen Ave)
Rancho Viejo, Texas 78575

Legal description: RANCHO VIEJO-RANCHO VIEJO SEC 6 LOT 5500
Geographic ID: 52-0050-0050-5000-00

Currently the home is situated in front of an office building as well to an apartment building and Multi Family Units. The home has a substantial size of a lot for which options which we are requesting to make a changes to would apply.

We are property owners at Rancho Viejo owning at least a total of 8 properties for which we pride ourselves on constantly renovating and improving the homes, yet this particular property has the advantage of it being surrounded by MDU, Commercial, etc etc.

VMUD has expressed to me their interest in possibly relocating the small plant they have on Carmen Ave attached to the apartment buildings and in the past have mentioned my willingness to agree to have that small plant in my property. It didn't make sense at the time as we were not planning on converting the home to offices, yet now that this opportunity could potentially represent itself, it seems all of us including VMUD would benefit from this rezoning request.

Furthermore, the improvements made to the property regarding our neighbor, would dramatically improve his property value as he would have an actual driveway for his home and not have to trespass our property every time (we have no concerns for him doing this as he is a person we know and is a friend of the family) for him to reach his home from Morelos Ave to his residence.

All in all, we are requesting to make Rancho Viejo nicer, cleaner looking with enough space for everyone to be comfortable from VMUD, Town of Rancho Viejo and ourselves as these offices would be used on a regular M-F 9-5 schedule and will NOT BE RETAIL SPACES.

Attached please find all documentation requested, sincerely,

Irma Sandra Najera
956-579-9708
1035 Avenida Estrellas

Alejandro Najera
956-561-064
alex@gruporecimex.com
2133 Santa Ana Ave



Carmen Avenue
(60' ROW)

S 89° 41' 00" W 50.00'

Height of Hwy Top

NOT TO SCALE
This map is a planimetric representation of the land shown. It does not show topography or elevation. The boundary lines shown are based on the best available information and are not guaranteed to be accurate. The surveyor is not responsible for any errors or omissions in this map.

Lot 1 Block 1 S81
Subdivision Scheme 1
Page 1099A, 1119, 1121, 1122

Lot 1 Block 1 S81
Subdivision Scheme 1
Page 1099A, 1119, 1121, 1122

Map of 2018-217

S 89° 12' 59" E 160.00'

3 Ave. Morales
(60' ROW)

Lot 5300
102. Avenida
Hacienda Rancho
Mapo. 1x 10000

Lot 5300

Survey of
Lot 5300 Hacienda five hundred (500) Hectares
Subdivision Parcel Section 1 that Section 1
Hacienda Rancho Mapo, recorded in Volume 28, Page 12, Map Records of
Tehuacan County, Texas

Surveyor
Alejandra Najera

O.P.I.P.
Land Surveying, LLC
5560 Barwick Lane
Dallas, TX 75256
Phone: 972-788-5236
Fax: 972-788-5237
Registration Number: 100285-10
Order Number: (988) 544-3905
Email: oncasurveying@gmail.com

BY SIGNING ELECTRIC THIS, THE SURVEYOR
HEREBY CERTIFIES THAT THE BOUNDARY LINES
SHOWN ON THIS MAP ARE THE RESULT OF A
SURVEY MADE BY HERSELF OR UNDER HER
SUPERVISION AND TO THE BEST OF HER KNOWLEDGE
AND BELIEF THEY ACCURATELY REPRESENT THE
ACTUAL BOUNDARIES OF THE LAND SHOWN
HEREON. SHE IS NOT PROVIDING ANY WARRANTY
OR GUARANTEE OF ANY KIND, EXPRESS OR
IMPLIED, REGARDING THE ACCURACY OF THE
INFORMATION PROVIDED ON THIS MAP.

Notes:
1. The survey and map were made by the surveyor
and the surveyor is not responsible for any
errors or omissions in this map.
2. The survey and map were made by the surveyor
and the surveyor is not responsible for any
errors or omissions in this map.



- 2 or 3 office suites.

- Professional design according to Rancho Viejo Town Hall architecture style.

- Parking space with landscape and green areas.



7. Discussion/Action on Plan for
Rezone request by by Ms. Irma
Najera and Mr. Alejandro
Najera, owners of lot 5500
Rancho Viejo Subdivision
Section 5, to be changed from
Single-Family Dwelling
District to Business District

8. Rotary Club of Rancho Viejo Announcement

9. Keep Texas Beautiful – Keep Rancho Viejo Beautiful Silver Star Affiliate Announcement



**Keep Texas
Beautiful**

*Keep Rancho Viejo Beautiful
Silver Star Affiliate*

Presented June 20, 2019

A handwritten signature in black ink, appearing to read 'A. Silva'.

Keep Texas Beautiful, Inc.



10. A RESOLUTION OF THE BOARD OF ALDERMEN OF THE TOWN OF RANCHO VIEJO, CAMERON COUNTY, TEXAS, AUTHORIZING THE PARTICIPATION OF THE TOWN IN THE CAMERON COUNTY URBAN COUNTY PROGRAM CONSORTIUM; AND AUTHORIZING THE MAYOR TO ACT AS THE TOWN'S EXECUTIVE OFFICER AND AUTHORIZED REPRESENTATIVE IN ALL MATTERS PERTAINING TO THE TOWN'S PARTICIPATION IN THE CAMERON COUNTY URBAN COUNTY PROGRAM CONSORTIUM.

STATE OF TEXAS

§
§
§

RESOLUTION

COUNTY OF CAMERON

A RESOLUTION OF THE BOARD OF ALDERMEN OF THE TOWN OF RANCHO VIEJO, CAMERON COUNTY, TEXAS, AUTHORIZING THE PARTICIPATION OF THE TOWN IN THE CAMERON COUNTY URBAN COUNTY PROGRAM CONSORTIUM; AND AUTHORIZING THE MAYOR TO ACT AS THE TOWN'S EXECUTIVE OFFICER AND AUTHORIZED REPRESENTATIVE IN ALL MATTERS PERTAINING TO THE TOWN'S PARTICIPATION IN THE CAMERON COUNTY URBAN COUNTY PROGRAM CONSORTIUM.

WHEREAS, the Board of Aldermen of the Town of Rancho Viejo, Cameron County, Texas; desires to develop a viable community, including decent housing and a suitable living environment and expanding economic opportunities, principally for persons of low-to-moderate income; and

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

WHEREAS, it is necessary and in the best interests of the Town of Rancho Viejo to participate in the Cameron County Urban County Program Consortium.

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

1. That the Board of Aldermen hereby authorizes the County to apply and use the Town's most recent census count toward the County population count as required by the U.S. Department of Housing and Urban Development (HUD) to obtain Urban County designation and entitlement allocations;
2. That the Board of Aldermen is hereby authorizes the Mayor to file said Resolution with the Cameron County Clerk;
3. That the Board of Aldermen hereby further approves and authorizes Cameron County to act on its behalf in all matters appertaining to the administration and implementation of the Cameron County Urban County Program Consortium programs;
4. That the Board of Aldermen will further appoint for a three-year term a member of the Board of Aldermen to the Urban County Program Consortium Advisory Committee;
5. That the Board of Aldermen directs and designates the Mayor as the Town's Chief Executive Officer and Authorized Representative to act in all matters in connection with the City's participation in Cameron County Urban County Program Consortium; and
6. That any and all funds received under the Consortium will be used in accordance with all applicable federal, state, local and programmatic requirements including but not limited to procurement, environmental review, labor standards, real property acquisition, and civil rights requirements.

Passed and approved this ____ day of _____, 20__.

Signed:

Attest:

Cyndie Rathbun, Mayor

Fred Blanco, Town Administrator

STATE OF TEXAS §
 §
COUNTY OF CAMERON §

COOPERATION AGREEMENT

THIS AGREEMENT, made and entered into by and between the County of Cameron, a political subdivision of the State of Texas, hereafter referred to as "County" and the **Town of Rancho Viejo**, a municipal corporation under the laws of the State of Texas, hereafter sometimes referred to as the "City".

WITNESSETH

WHEREAS, The City has elected to have its population included as a portion of that population of the County in the County's "Urban County" application to the U.S. Department of Housing and Urban Development for the first, second, and third year's funding for the Community Development Block Grant Program, said application being hereinafter sometimes referred to as the "Grant Application"; and

WHEREAS, The County is willing to include all of the City's population in the Grant Application; and

WHEREAS, The 93rd Session of the Congress passed and the President of the United States signed into law, the Housing and Community Development Act of 1974 for the specific purpose of developing viable communities; and

WHEREAS, Cameron County desires to continue the designation as an "Urban County" by the Department of Housing and Urban Development in order to receive a formula share of program funds provided said County has an appropriate population under the enabling legislation in its unincorporated areas and its included units of general local governments with which it has entered cooperation agreements; and

WHEREAS, Article III, Section 64 of the Texas Constitution authorizes Texas counties to enter into cooperation agreements with local governments for essential Community Development and Housing Assistance activities.

NOW, THEREFORE, KNOW ALL MEN BY THESE PRESENTS: That the County and the City do mutually agree as follows:

SECTION I

The City agrees to allow the County to include the City's population for a formula share of entitlement program funds through the Department of Housing and Urban Development's Community Development Block Grant Program, the HOME Investment Partnership Program and Emergency Solutions Grants (ESG) Programs and other funding as may be authorized by HUD and included in the County's Consolidated Plan Strategy. The City and County agree to include the same in the Grant Application.

By executing this agreement the City understands that it may not apply for grants under the Small Cities or State CDBG Programs from appropriations for the same fiscal years during the period in which it is participating in the County's CDBG Program; and it may not participate in a HOME consortium except through the County, regardless of whether the County receives a HOME formula allocation.

SECTION II

The County and the City agree to cooperate and undertake, or assist in the undertaking of community renewal and lower income housing assistance activities, specifically urban renewal and public housing activities pursuant to this Agreement. Such activities include but are not limited to those activities included in the Annual One Year Action Plan contained in the Consolidated Plan Strategy as required under 24 CFR Part 570 and approved by the Department of Housing and Urban Development which is on file at the Urban County Program office and which may be amended in the future.

SECTION III

The City and County agree to take all actions deemed necessary by the county, in its sole discretion, to assure compliance with the Cameron County's certification as an urban county required by Section 104(b) of Title I of the Housing and Community Development Act of 1974, as amended, including Title VI of the Civil Rights Act of 1964, the Fair Housing Act and affirmatively furthering fair housing and comply with section 109 of Title I of the Housing Community Development Act of 1974, which incorporates Section 504 of the Rehabilitation Act of 1973 and the Age Discrimination act of 1975 and/or meet any and all other requirements of the CDBG, HOME, ESG Programs and other applicable laws(e.g. National Environmental Policy Act, Uniform Relocation Act of 1969). Furthermore, the City and County agree to prohibit urban county funding for activities in the City or support any City that does not affirmatively further fair housing within the City's jurisdiction or which actions impedes the County's action to comply with its fair housing certification and civil rights obligations. It is further understood by both parties that noncompliance by the City may constitute noncompliance by the grantee (i.e., the entire urban county) which may provide cause for funding sanctions or other remedial actions by the Department of Housing and Urban Development.

SECTION IV

The City agrees to give the County authority to carry out activities which will be funded from the annual Consolidated Plan Strategy funding which includes Community Development Block Grant, HOME, and ESG Program funds from Federal Fiscal Years 2020, 2021, and 2022, and 2021 appropriations and from any program income generated from the expenditure of such funds, including such additional time as may be required for the expenditure of any such funds granted to the participating unit of local government. The City agrees to inform the County of any income generated by the expenditure of Consolidated Plan Strategy Program funds received by the City. It is expressly understood by City that such program income must be paid to the County unless the City has been authorized by prior written agreement with County to retain such program income and that the City must use such funds only for eligible activities in accordance with all applicable Program guidelines and requirements. It is further understood by City that the County has full responsibility for monitoring and reporting to the Department of Housing and Urban Development on the use of any such program income and that in the event of close-out, City's change of status or the discontinued use of Program funds for approved activities, any program income that is on hand or received subsequent to the close-out or change of status shall be paid to County.

SECTION V

The County and City have adopted and are enforcing a policy which prohibits the use of excessive force by law enforcement agencies within its jurisdiction against individuals engaged in non-violent civil rights demonstrations; and a policy of enforcing applicable state and local laws against physically barring entrance to or exit from a facility or location which is the subject of non-violent civil rights demonstrations within its jurisdiction.

SECTION VI

The City agrees to notify the County on a timely basis of any modification or change in the use of any real property acquired with any federal funds from the Urban County Program from any fiscal year from that planned at the time of acquisition or improvement including disposition. The City agrees to reimburse the County in an amount equal to the current fair market value (less any portion thereof attributable to expenditures of non-federal funds) of property acquired or improved with federal funds from the Urban County Program that is sold or transferred for a use which does not qualify under the Program regulations of any program included in the Consolidated Plan Strategy. Provisions will be established by the County for treatment of this cooperation and/or sub recipient agreement between the County and City.

SECTION VII

All activities to be carried out with annual CDBG, HOME, and ESG funds and other Consolidated Plan Strategy Programs funds, should the Grant Application be approved, will be authorized out during Federal Fiscal Years 2020, 2021, and 2022.

SECTION VIII

Neither party to this Agreement may veto or in any way obstruct the implementation of the approved Consolidated Plan Strategy (CPS) or such other Community Development program activities eligible for assistance during the three years for which the County is seeking to qualify as an "Urban County" or for such additional time as may be required for the expenditure of funds granted to the County for such period. In addition, nothing contained in this Agreement shall deprive any municipality or other unit of government of any powers of zoning, development control, or other lawful authority, which it presently possesses.

SECTION IX

County or City may not sell, trade or otherwise transfer all or any portion of such funds to a metropolitan city, urban county, unit of general local government, or Indian tribe, or insular area that directly or indirectly receives CDBG funds for activities eligible under Title I of the Housing and Community Development Act of 1974, as amended.

SECTION X

This agreement shall remain in full force and effect until all CPS Program funds including the CDBG, HOME Investment Partnership Act, ESG and program income with respect to the three year qualification period are expended and the funded activities completed and close-out by HUD, and the County and City may not terminate or withdraw from this agreement while the agreement remains in effect.

SECTION XI

Further, the City and County agree to enter into a legally binding subrecipient agreement for each fiscal year hereafter as long as they are participating in the Urban County Program that will subject the City to the same requirements applicable to subrecipients pursuant to 24 CFR 570.501(b) and 24 CFR 570.503. The subrecipient agreement shall remain in full force and effect until the C.D.B.G. , HOME Investment Partnership Act and E.S.G. funds and program income with respect to that program year are expended, funded activities completed, and the program year is "close-out" by the U.S. Department of Housing and Urban Development.

SECTION XII

Should the U.S. Department of Housing and Urban Development reject or refuse to accept this Agreement for any reason, the County may terminate this Agreement by giving written notice of same to the City. The County shall not be liable for any cause, action or damage arising from HUD's rejection of the application. Should the U.S. Department of Housing and Urban Development, for any reason terminate funding to the County during any time of the three-year period of qualification, the County shall not be held liable for any obligations or expenses incurred by the City.

SECTION XIII

This agreement contains the entire agreement among the parties hereto, and each party acknowledges that no other party has made (either directly or through any agent or representative) any representations or agreements in connection with this agreement not specifically set forth herein. This agreement may be modified or amended only by an agreement in writing executed by County and City and not otherwise.

IN WITNESS WHEREOF, this agreement has been executed in triplicate originals, each to have the force and effect of an original on the dates set forth herein below:

COUNTY OF CAMERON

ATTESTED BY:

_____	_____	_____	_____
Sylvia Garza-Perez, County Clerk	Date	Eddie Trevino, County Judge	Date

CITY OF RANCHO VIEJO

ATTESTED BY:

_____	_____	_____	_____
Fred Blanco, Town Administrator	Date	Mayor Cyndie Rathbun	Date

CERTIFICATE OF COUNTY LEGAL COUNSEL

I have examined the foregoing Agreement, and as legal counsel to the County named therein, I certify that the terms and provisions of the Agreement are fully authorized under the State and local laws and that the Agreement provides full legal authority for the County to undertake or assist in the undertaking of essential community development and housing assistance activities as authorized by Texas State statutes.

APPROVED AS TO FORM:
Attorney at Law

Date

BY: _____
_____, Attorney
Legal Counsel County of Cameron
Commissioners' Court

APPROVED BY:
COMMISSIONERS' COURT
ON: _____

11. A RESOLUTION OF THE BOARD OF ALDERMEN OF THE TOWN OF RANCHO VIEJO, TEXAS FINDING THAT AEP TEXAS INC.'S REQUESTED INCREASE TO ITS ELECTRIC TRANSMISSION AND DISTRIBUTION RATES AND CHARGES WITHIN THE CITY SHOULD BE DENIED; FINDING THAT THE CITY'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 REIMBURSEMENT OF CITIES' RATE CASE EXPENSES; 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.

MODEL STAFF REPORT REGARDING AEP TEXAS' REQUESTED RATE CHANGE

PURPOSE:

On May 1, 2019, AEP Texas Inc. ("AEP Texas" or "Company") filed an application with cities retaining original jurisdiction seeking to increase system-wide distribution rates by \$38.3 million per year (an increase of 4.2%), and decrease system-wide transmission rates by \$3.16 million (a decrease of 0.7%). According to AEP Texas, the impact of this approval on an average residential customers would be an increase of about \$4.75 per month for customers in the Central Division, and a decrease of \$5.01 for customers in the North Division.

In a prior City action, AEP Texas' rate request was suspended from taking effect for 90 days, the fullest extent permissible under the law. This time period has permitted the City, through its participation with Cities Served by AEP Texas ("Cities"), to determine that the proposed rate increase is unreasonable. Consistent with the recommendations of experts engaged by Cities, AEP Texas' request for a rate increase should be denied.

Accordingly, the purpose of the Resolution is to deny the rate change application proposed by AEP Texas.

Explanation of "Be It Resolved" Sections:

1. This paragraph finds that the Company's application is unreasonable and should be denied.
2. This section requires AEP Texas to maintain its existing rates within the City.
3. This section states that Cities' reasonable rate case expenses shall be reimbursed by AEP Texas within 30 days of presentation of an invoice to AEP Texas.
4. This section recites that the Resolution was passed at a meeting that was open to the public and that the consideration of the Resolution was properly noticed.
5. This section provides that the City will notify counsel for AEP Texas and counsel for Cities of the City's action by sending a copy of the approved and signed Resolution to each counsel.

RESOLUTION NO. _____

A RESOLUTION OF THE TOWN OF RANCHO VIEJO, TEXAS FINDING THAT AEP TEXAS INC.'S REQUESTED INCREASE TO ITS ELECTRIC TRANSMISSION AND DISTRIBUTION RATES AND CHARGES WITHIN THE CITY SHOULD BE DENIED; FINDING THAT THE CITY'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 REIMBURSEMENT OF CITIES' RATE CASE EXPENSES; 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

WHEREAS, on or about May 1, 2019, AEP Texas Inc. ("AEP Texas" or "Company"), pursuant to Public Utility Regulatory Act ("PURA") §§ 33.001 and 36.001 filed with the City of _____ ("City") a Statement of Intent to change electric delivery rates in all municipalities exercising original jurisdiction within its service area, effective June 5, 2019; and

WHEREAS, the City is an electric utility customer of AEP Texas and a regulatory authority [with exclusive original jurisdiction] over the rates and charges of AEP Texas within the City; and

WHEREAS, the City is a member of the Cities Served by AEP Texas ("Cities"), a membership of similarly situated cities served by AEP Texas that have joined together to efficiently and cost effectively review and respond to electric issues affecting rates charged in AEP Texas' service area; and

WHEREAS, Cities is an intervenor in the parallel proceeding at the Public Utility Commission of Texas to review AEP Texas' filing; and

WHEREAS, pursuant to its exclusive original jurisdiction over AEP Texas' rates and operations within city limits, the City previously suspended the effective date of the Company's requested rate increase; and

WHEREAS, PURA § 33.023 provides that costs incurred by cities in ratemaking activities are to be reimbursed by the regulated utility; and

WHEREAS, the City's attorneys and consultants recommend that the City deny the application.

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

SECTION 1. That the rates proposed by AEP Texas in an application submitted to the City by the Company on or about May 1, 2019, are hereby found to be unreasonable, and are denied.

SECTION 2. That the Company shall continue to charge its existing rates for transmission and distribution service to customers with the City.

SECTION 3. That Cities' reasonable rate case expenses shall be reimbursed by AEP Texas within 30 days of presentation of an invoice to AEP Texas.

SECTION 4. That it is hereby officially found and determined that the meeting at which this Resolution is passed is open to the public as required by law, and that the public notice was given of the time, place, and purpose of said meeting, as required.

SECTION 6. A copy of this Resolution shall be sent to AEP Texas, care of Jennifer Frederick, American Electric Power Company, 400 West 15th Street, Suite 1520, Austin, Texas 78701 (jffrederick@aep.com), and to Thomas Brocato at Lloyd Gosselink Rochelle & Townsend, P.C., 816 Congress Avenue, Suite 1900, Austin, Texas 78701 (tbrocato@lglawfirm.com).

PASSED AND APPROVED this _____ day of _____, 2019.

MAYOR

ATTEST:

City Secretary

APPROVED AS TO FORM:

City Attorney

12. CONSIDERATION/ACTION OF AN ORDINANCE OF THE BOARD OF ALDERMEN OF THE TOWN OF RANCHO VIEJO, TEXAS, APPROVING A NEGOTIATED RESOLUTION BETWEEN THE TOWN AND TEXAS GAS SERVICE (“TGS” OR “THE COMPANY”) REGARDING THE COMPANY’S APRIL 30, 2019 COST OF SERVICE ADJUSTMENT (“COSA”) FILING; DECLARING EXISTING RATES TO BE UNREASONABLE; ADOPTING NEW 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 AND TGS’ REASONABLE AND NECESSARY RATE CASE EXPENSES; ADOPTING A SAVINGS CLAUSE; DETERMINING THAT THIS ORDINANCE WAS PASSED IN ACCORDANCE WITH THE REQUIREMENTS OF THE TEXAS OPEN MEETINGS ACT; DECLARING AN EFFECTIVE DATE; REPEALING ANY PRIOR ORDINANCES INCONSISTENT WITH THIS ORDINANCE AND REQUIRING DELIVERY OF THIS ORDINANCE TO THE COMPANY’S AND THE TOWN’S LEGAL COUNSEL.

Model Staff Report in Support of TGS COSA Settlement Ordinance

Background

On April 30, 2019, Texas Gas Service Company (“TGS” or “Company”) filed for a rate increase pursuant to the Cost of Service Adjustment (“COSA”) tariff adopted by the Rio Grande Valley Service Area (“RGVSA”) Cities. TGS claimed an entitlement to rate relief under the tariff in the amount of \$2,161,343 on a system-wide basis. Attorney, Thomas Brocato, and consultant, Karl Nalepa, relied upon by the City to review the TGS filing and negotiate a settlement, agreed to recommend a settlement of \$2,087,516 on a system-wide basis. Of this amount, \$1,921,708 is attributable to the RGVSA incorporated areas.

Purpose of the COSA

The Texas Legislature allows gas utilities to annually adjust rates based on changes to invested capital. That statutory provision is referred to as the Gas Reliability Infrastructure Program (“GRIP”). In a GRIP proceeding, cities are not allowed to intervene at the Railroad Commission, cannot challenge the reasonableness of any investment, and may not recover rate case expenses. In 2009, RGVSA Cities negotiated a COSA tariff as a three year experimental substitute for the GRIP process. Finding the COSA process to be mutually beneficial, the COSA process was renewed at the end of the experiment. In 2012, Cities and TGS agreed to a revised COSA tariff. In 2017, Cities and TGS agreed to revise the existing COSA tariff. This is the second filing under the revised tariff.

Resolution of the 2018 Filing

Cities’ consultant Karl Nalepa found that TGS’s cost of service calculations were consistent with the terms of the COSA tariff and the costs reflected in the COSA filing were reasonable with two exceptions.

First, Mr. Nalepa found that TGS’ proposed increase in costs attributable to the change in insurance provider should be denied, and determination of the reasonableness of establishing a captive insurance provider be deferred to TGS RGVGCSA’s next comprehensive base rate proceeding. The impact of this recommendation was to reduce the Company’s requested O&M expenses by \$146,546. The parties agreed to defer determination of the reasonableness and necessity of establishing a captive insurance provider and related costs to the next comprehensive base rate case proceeding in which base rates for the GCSA are determined.

Additionally, Mr. Nalepa determined that TGS has yet to present a proposal to amortize and return to customers the regulatory liability for excess accumulated deferred income tax (“ADIT”) of approximately \$5.9 million. While customers are not immediately harmed if the excess deferred taxes are not promptly refunded because the taxes continue to serve to reduce rate base and thus rates, prompt refunds will ensure that the refunds are matched to customers that contributed the tax revenues in the first place. As such, Mr. Nalepa recommended that TGS RGVSA commit to establishing an appropriate amortization process in its next COSA filing to refund the excess ADIT to customers.

In order to resolve this issue, TGS agreed to address ADIT resulting from the reduction to the federal income tax rate due to the Tax Cuts and Jobs Act of 2017 in a filing with the City by or before TGS's next COSA filing.

EXPLANATION OF "BE IT ORDAINED" PARAGRAPHS IN THE ORDINANCE

- Section 1. When rates change, it is critical for the regulatory authority to find existing rates to be unreasonable and for the new rates to be just and reasonable. This section finds that the new rates reflected in tariffs for each customer class attached to the Ordinance are reasonable.
- Section 2. This paragraph authorizes TGS to collect an additional \$2,087,516 in revenue on a system-wide basis.
- Section 3. This paragraph requires the Company to reimburse the City for consulting and legal costs associated with the requested increase.
- Section 4. This paragraph repeals any prior City action that might be inconsistent with the new tariffs adopted by the Council.
- Section 5. This paragraph recites compliance with the Open Meetings Act.
- Section 6. This paragraph is a typical savings clause, preserving the remaining provisions of the Ordinance should any one provision be determined to be invalid.
- Section 7. Pursuant to the COSA tariff, the new rates are to become effective on or after the first billing cycle of August each year. This paragraph allows the Company to implement the new rates on meter reads that occur on or after July 29, 2019.
- Section 8. This paragraph requires that an adopted and signed copy of the Ordinance be sent to the Company and special counsel to the City.

RECOMMENDATION

The City staff recommends adoption of the Ordinance and tariffs establishing new rates.

ORDINANCE NO. _____

AN ORDINANCE OF THE BOARD OF ALDERMEN OF THE TOWN OF RANCHO VIEJO, TEXAS, APPROVING A NEGOTIATED RESOLUTION BETWEEN THE TOWN AND TEXAS GAS SERVICE (“TGS” OR “THE COMPANY”) REGARDING THE COMPANY’S APRIL 30, 2019 COST OF SERVICE ADJUSTMENT (“COSA”) FILING; DECLARING EXISTING RATES TO BE UNREASONABLE; ADOPTING NEW 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 AND TGS’ REASONABLE AND NECESSARY RATE CASE EXPENSES; ADOPTING A SAVINGS CLAUSE; DETERMINING THAT THIS ORDINANCE WAS PASSED IN ACCORDANCE WITH THE REQUIREMENTS OF THE TEXAS OPEN MEETINGS ACT; DECLARING AN EFFECTIVE DATE; REPEALING ANY PRIOR ORDINANCES INCONSISTENT WITH THIS ORDINANCE AND REQUIRING DELIVERY OF THIS ORDINANCE TO THE COMPANY’S AND THE TOWN’S LEGAL COUNSEL.

WHEREAS, the Town of Rancho Viejo, Texas (“City”) is a gas utility customer of Texas Gas Service (“TGS” or “the Company”), and a regulatory authority with an interest in the rates and charges of TGS; and

WHEREAS, pursuant to the terms of the agreement settling TGS’ 2017 Statement of Intent to increase rates, to which City was a signatory, the City and other municipalities within the Rio Grande Valley Service Area and TGS worked collaboratively to develop the Cost of Service Adjustment (“COSA”) tariff that allows for an expedited comprehensive rate review process; and

WHEREAS, on or about April 30, 2019, TGS filed with the City a COSA tariff seeking to increase natural gas rates to all customers residing in the City; and

WHEREAS, the Company has requested a system-wide increase of \$2,161,343; and

WHEREAS, the City coordinated a review of TGS' COSA filing and designated attorneys and consultants to resolve issues in the Company's COSA filing; and

WHEREAS, the Company has filed evidence that existing rates are unreasonable and should be changed; and

WHEREAS, independent analysis by the City's rate expert concluded that TGS is able to justify an increase over current rates; and

WHEREAS, the City's attorney and consultant recommend that the City approve the Settlement Agreement reflecting increased revenues of \$2,087,516 on a system-wide basis; and

WHEREAS, the attached tariffs implementing new rates are consistent with the negotiated resolution reached by the City and are just, reasonable, and in the public interest; and

WHEREAS, the negotiated resolution of the Company's COSA filing and the resulting rates are, as a whole, in the public interest; and

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

Section 1. That the City Council finds that the existing rates for natural gas service provided by TGS are unreasonable and the new tariffs implementing this Ordinance, which are attached hereto and incorporated herein as Attachment A, are just and reasonable and are hereby adopted.

Section 2. That a rate increase of \$2,087,516 on a system-wide basis is reasonable.

Section 3. That TGS shall reimburse the reasonable ratemaking expenses of the City in processing the Company's rate application.

Section 4. That to the extent any resolution or ordinance previously adopted by the Council is inconsistent with this Ordinance, it is hereby repealed.

Section 5. That the meeting at which this Ordinance was approved was in all things conducted in strict compliance with the Texas Open Meetings Act, Texas Government Code, Chapter 551.

Section 6. That if any one or more sections or clauses of this Ordinance is adjudged to be unconstitutional or invalid, such judgment shall not affect, impair, or invalidate the remaining provisions of this Ordinance and the remaining provisions of the Ordinance shall be interpreted as if the offending section or clause never existed.

Section 7. That the tariffs attached as Attachment A to this Ordinance shall become effective for meters read on and after July 29, 2019 consistent with the COSA tariff.

Section 8. That a copy of this Ordinance shall be sent to TGS, care of Stephanie Houle, 1301 South Mopac, Suite 400, Austin, Texas 78746, and to Thomas L. Brocato, Special Counsel to the City, at Lloyd Gosselink Rochelle & Townsend, P.C., 816 Congress Avenue, Suite 1900, Austin, Texas 78701.

PASSED AND APPROVED this _____ day of _____, 2019.

Mayor

ATTEST:

City Secretary

APPROVED AS TO FORM:

City Attorney

13. Consideration/Action on
Extension of Bank Depository
Contract with Texas Regional
Bank

On September 13, 2016 the Board of Aldermen approved a Depository Contract with Texas Regional Bank, effective October 1, 2016, for two years with the possibility of three one year extensions at the Town's option.

Mayor Rathbun recommends that the Board approve the 2nd one year extension with Texas Regional bank, effective October 1, 2019.

**14. Present/Discuss Proposed
Budget for Fiscal Year October
1, 2019 to September 30, 2020**

August 9, 2019

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

Dear Mr. Blanco:

Pursuant to Texas Law, I hereby file with you as Town Administrator the Proposed Budget for the Fiscal Year October 1, 2019 to September 30, 2020.

Sincerely,

A handwritten signature in black ink, appearing to read "Cyndie Rathbun". The signature is fluid and cursive, with a large initial "C" and "R".

Cyndie Rathbun
Mayor

CR/fb
Enclosure



2019-2020 BUDGET

This budget will raise more revenue from property taxes than last year's budget by \$35,989 or 2.999034%, and of that amount \$18,289 is tax revenue to be raised from new property added to the roll this year.

	2019	2018
Effective Rate	.443800	.435339
Effective M&O Rate	.353900	.345248
Rollback Rate	.471000	.463985
Debt Rate	.088800	.091091
Adopted Rate		.450000

Debt Obligations Secured By Property Tax (2019)	\$244,174
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BOARD OF ALDERMEN VOTE

AYES:

NAYS:

ABSTAINING:

PRESENT AND NOT VOTING:

PROPOSED 9/13/19
TOWN OF RANCHO VIEJO
BUDGET
2019- 2020

	PROPOSED BUDGET 2019-2020	APPROVED(2) BUDGET 2018-2019
GENERAL FUND		
REVENUES:		
1820.0000 Adm. Cost Recovered	19,000.00	19,000.00
1811.2010 Ad Val. Tax 2010	0.00	200.00
1811.2011 Ad Val. Tax 2011	300.00	300.00
1811.2012 Ad Val. Tax 2012	500.00	500.00
1811.2013 Ad Val. Tax 2013	1,000.00	800.00
1811.2014 Ad Val. Tax 2014	1,500.00	1,800.00
1811.2015 Ad Val. Tax 2015	3,000.00	3,400.00
1811.2016 Ad Val. Tax 2016	3,500.00	5,500.00
1811.2017 Ad Val. Tax 2017	7,500.00	17,000.00
1811.2018 Ad Val. Tax 2018		960,484.00 (1)
1811.2018 Ad Val. Tax 2018 - 3% allowance		(28,815.00) (1)
1811.2019 Ad Val. Tax 2019	992,116.00 (3)	
1811.2019 Ad Val. Tax 2019 - 3% allowance	(29,764.00) (3)	
2090.0000 Discount on Taxes	(18,500.00)	(19,000.00)
1920.0000 P&I on Taxes	19,000.00	21,000.00
1830.0000 Alcohol & Beverage Tax	6,500.00	6,700.00
1840.0000 Building Permits	39,000.00	39,000.00
1850.0000 Citations & Fines	80,000.00	86,000.00
1851.0000 MC Tech Fund	1,000.00	1,600.00
2090.5000 State Costs & Fees	(20,000.00)	(30,000.00)
1870.0000 Franchise - Electrical	70,000.00	69,000.00
1880.0000 Franchise - Telephone	7,000.00	7,500.00
1890.0000 Franchise - Cable TV	42,000.00	42,000.00
1900.0000 Franchise - Gas	5,000.00	2,500.00
1905.0000 Franchise - Solid Waste	1,000.00	1,000.00
1910.0000 Interest from Investments	2,800.00	2,800.00
1921.0000 Lien Revenue	5,000.00	5,000.00
1930.0000 Sales Tax	96,000.00	95,000.00
1963.0000 Police Fund Income	100.00	100.00
1963.5000 Seasonal Improvements Donation	1,000.00	1,000.00
7000.0000 Operation Stone Garden grant	21,875.00	8,500.00
7001.0000 Local Border Star grant	10,000.00	12,000.00
9000.0012 PD Grant	1,100.00	1,100.00
Total Revenues	\$1,368,527.00	\$1,332,969.00

(1) BASED ON TAX RATE OF \$.358909 for M&O Tax Rate
\$.091091 Debt Service Tax Rate
for a TOTAL TAX RATE of \$.450000 per \$100.00 Taxable Value and 97% Collections
RANCHO VIEJO'S TAXABLE VALUE FOR 2018/2019 IS \$267,612,019

(2) AS APPROVED AT 9/11/18 MEETING

(3) BASED ON TAX RATE OF \$.361200 for M&O Tax Rate
\$.088800 Debt Service Tax Rate
for a TOTAL TAX RATE of \$.450000 per \$100.00 Taxable Value and 97% Collections
RANCHO VIEJO'S TAXABLE VALUE FOR 2019/2020 IS \$274,672,059

EXPENSES:

PROPOSED
BUDGET
2019-2020

APPROVED(2)
BUDGET
2018-2019

Administration:

2100.0000 Travel-Admin.	2,500.00	2,000.00
2110.0000 Seminar & Edu. - Admin.	1,500.00	1,200.00
2150.0000 Payroll - Admin.	118,000.00	122,000.00
2155.0000 Longevity - Admin	315.00	900.00
2160.0000 Retirement - Admin.	8,550.00	9,400.00
2161.0000 S.S./Medicare - Admin.	11,700.00	9,400.00
2170.0000 Insurance Medical - Adm.	11,800.00	11,600.00
2171.0000 Medical Dependent	1,980.00	1,980.00
2180.0000 Insurance Life - Admin.	140.00	140.00
2190.0000 Ins. Workman's Comp	200.00	200.00
2200.0000 Part Time Labor - Admin.	33,000.00	33,000.00

Total Administration: **\$189,685.00** **\$191,820.00**

General:

3140.0000 Telephone	3,800.00	3,800.00
3150.0000 Electricity Office	7,600.00	7,500.00
3160.0000 Insurance Liability	26,000.00	25,100.00
3170.0000 Legal Notices	2,300.00	2,300.00
3200.0000 Office Supplies	4,500.00	4,300.00
3220.0000 Postage	1,450.00	1,450.00
3230.0000 Dues & Publications	2,800.00	2,800.00
3240.0000 Appraisal & Tax Collection	27,350.00	26,330.00
3250.0000 Water	2,000.00	1,900.00
3260.0000 Election Costs	5,000.00	4,500.00
3270.0000 Building/Yard Maintenance	15,000.00	10,280.00
3280.0000 Cameron Co. Court Costs	550.00	550.00
3300.0000 Public Relations	8,000.00	8,000.00
3305.0000 Continuing Education	2,500.00	2,500.00
3310.0000 Parks and Recreation	8,200.00	8,200.00
3320.0000 Office Equip. Maint.	8,200.00	7,500.00
4220.0000 Municipal Court Supplies	3,700.00	3,600.00
1720.6730 Transfer Out to Debt Service	7,325.00	7,313.00

Total General: **\$136,275.00** **\$127,923.00**

General Service:

5660.0000 Fire Protection Contract	30,000.00	30,000.00
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Total General Service: **\$30,000.00** **\$30,000.00**

Professional:

5100.0000 Legal Fees	42,000.00	42,000.00
5200.0000 Audit Fees	7,800.00	7,800.00
5400.0000 Building Inspection	20,000.00	23,000.00
5500.0000 Municipal Judge	14,050.00	14,050.00

Total Professional: **\$83,850.00** **\$86,850.00**

	PROPOSED BUDGET 2019-2020	APPROVED(2) BUDGET 2018-2019
Police General:		
4140.0000 Clothing - Police	2,040.00	2,100.00
4150.0000 Payroll - Police	445,386.00	420,802.00
4155.0000 Longevity - Police	6,325.00	6,000.00
4160.0000 Police Ret & Empl. Tax	32,000.00	31,400.00
4161.0000 Medicare & S.S.	17,700.00	16,000.00
4170.0000 Ins. Medical	47,100.00	46,265.00
4171.0000 Ins. Medical Dependand	14,240.00	9,300.00
4180.0000 Ins. Life	544.00	544.00
4190.0000 Ins. Workman's Comp	12,183.00	12,183.00
4200.0000 Cleaning of Uniforms	2,500.00	2,500.00
4210.0000 Police Supplies	5,687.00	4,850.00
4210.5000 Printing	500.00	500.00
4230.0000 Travel - Police	1,600.00	1,600.00
4240.0000 Seminar & Education - PD	3,100.00	3,100.00
4250.0000 Auto Repairs	9,500.00	9,500.00
4260.0000 Auto Fuel	20,250.00	20,250.00
4291.0000 Fire Prevention/1st Aid Police	300.00	300.00
4300.0000 Radio Equipment Maint.	1,000.00	1,000.00
4330.0000 Dispatch	3,600.00	3,600.00
4331.0000 Police Investigation	11,484.00	11,100.00
4333.0000 Drug Testing	250.00	250.00

Total Police General: **\$637,289.00** **\$603,144.00**

Public Works:

6300.0000 Signs & Safety Markers	2,500.00	3,000.00
6500.0000 Lighting Expenses	46,000.00	45,000.00
6600.0000 Lot Mowing	1,800.00	1,800.00
6640.0000 Common Area Maint.	54,400.00	53,120.00
6700.0000 Comm Area Water&Elec.	7,200.00	7,000.00
6660.0000 Beautification Project	5,000.00	5,000.00
6660.0002 Community Alert System	1,950.00	1,950.00
6660.0003 Animal Control	1,500.00	1,275.00
6660.0004 Security Device Reserve	750.00	750.00
6705.0001 Security Device Maint.	7,500.00	7,500.00
6710.0000 Mosquito Spraying	7,000.00	7,000.00
4291.6220 Hurricane Preparedness	4,000.00	4,000.00

Total Public Works: **\$139,600.00** **\$137,395.00**

Streets:

6000.0000 St. Rehab.	20,000.00	20,000.00
6100.0000 St. Rehab. Engineer	5,000.00	5,000.00
6200.0000 Street Reserve	90,000.00	90,000.00

Total Street Expense: **\$115,000.00** **\$115,000.00**

Capital Outlay:

3210.0000 Office Equipment	5,000.00	5,000.00
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Total Capital: **\$5,000.00** **\$5,000.00**

Vehicle Loan:

9000.0200 Vehicle Loan	19,704.00	28,691.00
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Total Loan: **\$19,704.00** **\$28,691.00**

Total Operating Expense: **\$1,356,403.00** **\$1,325,823.00**

General Fund Net Excess/(Deficit): **\$12,124.00** **\$7,146.00**

	PROPOSED BUDGET 2019-2020	APPROVED(2) BUDGET 2018-2019
DEBT FUND		
REVENUES:		
5811.2018 Ad Val. Debt Tax 2018		243,773.00 (1)
5811.2018 Ad Val. Debt Tax 2018 - 3% allowance		(7,313.00) (1)
5811.2019 Ad Val. Debt Tax 2019	244,174.00 (3)	
5811.2019 Ad Val. Debt Tax 2019 - 3% allowance	(7,325.00) (3)	
5811.8704 Discount on Debt Taxes	(1,000.00)	(1,000.00)
5811.8703 P&I on Debt Taxes	1,400.00	1,400.00
5720.8615 Transfer In - General Fund	7,325.00	7,313.00
	\$244,574.00	\$244,173.00
Total Debt Revenues		

EXPENSES:

Town Hall Debt Service Account:

5820.8715 Interest Payable	13,351.00	14,655.00
5820.8710 Scheduled Principal	35,000.00	35,000.00

Total Town Hall Debt Service:	\$48,351.00	\$49,655.00
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Streets Debt Service Account:

5820.8725 Interest Payable	95,823.00	99,118.00
5820.8720 Scheduled Principal	100,000.00	95,000.00

Total Streets Debt Service:	\$195,823.00	\$194,118.00
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Total Debt Service:	\$244,174.00	\$243,773.00
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Debt Fund Net Excess/(Deficit):	\$400.00	\$400.00
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CERTIFICATES OF OBLIGATIONS FUND

REVENUES:

8655.0000 Interest from Investments	2,000.00	2,000.00
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Total Certificates of Obligations Revenues:	\$2,000.00	\$2,000.00
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EXPENSES:

9280.6000 Street Rehab Reserves M&O Phase 1	100,650.00	100,650.00
9280.6001 Street Cert. Obligations 2016 Phase 1	2,035,545.00	2,035,545.00

Total Certificates of Obligations Expenses:	\$2,136,195.00	\$2,136,195.00
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Certificates of Obligations Net Excess/(Deficit):	(\$2,134,195.00)	(\$2,134,195.00)
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Total All Expenses:	\$3,736,772.00	\$3,705,791.00
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Total All Revenues:	\$1,615,101.00	\$1,579,142.00
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Total All Net Excess/(Deficit):	(\$2,121,671.00)	(\$2,126,649.00)
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Other Financing Sources

1810.7600 Fund Balance TRF In - Street Reserves Phase 1	100,650.00	100,650.00
1810.7600 Fund Balance TRF In - Obligations 2016 Phase 1	2,035,545.00	2,035,545.00

Total Other Financing Sources:	\$2,136,195.00	\$2,136,195.00
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To General Fund:	\$14,524.00	\$9,546.00
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15. Provide for Public Notice of Date, Time and Location of Public Hearing on Proposed Budget for Fiscal Year October 1, 2019 to September 30, 2020

Public Hearing on Proposed Budget for Fiscal Year October 1, 2019 to September 30, 2020 is Tuesday, August 27, 2019 at 6:00 P.M.

16. Discuss Proposed Ad Valorem Tax Rate and Consideration/Action on Proposal for Tax Rate Increase

2019 Property Tax Rates in TOWN OF RANCHO VIEJO

This notice concerns 2019 property tax rates for TOWN OF RANCHO VIEJO. It presents information about three tax rates. Last year's tax rate is the actual rate the taxing unit used to determine property taxes last year. This year's *effective* tax rate would impose the same total taxes as last year if you compare properties taxed in both years. This year's *rollback* tax rate is the highest tax rate the taxing unit can set before taxpayers can start tax rollback procedures. In each case these rates are found by dividing the total amount of taxes by the tax base (the total value of taxable property) with adjustments as required by state law. The rates are given per \$100 of property value.

Last year's tax rate:

Last year's operating taxes	\$957,118
Last year's debt taxes	\$242,916
Last year's total taxes	\$1,200,034
Last year's tax base	\$266,674,403
Last year's total tax rate	0.450000/\$100

This year's effective tax rate:

Last year's adjusted taxes (after subtracting taxes on lost property)	\$1,200,631
÷ This year's adjusted tax base (after subtracting value of new property)	\$270,523,030
= This year's effective tax rate	0.443800/\$100

This year's rollback tax rate:

Last year's adjusted operating taxes (after subtracting taxes on lost property and adjusting for any transferred function, tax increment financing, state criminal justice mandate and/or enhanced indigent health care expenditures)	\$957,590
÷ This year's adjusted tax base	\$270,523,030
= This year's effective operating rate	0.353900/\$100
× 1.08 = this year's maximum operating rate	0.382200/\$100
+ This year's debt rate	0.088800/\$100
= This year's rollback rate	0.471000/\$100

Statement of Increase/Decrease

If TOWN OF RANCHO VIEJO adopts a 2019 tax rate equal to the effective tax rate of 0.443800 per \$100 of value, taxes would increase compared to 2018 taxes by \$ 17,396.

Schedule A: Unencumbered Fund Balances:

The following estimated balances will be left in the unit's property tax accounts at the end of the fiscal year. These balances are not encumbered by a corresponding debt obligation.

Type of Property Tax Fund	Balance
General Fund	19,546

Schedule B: 2019 Debt Service:

The unit plans to pay the following amounts for long-term debts that are secured by property taxes. These amounts will be paid from property tax revenues (or additional sales tax revenues, if applicable).

Description of Debt	Principal or Contract Payment to be Paid from Property Taxes	Interest to be Paid from Property Taxes	Other Amounts to be Paid	Total Payment
Town Hall Debt	35,000	13,351	0	48,351
Streets Rehabilitation Debt	100,000	95,823	0	195,823
Total required for 2019 debt service				\$244,174
-	Amount (if any) paid from funds listed in Schedule A			\$0
-	Amount (if any) paid from other resources			\$0
-	Excess collections last year			\$0
=	Total to be paid from taxes in 2019			\$244,174
+	Amount added in anticipation that the unit will collect only 100.000000% of its taxes in 2019			\$0
=	Total Debt Levy			\$244,174

This notice contains a summary of actual effective and rollback tax rates' calculations. You can inspect a copy of the full calculations at 3301 Carmen Ave, Rancho Viejo, TX 78575.
 Name of person preparing this notice: Fred Blanco
 Title: Town Administrator
 Date prepared: July 24, 2019

17. Consideration/Action to
Acknowledge Receipt of
Submission of Ad Valorem
Property Tax Calculations for the
2019 Levy

18. Provide for Public Notice of Date, Time and Location of Public Hearings for Tax Rate Increase

First Public Hearing on Tax Rate Increase is scheduled for Tuesday, August 27, 2019 at 6:00 P.M.

Second Public Hearing on Tax Rate Increase is scheduled for Tuesday, September 3, 2019 at 6:00 P.M.

19. Street Committee Report

20. Human Resource Committee Report

21. June 2019 Financial Report - Town Administrator

22. July 2019 Police Report - Chief of Police

23. Public Comment

24. Adjourn into Executive Session, as authorized by Section 551.071(2) of Chapter 551 of the Government Code to discuss with attorneys matters in which the duty of the attorneys under the Rules of Professional Conduct clearly conflict with Chapter 551.

25. Possible action discussed in executive session

26. Adjourn