



NOTICE OF A PUBLIC MEETING  
TOWN OF RANCHO VIEJO  
BOARD OF ALDERMEN  
REGULAR MEETING  
APRIL 13, 2021  
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 APRIL 13, 2021 at 6:00 P.M via Zoom Teleconference Meeting ONLY by logging on at <https://us02web.zoom.us/j/89786889660> Meeting ID: 897 8688 9660

This Notice and Meeting Agenda, are posted online at: [www.ranchoviejotexas.com](http://www.ranchoviejotexas.com). The Agenda packet will also be posted online no less than 24 hours before the meeting.

The members of the public wishing to participate in the meeting hosted through Zoom Teleconference may do so toll-free by logging on at <https://us02web.zoom.us/j/89786889660> Meeting ID: 897 8688 9660 or by calling in to one of the following numbers (charges may apply):

One tap mobile

+13462487799,,89786889660# US (Houston)  
+12532158782,,89786889660# US (Tacoma)

Dial by your location

+1 346 248 7799 US (Houston)  
+1 253 215 8782 US (Tacoma)  
+1 312 626 6799 US (Chicago)  
Meeting ID: 897 8688 9660

1. Call to Order
2. Roll Call
3. Invocation and Pledge
4. Public Comment
5. Approval of Minutes – Special Meeting February 25, 2021, Regular Meeting March 9, 2021
6. Special Recognition and Appreciation during the February 2021 Winter Storm
7. Street Rehabilitation Project Phase 1B Update
  - Ambiotec – Vicente Mendez
  - RM Walsdorf Construction– Richard Ocañas
  - Valley MUD – Scott Fry
  - Pederson Construction – Jon Pederson

8. Presentation and Consideration of Acceptance of Audit Report for Fiscal Year Ending September 30, 2020
9. Keep Rancho Viejo Beautiful Announcement - Great American Cleanup, Saturday, April 17, 2021, 9:00 AM to 12:00 PM
10. Discussion/Action on the Extension of the Disaster Declaration filed with the Office of the Governor
11. Consideration/Action on a Resolution of the Town of Rancho Viejo, Texas finding that AEP Texas Inc.'s Application to Amend its Distribution Cost Recovery Factors to Increase Distribution Rates within the City should be Denied; Authorizing Participation with the cities Served by AEP Texas; Authorizing Hiring of Legal Counsel; 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 Notice of this Resolution to the Company and Legal Counsel
12. Strategic Planning Committee Report
13. Street Committee Report
14. Building Committee Report
15. Consideration/Action on Budget Amendments for 2020-2021
16. March 2021 Police Report - Police Chief
17. Public Comment
18. 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 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 April 9, 2021 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 Kaechele

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 February 25, 2021,  
Regular Meeting March 9, 2021

MINUTES OF A Special MEETING  
TOWN OF RANCHO VIEJO  
February 25, 2021

A Special Meeting of the Board of Aldermen of the Town of Rancho Viejo, Texas was held on February 25, 2021 at 6:00 P.M., via Zoom Teleconference Meeting ONLY by logging on at <https://us02web.zoom.us/j/82544223936> Meeting ID: 825 4422 3936

1. CALL TO ORDER

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The meeting was called to order by Mayor Rathbun at 6:03 p.m.

2. ROLL CALL

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Roll Call was made by Town Administrator Fred Blanco. Members present at the meeting were:

Javier Vera  
Laura Kaechele  
Maribel Guerrero  
David Tumlinson  
Craig Grove

Legal Counsel Daniel Rentfro, Jr. was also present in the meeting

Those present in the audience were:

Janie Alvarado

3. INVOCATION AND PLEDGE

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Alderwoman Guerrero led the group in the invocation and the pledge of allegiance to the American and Texas flag.

4. DISCUSSION/RECAP OF THE TOWN OF RANCHO VIEJO'S RESPONSE DURING THE FEBRUARY 2021  
HARD FREEZE WINTER EVENT

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Before the start of the presentations Mayor Rathbun took the time to thank the Rancho Viejo Police Department, Town Administrator Fred Blanco, and the Board for their involvement in the hard freeze winter event. Mayor Rathbun also wanted to publically recognize that the emergency plan in place for the Town is more set up for a hurricane type event and no other types of events/emergency.

Mayor Rathbun also commented that the Chief of Police, Town Administrator, and the Board need to look at the emergency plan and make adjustments for events that are not hurricanes that delineate a plan if there is need for food, water and/or a warming station.

a. PRESENTATION BY MAYOR RATHBUN

Mayor Rathbun provided a timeline highlighting events and actions taken on each day of the hard freeze event. The highlights included calls to and from AEP, Spectrum, VMUD, Senator Lucio, residents, Aldermen, and alerts sent to the Town updating residents.



**b. PRESENTATION BY TOWN ADMINISTRATOR**

Town Administrator Fred Blanco thanked everyone that helped in the hard freeze winter event. Mr. Blanco noted that the Town Hall phone lines and internet were down but were able to send out alerts with a mobile hotspot. Town Hall calls were transferred to a cell phone borrowed from Chief Tyler. Mr. Blanco suggested that an emergency response team be created that includes Town Officials, VMUD, AEP, Republic Services, Cameron County, City of Brownsville, and the weather station. Mr. Blanco further suggested others lists that include people that can help and donate during an emergency and a quarterly list of elderly residents for welfare checks. Other suggestions included returning to a land line phone system and servicing the generator twice a year instead of once a year so that it can be ready to use at a moment's notice. Mayor Rathbun congratulated Mr. Blanco for doing an excellent job.

**c. PRESENTATION BY POLICE CHIEF**

Chief Tyler noted his agreement with the previous reports given and reported the following:

Radio calls were heard from the Sheriff's station in a panic search for gas. Brownsville Police Department provided gas to Rancho Viejo PD units as the units were critically low on fuel. Chief Tyler expressed concern about the credit card fuel system, and asked for authority to have above ground tanks for diesel and gas noting that it would more likely save the Town money in the annual fuel consumption. 240 gallons of Diesel was provided by Mike Ortiz to put in generator used at Town Hall. Generator was eventually topped off by Oil Patch. Residents that had generators were asked to turn off lights to avoid attracting unwanted attention. Town Hall was kept as a warming station but did keep energy consumption low by keeping lights off and less use of the heater. Chief Tyler reported a small fire at one of the residents home that was quickly extinguished and welfare checks made to elderly residents. Cameron County reached out to ask for possible shelter locations but was advised that the Club's hotel and convention center had no power and that Town Hall was at full capacity. Recommendations by Chief Tyler included storm shutters at Town Hall as a tactic to secure our government and meals ready to eat like he has provided for his Officers to keep the government afloat in an emergency. Chief Tyler also mentioned that warm food was donated by the Club.

**d. DISCUSSION AND RECOMMENDATIONS BY BOARD OF ALDERMEN**

Alderman Grove thanked the Chief and everyone for their involvement. Alderman Grove made comments and suggestions as follows: updates should be given to residents even if no updates are available at the time. A communication plan should be in order going forward to show who is responsible for updates and public information. Alderman Grove agreed with the suggestions that Chief made before.

Alderwoman Guerrero made comments and suggestions as follows:

Meeting was called to consider actions to take in the further for better preparation. There was a lot of good that was done but some shortcomings as well. Updates should be provided upfront to avoid social medial misinformation. Updates should be in the morning and evening to keep residents informed. Alderwoman Guerrero suggested that the elderly sign up to provide contact information and to keep up with said contact information every 6 months to make sure it is up to date. Alderwoman Guerrero is in agreement with land lines.

Chief Tyler recommended that the Alderman be assigned with a task in emergency situation.

Alderwoman Kaechele agrees with what was previously said and noted that all need to learn to be more prepared as a town. Alderwoman Kaechele recommended Legal Counsel look at and advise on the aforementioned form. Alderwoman Kaechele further wants to make sure information gets out in a one uniformed message and added there should be a community Community preparedness meeting or town to let town what they need for their homes.

In response to gathering information for the aforementioned forms Alderman Vera suggested a block party type event post COVID to facilitate the collection of contact information.

Chief Tyler added his concerns with the way the power went out on some certain streets, namely Pizarro and Escandon Avenue and mentioned that the issue should be inquired with AEP. Aldermen Vera also expressed his concerns regarding the electrical infrastructure of the town.

Alderman Tumlinson noted his agreement with sending the same alert on all message platforms.

Alderwoman Guerrero advised that an emergency task force be formed. After discussion it was agreed that the Ad-Hoc safety committee would take on the assignment and report to the Board of Aldermen.

## 5. PUBLIC COMMENT

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Motion to open public comment was made by Alderman Vera, seconded by Alderwoman Kaechele and carried unanimously.

Janie Alvarado thanked everyone for an awesome job during the power outage and noted she was satisfied with the reports given. Ms. Alvarado also expressed her concern for elderly residents who are alone and do not use technology/social media to keep abreast of resources available to them in an event such as the power outage. Ms. Alvarado suggested residents volunteer to check on their neighbors. Finally, Ms. Alvarado noted that a resident on Carmen Ave. never lost power.

Motion to close public comment was made by Alderman Grove, seconded by Alderman Tumlinson and carried unanimously.

## 6. ADJOURN

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Motion to adjourn at 7:31 p.m. was made by Alderman Tumlinson, seconded by Alderman Grove and carried unanimously.

BY: \_\_\_\_\_  
Fred Blanco, Town Administrator

APPROVED: \_\_\_\_\_  
Cyndie Rathbun, Mayor

DATE: \_\_\_\_\_

MINUTES OF A Regular MEETING  
TOWN OF RANCHO VIEJO  
March 9, 2021

A Regular Meeting of the Board of Aldermen of the Town of Rancho Viejo, Texas was held on MARCH 9, 2021 at 6:00 P.M via Zoom Teleconference Meeting ONLY by logging on at <https://us02web.zoom.us/j/88279347479> Meeting ID: 882 7934 7479

1. CALL TO ORDER

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The meeting was called to order by Mayor Pro Tem Guerrero at 6:05 p.m.

2. ROLL CALL

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

Ms. Maribel Guerrero  
Mr. Javier Vera  
Mr. Craig Grove  
Ms. Laura Kaechele  
Mr. David Tumlinson

A quorum was present at the meeting.

Legal Counsel Daniel Rentfro, Jr. and Town Administrator Fred Blanco were also present.

Those present in the audience were:

Belinda Mendez	Bonnie Emerson	Carmen
Maria Escobedo	Todd Waller	Nelly Navarro
Eliel Escobedo	Samantha Galvan	

3. INVOCATION AND PLEDGE

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Alderman Tumlinson led the group in the invocation and in the pledge of allegiance to the American and Texas flag.

4. PUBLIC COMMENT

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Bonnie Emerson, representative for the Rancho Viejo Farmer's Market requested of the Board of Aldermen, to make an exception in the Board's decision not to have Farmer's Market until a policy is developed and to allow Farmers Market the upcoming weekend and the next. Ms. Emerson also stated that she has emails and statements from residents and vendors requesting the same.

Alderwoman Kaechele advised the audience of her email and where it could be found. Alderman Vera did the same.

Motion to close public comment was made by Alderman Grove, seconded by Alderman Vera and carried unanimously.

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**5. APPROVAL OF MINUTES – REGULAR MEETING FEBRUARY 9, 2021**

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Motion to approve the minutes of February 9, 2021 was made by Alderman Vera, seconded by Alderman Tumlinson and carried unanimously.

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**6. SPECIAL RECOGNITION AND APPRECIATION DURING THE FEBRUARY 2021 WINTER STORM**

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Mayor Rathbun advised the Board that she would like to do the recognitions in person.

Motion to table was made by Alderwoman Guerrero, seconded by Alderman Tumlinson and carried unanimously.

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**7. DISCUSSION/ACTION ON ESTABLISHING A HOTEL OCCUPANCY TAX**

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Mayor opened discussion regarding establishing a hotel occupancy tax.

Alderwoman Guerrero stated that she would like Legal Counsel to provide information on what hotel occupancy tax would entail. Discussion ensued.

Motion was made by Alderman Grove to not move forward with a special meeting and/or implementing a hotel occupancy tax, the motion was seconded by Alderwoman Kaechele, discussion ensued.

Motion was by Alderman Vera, seconded by Alderwoman Guerrero to have a special meeting regarding hotel occupancy tax so that an informed decision can be made. The votes carried as follows:

4 ayes by Alderman Vera, Alderwoman Guerrero, Alderwoman Kaechele, Alderman Tumlinson, and 1 nay by Alderman Grove.

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**8. DISCUSSION/ACTION ON THE EXTENSION OF THE DISASTER DECLARATION FILED WITH THE OFFICE OF THE GOVERNOR**

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Motion to extend the disaster declaration filed with the office of the Governor from March 20, 2021 to April 19, 2021 was made by Alderman Grove, seconded by Alderman Tumlinson and carried unanimously.

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**9. DISCUSSION/ACTION TO AMEND THE TOWN OF RANCHO VIEJO CODE OF ORDINANCES CHAPTER 70 – PARKING REGULATIONS, DIVISION 3 – PROHIBITED PARKING AND/OR STORAGE. NO VEHICLE OR OTHER MOBILE EQUIPMENT OF ANY NATURE SHALL BE PARKED, STORED OR LEFT TO STAND ON ANY LOT OR PROPERTY EXCEPT A DRIVEWAY OF ANY LOT LOCATED WITHIN A "B" SINGLE-FAMILY DWELLING, OR "C" MULTIFAMILY DWELLING, APARTMENTS, TOWNHOUSES AND CONDOMINIUMS DISTRICT AS DEFINED BY THIS CHAPTER FOR MORE THAN 24 HOURS. DULY LICENSED PASSENGER VEHICLES, INCLUDING PICKUP TRUCKS, ARE INCLUDED IN THIS RESTRICTION.**

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Motion to remove the words "24 hours" from the Ordinance and add a mention of duplexes as part of the "Multifamily Dwelling" was made by Alderman Tumlinson, seconded by Alderman Grove and carried unanimously.

*Note: Alderman Vera was not present to vote due to technical difficulties.*

10. CONSIDERATION/ACTION ON AN ELECTION EQUIPMENT LEASE AGREEMENT WITH CAMERON COUNTY

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Town Administrator Fred Blanco explained the lease agreement to the Board of Aldermen noting the lease is for an Auto-mark and two scanners equaling to \$1,731.00.

Motion to approve the election equipment lease agreement was made by Alderwoman Kaechele, Alderman Tumlinson and carried unanimously.

*Note: Alderman Vera was not present to vote due to technical difficulties.*

11. CONSIDERATION/ACTION ON RESOLUTION ON APPOINTMENT OF ELECTION JUDGES, APPOINTMENT OF EARLY VOTING BALLOT BOARD, AND RATE OF PAY FOR ELECTION JUDGES

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Town Administrator Fred Blanco presented a Resolution for the consideration of the Board for the appointment of election Judges, Early Voting Ballot Board, and the rate of pay.

Motion to approve was made by Alderman Tumlinson, seconded by Alderwoman Guerrero and carried unanimously.

*Note: Alderman Vera was not present to vote due to technical difficulties.*

12. DISCUSSION/ACTION TO ESTABLISH A TREE PRESERVATION ORDINANCE

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*Alderman Vera re-entered the meeting.*

Alderman Tumlinson reported that the tree preservation documents were sent to the Planning and Zoning Commission for review and approval.

Alderman Tumlinson also stated that items in the documents need clarification and suggested that the tree ordinances be divided into two different ordinances. Discussion ensued.

Motion to proceed with a tree ordinance, conceptually, and put the information contained in the document provided into two different ordinances drafted by legal, and send back to Planning and Zoning for approval was made by Aldermen Tumlinson, seconded by Alderman Grove and carried as follows:

4 ayes by Alderman Grove , Alderwoman Guerrero, Alderwoman Kaechele, Alderman Tumlinson, and 1 nay by Alderman Vera.

13. DISCUSSION/ACTION ON REOPENING OF TOWN PARK

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Discussion ensued regarding possible rules/policies for park regarding COVID

Motion to approve the reopening of the Town Park was made by Alderman Vera, seconded by Alderman Tumlinson and carried unanimously.

14. STREET COMMITTEE REPORT

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Alderwoman Guerrero updated the Board and audience on improvements on several streets of the Town including lift station on Carmen and Alvarado, Bolivar, Avenida Cortez, Avenida Balboa, Rancho Viejo Dr. Carmen and Morelos sewer tie in. Alderman Guerrero also reported on the mineral bond sealant that will be applied. Discussion ensued regarding other street update reports.

15. STRATEGIC PLANNING COMMITTEE REPORT

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Alderman Tumlinson noted that items discussed in the Strategic Planning meeting was mostly covered in previous agenda items and added that there is an ordinance in the works for regulations on Airbnb.

16. FEBRUARY 2021 POLICE REPORT –POLICE CHIEF

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Rancho Viejo Police Chief Tyler presented the February 2021 Police report.

Chief Tyler also announced a plan for a grand re-opening party of the Town Park

17. PUBLIC COMMENT

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Todd Waller, small business owner and vendor at Farmer’s market expressed his concern with inconsistency in the Farmer’s Market days and how it will impact clientele. Mr. Waller asked for a possible waiver/exception meanwhile the Board draws up policies and agreements so that the Farmer’s market is still operating.

Nelly Navarro noted that the spraying of the street creates mud and more holes and agreed that caliche would be a better option. Ms. Navarro and proposed the street be scrape down for less potholes. Also, expressed her concern regarding cars parked along bolivar creating traffic issues. Chief Tyler advised of the phone number to call for Police help.

Bonnie Emerson stated that she has received many messages from residents regarding bringing back Farmer’s market and expressed her desire to forward said messages to the Board so that they are taken into consideration.

Mayor Rathbun acknowledges the receipt of messages to her email and cited a message from Ms. Santallas that detailed her enjoyment of the Farmer’s market and her hope not to discontinue.

Bonnie Emerson continued about the importance of Farmer’s market and reiterated the request for an exception to continue Farmer’s market.

Samantha Galvan marketing manager for the Farmer’s market supported the statements made by Bonnie Emerson regarding the messages and inquired on the date the Farmer’s market will be on the agenda.

Mayor Rathbun advised that no discussion can be conducted by the Board regarding her inquiry citing the Open Meetings Act.

Motion to close public comment was made by Alderman Grove, seconded by Alderwoman Kaechele and carried unanimously.

18. ADJOURN

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Motion to adjourn at 7:50 p.m. was made by Alderman Grove, seconded by Alderman Vera and carried unanimously.

BY: \_\_\_\_\_  
Fred Blanco, Town Administrator

APPROVED: \_\_\_\_\_  
Cyndie Rathbun, Mayor

DATE: \_\_\_\_\_

# 6. Special Recognition and Appreciation during the February 2021 Winter Storm

# 7. Street Rehabilitation Project Phase 1B Update

- Ambiotec – Vicente Mendez

- RM Walsdorf Construction–  
Richard Ocañas

- Valley MUD – Scott Fry

- Pederson Construction – Jon  
Pederson



# 8. Presentation and Consideration of Acceptance of Audit Report for Fiscal Year Ending September 30, 2020

9. Keep Rancho Viejo Beautiful  
Announcement - Great American  
Cleanup, Saturday, April 17,  
2021, 9:00 AM to 12:00 PM

# Keep Rancho Viejo Beautiful

GREAT AMERICAN  
**CLEANUP**  
KAB.ORG



AFFILIATE

## GREAT AMERICAN CLEANUP

Saturday, April 17, 2021

9am to 12pm at  
Rancho Viejo  
Town Hall



# 10. Discussion/Action on the Extension of the Disaster Declaration filed with the Office of the Governor



3301 Carmen Avenue  
Rancho Viejo, Texas 78575  
Phone (956) 350-4093 Fax (956) 350-4156

## DECLARATION OF LOCAL DISASTER FOR PUBLIC HEALTH EMERGENCY

**WHEREAS**, BEGINNING IN DECEMBER 2019, A NOVEL CORONAVIRUS, NOW DESIGNATED COVID-19, WAS DETECTED IN WUHAN CITY, HUBEI PROVINCE, CHINA, AND HAS SINCE SPREAD THROUGHOUT THE WORLD; AND

**WHEREAS**, SYMPTOMS OF COVID-19 INCLUDE FEVER, COUGHING, AND SHORTNESS OF BREATH, IN SOME CASES THE VIRUS HAS CAUSED DEATH; AND

**WHEREAS**, EXTRAORDINARY MEASURES MUST BE TAKEN TO CONTAIN COVID-19 AND PREVENT ITS SPREAD THROUGHOUT THE TOWN OF RANCHO VIEJO, INCLUDING THE QUARANTINE OF INDIVIDUALS, GROUPS OF INDIVIDUALS, AND PROPERTY AND, ADDITIONALLY, INCLUDING COMPELLING INDIVIDUALS, GROUPS OF INDIVIDUALS, OR PROPERTY TO UNDERGO ADDITIONAL HEALTH MEASURES THAT PREVENT OR CONTROL THE SPREAD OF DISEASE; AND

**WHEREAS**, ON MARCH 20, 2020, THE MAYOR OF THE TOWN OF RANCHO VIEJO DECLARED A LOCAL STATE OF DISASTER, WHICH HAS BEEN RENEWED BY THE BOARD OF ALDERMEN BY RESOLUTION ADOPTED ON APRIL 14, 2020, MAY 12, 2020, JUNE 9, 2020, JULY 14, 2020, AUGUST 11, 2020, SEPTEMBER 8, 2020, OCTOBER 12, 2020, NOVEMBER 17, 2020, DECEMBER 8, 2020, JANUARY 12, 2021, FEBRUARY 9, 2021 AND MARCH 9, 2021.

**NOW, THEREFORE, BE IT PROCLAIMED BY THE MAYOR OF THE BOARD OF ALDERMEN OF THE TOWN OF RANCHO VIEJO:**

1. THAT A LOCAL STATE OF DISASTER FOR PUBLIC HEALTH EMERGENCY IS HEREBY DECLARED FOR THE TOWN OF RANCHO VIEJO, TEXAS PURSUANT TO SECTION §418.108(A) OF THE TEXAS GOVERNMENT CODE.
2. PURSUANT TO §418.108(B) OF THE GOVERNMENT CODE, THE STATE OF DISASTER FOR PUBLIC HEALTH EMERGENCY SHALL CONTINUE

FOR A PERIOD OF NOT MORE THAN THIRTY DAYS STARTING APRIL 20, 2021 TO MAY 19, 2021 UNLESS CONTINUED OR RENEWED BY THE BOARD OF ALDERMEN OF THE TOWN OF RANCHO VIEJO.

3. PURSUANT TO §418.108(C) OF THE GOVERNMENT CODE, THIS DECLARATION OF A LOCAL STATE OF DISASTER FOR PUBLIC HEALTH EMERGENCY SHALL BE GIVEN PROMPT AND GENERAL PUBLICITY AND SHALL BE FILED PROMPTLY WITH THE TOWN ADMINISTRATOR.
4. PURSUANT TO §418.108(D) OF THE GOVERNMENT CODE, THIS DECLARATION OF A LOCAL STATE OF DISASTER ACTIVATES THE TOWN'S EMERGENCY MANAGEMENT PLAN.
5. THAT THIS PROCLAMATION SHALL TAKE EFFECT STARTING APRIL 20, 2021 UNTIL MAY 19, 2021, UNLESS TERMINATED EARLIER BY OPERATION OF LAW OR FURTHER ACTION OF THE BOARD OF ALDERMEN.

ORDERED THIS 13<sup>TH</sup> DAY OF APRIL 2021, PURSUANT TO THE ACTION OF THE BOARD OF ALDERMAN ON SAID DATE.

CYNDIE RATHBUN,

TOWN OF RANCHO VIEJO MAYOR  
RANCHO VIEJO, TEXAS

11. Consideration/Action on a Resolution of the Town of Rancho Viejo, Texas finding that AEP Texas Inc.'s Application to Amend its Distribution Cost Recovery Factors to Increase Distribution Rates within the City should be Denied; Authorizing Participation with the cities Served by AEP Texas; Authorizing Hiring of Legal Counsel; 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 Notice of this Resolution to the Company and Legal Counsel

# MODEL STAFF REPORT REGARDING AEP TEXAS'S DISTRIBUTION COST RECOVERY FACTOR FILING

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On April 6, 2021, AEP Texas Inc. ("AEP" or "Company") filed an Application to Amend its Distribution Cost Recover Factors ("DCRF") to Increase Distribution Rates with each of the cities in their service area. In the filing, the Company asserts that it is seeking an increase in distribution revenues of approximately \$54.56 million (an approximately \$2.60 increase to the average residential customer's bill from the rates just approved in the Company's rate case).

The resolution authorizes the City to join with the Cities Served by AEP ("Cities") to evaluate the filing, determine whether the filing complies with law, and if lawful, to determine what further strategy, including settlement, to pursue.

## **Purpose of the Resolution:**

The purpose of the Resolution is to deny the DCRF application proposed by AEP.

## **Explanation of "Be It Resolved" Paragraphs:**

1. This section authorizes the City to participate with Cities as a party in the Company's DCRF filing, PUC Docket No. 51984.
2. This section authorizes the hiring of Lloyd Gosselink and consultants to review the filing, negotiate with the Company, and make recommendations to the City regarding reasonable rates. Additionally, it authorizes Cities to direct any necessary administrative proceedings or court litigation associated with an appeal of this application filed with the PUC.
3. This paragraph finds that the Company's application is unreasonable and should be denied.
4. This section states that the Company's current rates shall not be changed.
5. The Company will reimburse Cities for their reasonable rate case expenses. Legal counsel and consultants approved by Cities will submit monthly invoices that will be forwarded to AEP for reimbursement.
6. 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.
7. This section provides that AEP and counsel for Cities will be notified of the City's action by sending a copy of the approved and signed Resolution to counsel.



RESOLUTION NO. \_\_\_\_\_

**A RESOLUTION OF THE TOWN OF RANCHO VIEJO, TEXAS FINDING THAT AEP TEXAS INC.'S APPLICATION TO AMEND ITS DISTRIBUTION COST RECOVERY FACTORS TO INCREASE DISTRIBUTION RATES WITHIN THE CITY SHOULD BE DENIED; AUTHORIZING PARTICIPATION WITH THE CITIES SERVED BY AEP TEXAS; AUTHORIZING HIRING OF LEGAL COUNSEL; 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 NOTICE OF THIS RESOLUTION TO THE COMPANY AND LEGAL COUNSEL.**

WHEREAS, the Town of Rancho Viejo, Texas ("City") is an electric utility customer of AEP Texas Inc. ("AEP" or "Company"), and a regulatory authority with an interest in the rates and charges of AEP; and

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

WHEREAS, on or about April 6, 2021 AEP filed with the City an Application to Amend its Distribution Cost Recovery Factor ("DCRF"), PUC Docket No. 51984, seeking to increase electric distribution rates by approximately \$54.56 million (an approximately \$2.60 increase to the average residential customer's bill from the rates just approved in the Company's rate case); and

WHEREAS, all electric utility customers residing in the City will be impacted by this ratemaking proceeding if it is granted; and

WHEREAS, Cities are coordinating its review of AEP's DCRF filing with designated attorneys and consultants to resolve issues in the Company's application; and

WHEREAS, Cities members and attorneys recommend that members deny the DCRF.

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

Section 1. That the City is authorized to participate with Cities in PUC Docket No. 51984.

Section 2. That subject to the right to terminate employment at any time, the City of hereby authorizes the hiring of the law firm of Lloyd Gosselink and consultants to negotiate with the Company, make recommendations to the City regarding reasonable rates, and to direct any necessary administrative proceedings or court litigation associated with an appeal of this application filed with the PUC.

Section 3. That the rates proposed by AEP to be recovered through its DCRF charged to customers located within the City limits, are hereby found to be unreasonable and shall be denied.

Section 4. That the Company shall continue to charge its existing rates to customers within the City.

Section 5. That the City's reasonable rate case expenses shall be reimbursed in full by AEP within 30 days of presentation of an invoice to AEP.

Section 6. 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 the public notice of the time, place, and purpose of said meeting was given as required.

Section 7. That a copy of this Resolution shall be sent to Leila Melhem, American Electric Power Service Corporation, 400 West 15<sup>th</sup> Street, Suite 1520, Austin, Texas 78701 and to Thomas Brocato, General Counsel to the Cities, at Lloyd Gosselink Rochelle & Townsend, 816 Congress Ave., Suite 1900, Austin, Texas 78701.

PASSED AND APPROVED this 13th day of April, 2021.

\_\_\_\_\_  
Mayor

ATTEST:

\_\_\_\_\_  
Town Administrator

APPROVED AS TO FORM:

\_\_\_\_\_  
City Attorney

# 12. Strategic Planning Committee Report

# 13. Street Committee Report

# 14. Building Committee Report

# 15. Consideration/Action on Budget Amendments for 2020- 2021

#### 14.Consideration/Action on Budget Amendments for 2020-2021

##### Revenues

TDEM reimbursement \$ 58,528.32

##### Expenses

###### **Town Hall Improvements - Capital**

TH storm shutters	\$	7,830.32
TH front office resistant glass	\$	13,650.00
TH emergency exit	\$	2,850.00
TH air cleaners	\$	3,300.00

###### **Security Devices - Capital**

Security Cameras	\$	30,898.00
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Total	\$	<b>58,528.32</b>	\$	<b>58,528.32</b>
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\*Total TDEM reimbursement amount

20%	\$	28,303.00	Received 8/14/20
80%	\$	113,212.00	Received 1/27/21
<b>100%</b>	<b>\$</b>	<b>141,515.00</b>	

# 16. March 2021 Police Report - Police Chief



# 17. Public Comment

# 18. Adjourn