

Public Hearing September 15, 2020
2020/2021 Tax Rate
Regular Council Meeting September 15, 2020

Mayor Dusty Cornelius called the Public Hearing to order at 6:50 p.m. with the following council members present: Brad Thornhill, Alva Rodriguez, Doyle Parrish, Heidi Hays, Abel Reyna, and Jim Justus. Also present were: City Administrator Amy Wallace, Public Works Director Chase Longo, Chief of Police John Wilson, and via Zoom were Elida Rodriguez and Gloria Barron. With no one coming forward, the meeting was adjourned at 7:05 p.m.

Mayor Dusty Cornelius called the regular meeting to order at 7:06 p.m. with the following council members present: Brad Thornhill, Alva Rodriguez, Doyle Parrish, Heidi Hays, Abel Reyna, and Jim Justus. Also present were: City Administrator Amy Wallace, Public Works Director Chase Longo, Chief of Police John Wilson, and via Zoom were Elida Rodriguez and Gloria Barron.

Approve August 18, 2020 Minutes: Abel Reyna made a motion to approve the August 18, 2020 minutes. Doyle Parrish seconded the motion. Motion carried.

Approve August 27, 2020 Minutes: Abel Reyna made a motion to approve the August 27, 2020 minutes. Heidi Hays seconded the motion. Motion carried.

Approve August Accounts Payable: Brad Thornhill made a motion to approve the August Accounts Payable, excluding D & H Spraying and Landscape Accounts Payable. Doyle Parrish seconded the motion. Motion carried.

Approve August D & H Spraying and Landscape Accounts Payable: Jim Justus made a motion to approve the August D & H Spraying and Landscape Accounts Payable. Abel Reyna seconded the motion. Motion carried.

Public Forum: Council member Jim Justus informed the council that the fire sirens are still being worked on. More parts were being acquired and then they will hopefully complete the work on the sirens. Elida Rodriguez presented to the council that she had recently purchased a property within the city limits and was hoping to use that property as a place for her family to keep their FFA show animals, but then realized that show animals are only permitted within the city limits at a school owned property designated for such animals.

Police Report: Chief of Police John Wilson presented the monthly police report.

Public Works Report: Public Works Director Chase Longo presented the monthly public works report.

Ordinance No. 09-2020 Adopting 2020/2021 Tax Rate of 0.6925: Brad Thornhill made a motion to adopt Ordinance No. 09-2020 Adopting 2020/2021 Tax Rate of 0.6925. Doyle Parrish seconded the motion. Motion carried.

ORDINANCE NO. 09-2020

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF CROSBYTON, TEXAS, LEVYING TAXES FOR THE USE AND SUPPORT OF THE MUNICIPAL GOVERNMENT OF THE CITY OF CROSBYTON; AND ESTABLISHING AN EFFECTIVE DATE.

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF CROSBYTON AS FOLLOWS:

SECTION 1. That there is here levied and there shall be collected for the use and support of the Municipal Government of the City of Crosbyton, Texas, and to provide maintenance and operation funds for the year 2020, and upon real, person and mixed within the corporate limits of said city subject to taxation, a tax of sixty nine - twenty five cents (\$0.6925) on each \$100 valuation of properties, and said tax being so levied for the support of said city.

SECTION 2. This ordinance shall take effect from and after its passage as provided by law.

PASSED AND APPROVED THIS 15th day of September, 2020.

Dusty Cornelius, Mayor

ATTEST:

Amy Wallace, City Administrator

Ordinance No. 09-2020-01 Approving Atmos Settlement: Doyle Parrish made a motion to approve Ordinance No. 09-2020-01 Approving Atmos Settlement. Jim Justus seconded the motion. Motion carried.

ORDINANCE NO. 09-2020-01

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF CROSBYTON, TEXAS, APPROVING A NEGOTIATED SETTLEMENT BETWEEN THE EXECUTIVE COMMITTEE OF CITIES SERVED BY ATMOS WEST TEXAS (“CITIES”) AND ATMOS ENERGY CORP., WEST TEXAS DIVISION REGARDING THE COMPANY’S 2020 RATE REVIEW MECHANISM FILING; DECLARING EXISTING RATES TO BE UNREASONABLE;

ADOPTING TARIFFS THAT REFLECT RATE ADJUSTMENTS CONSISTENT WITH THE NEGOTIATED SETTLEMENT; FINDING THE RATES TO BE SET BY THE ATTACHED SETTLEMENT TARIFFS TO BE JUST AND REASONABLE AND IN THE PUBLIC INTEREST; APPROVING AN ATTACHED EXHIBIT ESTABLISHING A BENCHMARK FOR PENSIONS AND RETIREE MEDICAL BENEFITS; APPROVING AN ATTACHED EXHIBIT REGARDING AMORTIZATION OF REGULATORY LIABILITY; REQUIRING THE COMPANY TO REIMBURSE CITIES' REASONABLE RATEMAKING EXPENSES; DETERMINING THAT THIS ORDINANCE WAS PASSED IN ACCORDANCE WITH THE REQUIREMENTS OF THE TEXAS OPEN MEETINGS ACT; ADOPTING A SAVINGS CLAUSE; DECLARING AN EFFECTIVE DATE; AND REQUIRING DELIVERY OF THIS ORDINANCE TO THE COMPANY AND THE CITIES' LEGAL COUNSEL.

WHEREAS, the City of Crosbyton, Texas ("City") is a gas utility customer of Atmos Energy Corp., West Texas Division ("Atmos West Texas" or "Company"), and a regulatory authority with an interest in the rates and charges of Atmos West Texas; and

WHEREAS, the City is a member of Cities Served by Atmos West Texas ("Cities"), a coalition of similarly-situated cities served by Atmos West Texas that have joined together to facilitate the review of, and response to, natural gas issues affecting rates charged in the Atmos West Texas service area; and

WHEREAS, Cities and the Company worked collaboratively to develop a new Rate Review Mechanism ("RRM") tariff that allows for an expedited rate review process by Cities as a substitute to the Gas Reliability Infrastructure Program ("GRIP") process instituted by the Legislature, and that will establish rates for Cities based on the system-wide cost of serving the Atmos West Texas service area; and

WHEREAS, the RRM tariff was adopted by the City in a rate ordinance in 2018; and

WHEREAS, on about March 31, 2020, Atmos West Texas filed its 2020 RRM rate request with Cities based on a test year ending December 31, 2019; and

WHEREAS, Cities coordinated its review of the Atmos West Texas 2020 RRM filing through its Executive Committee, assisted by Cities' attorneys and consultants, to resolve issues identified in the Company's RRM filing; and

WHEREAS, the Executive Committee, as well as Cities' counsel and consultants, recommends that Cities approve an increase in base rates for Atmos West Texas of \$5.9 million with an Effective Date of December 1, 2020; and

WHEREAS, the attached tariffs (Exhibit A) implementing new rates are consistent with the recommendation of the Cities' Executive Committee, are agreed to by the Company, and are just, reasonable, and in the public interest; and

WHEREAS, the settlement agreement sets a new benchmark for pensions and retiree medical benefits (Exhibit B) and

WHEREAS, the settlement agreement establishes an amortization schedule for regulatory liability (Exhibit C); and

WHEREAS, the RRM Tariff contemplates reimbursement of Cities' reasonable expenses associated with RRM applications;

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF Crosbyton, TEXAS:

Section 1. That the findings set forth in this Ordinance are hereby in all things approved.

Section 2. That, without prejudice to future litigation of any issue identified by Cities, the City Council finds that the settled amount of an increase in revenues of \$5.9 million for Cities represents a comprehensive settlement of gas utility rate issues affecting the rates, operations, and services offered by Atmos West Texas within the municipal limits arising from Atmos West

Texas' 2020 RRM filing, is in the public interest, and is consistent with the City's authority under Section 103.001 of the Texas Utilities Code.

Section 3. That the existing rates for natural gas service provided by Atmos West Texas are unreasonable. The new tariffs, attached hereto and incorporated herein as Exhibit A, are just and reasonable, and are designed to allow Atmos West Texas to recover annually an additional \$5.9 million in revenue from customers in Cities, over the amount allowed under currently approved rates. Such tariffs are hereby adopted.

Section 4. That the ratemaking treatment for pensions and retiree medical benefits in Atmos West Texas' next RRM filing shall be as set forth on Exhibit B, attached hereto and incorporated herein.

Section 5. That subject to any future settlement or decision regarding the balance of Excess Deferred Income Tax to be refunded to ratepayers, the amortization of regulatory liability shall be consistent with the schedule found in Exhibit C, attached hereto and incorporated herein.

Section 6. That Atmos West Texas shall reimburse the reasonable ratemaking expenses of the Cities in processing the Company's 2020 RRM filing.

Section 7. That to the extent any resolution or ordinance previously adopted by the Council is inconsistent with this Ordinance, it is hereby repealed.

Section 8. 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 9. 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 10. That consistent with the City Ordinance that established the RRM process, this Ordinance shall become effective from and after its passage with rates authorized by attached tariffs to be effective for bills rendered on or after December 1, 2020.

Section 11. That a copy of this Ordinance shall be sent to Atmos West Texas, care of Philip Littlejohn, Vice President of Rates and Regulatory Affairs, West Texas Division, 6606 66th Street, Lubbock, Texas 79424, and Geoffrey Gay, General Counsel to Cities, at Lloyd Gosselink Rochelle & Townsend, P.C., 816 Congress Avenue, Suite 1900, Austin, Texas 78701.

PASSED AND APPROVED this _____ day of _____, 2020.

Dusty Cornelius, Mayor

ATTEST:

APPROVED AS TO FORM:

Amy Wallace, City Administrator

Slater Elza, City Attorney

Resolution No. 09-2020 Approving Investment Policy: Able Reyna made a motion to approve Resolution No. 09-2020 Approving Investment Policy. Doyle Parrish seconded the motion. Motion carried.

RESOLUTION NO. 09-2020

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CROSBYTON, TEXAS, HEREBY APPROVING AND ADOPTING THE INVESTMENT POLICY FOR THE CITY; RESOLVING OTHER MATTERS RELATING TO THE SUBJECT; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the Public Funds Investment Act, Chapter 2256 of the Texas Government Code, requires that a local government formally adopt a written investment policy and subsection (e) of that chapter requires the City Council to annually review, recording any changes made thereto, and approve that policy;

WHEREAS, the following changes have been reviewed and approved;

- The investment officers shall attend initial training of ten hours within 12 months of holding the position and then eight hours of training in each two year period thereafter from an independent source approved by the governing body.

WHEREAS, the investment policy is attached for City Council to review.

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

Section 1. That the City Council hereby approves and adopts the Investment Policy, a copy of which is attached hereto and incorporated herein for all purposes.

Section 2. This Resolution shall take effect immediately upon its passage.

DULY PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF CROSBYTON OF CROSBYTON, TEXAS, on this 15th day of September, 2020.

Dusty Cornelius, Mayor

ATTEST:

Amy Wallace, City Administrator

City of Floydada Contract for Landfill Services: Brad Thornhill made a motion to accept the City of Floydada Contract for Landfill Services. Alva Rodriguez seconded the motion. Motion carried.

TML Intergovernmental Risk Pool Board of Trustees Election: Abel Reyna made a motion to vote for all incumbents in the TML Intergovernmental Risk Pool Board of Trustees Election. Doyle Parrish seconded the motion. Alva Rodriguez, Abel Reyna, and Doyle Parrish voted for the motion. Jim Justus, Heidi Hays, and Brad Thornhill voted against the motion. With a tie vote, Mayor Dusty Cornelius voted against the motion. Motion failed.

Brad Thornhill made a motion to vote for the incumbents in each race with the exception of Place 4 and vote for Dave Martin. Jim Justus seconded the motion. Motion carried.

TX Grant for Routine Airport Maintenance Program 2020/2021: Doyle Parrish made a motion to approve the TX Grant for Routine Airport Maintenance Program 2020/2021. Jim Justus seconded the motion. Jim Justus seconded the motion. Motion carried.

SPAG Interlocal Agreement for CDBG Grant 2021 Application Development and Administration Services: Jim Justus made a motion to approve the SPAG Interlocal Agreement for CDBG Grant 2021 Application Development and Administration Services. Alva Rodriguez seconded the motion. Motion carried.

Fire Station Repair Bids: Brad Thornhill made a motion to approve the \$11,096.73 bid by ABJ Complete Home Remodeling & Repairs. Abel Reyna seconded the motion. Brad Thornhill, Alva Rodriguez, Doyle Parrish, Heidi Hays, and Able Reyna voted for the motion. Jim Justus abstained. Motion carried (5-0).

Tax Deed-Parcel 10563-Lots 25 & 26, Blk 61, N. Addition: Heidi Hays made a motion to deny the \$300.00 bid by Gor-Loc Investments. Doyle Parrish seconded the motion. Motion carried.

Tax Deed-Parcel 10919-N. 50 Ft. of Lot 20, Blk 121, Revised East Addition: Doyle Parrish made a motion to deny the \$299.00 bid by Brian Martinez. Abel Reyna seconded the motion. Motion carried.

Tax Deed-Parcel 10707-Lots 26-28, Blk 122, Revised East Addition: Heidi Hays made a motion to deny the \$300.00 bid by Gor-Loc Investments. Brad Thornhill seconded the motion. Motion carried.

Tax Deed-Parcel-905828-Lots 25-35, Blk 65, N. Addition: Heidi Hays made a motion to deny the \$1500.00 bid by Melissa Miller. Able Reyna seconded the motion. Motion carried.

COVID-19 Relief Grant Fund: No action.

Resolution No. 09-2020-01 Amending and Extending Mayor's Second Declaration of Local Disaster: Brad Thornhill made a motion to approve Resolution No. 09-2020-01 Amending and Extending Mayor's Second Declaration of Local Disaster. Heidi Hays seconded the motion. Motion carried.

RESOLUTION NO. 09-2020-01

ADOPTING GA-28 AND GA-29 AND

EXTENDING DECLARATION OF LOCAL DISASTER

WHEREAS, a novel coronavirus (COVID-19) has been recognized globally as a contagious respiratory virus; and

WHEREAS, COVID-19 continues to spread and to pose an increasing, imminent threat of disaster throughout City of Crosbyton and beyond; and

WHEREAS, on March 17, 2020, the Mayor of the City of Crosbyton, Dusty Cornelius, declared a local state of disaster for public health emergency pursuant to Section 418.108(a) of the Texas Government Code, based upon the need for extraordinary measures to contain COVID-19 and to prevent its spread throughout the City of Crosbyton with such declaration being extended by Resolutions of the City Council of the City of Crosbyton; and

WHEREAS, the Declaration of Local Disaster extended in the latest Resolution of the City Council is set to expire at 11:59 p.m. on September 15, 2020; and

WHEREAS, on July 2, 2020, the Governor of the State of Texas issued Executive Order GA-29 and amended Executive Order GA-28, that, among other things, required the wearing of face masks under certain circumstances and further limiting the size of groups who are not part of the immediate household in order to further contain the spread of COVID-19; and

WHEREAS, on September 7, 2020, the Governor of the State of Texas renewed his state-wide disaster proclamation for an additional thirty (30) days, certifying that COVID-19 poses an imminent threat of disaster for all counties in the State of Texas; and

WHEREAS, the number of individuals testing positive for COVID-19 continues to increase in the State of Texas, Crosby County and the City of Crosbyton and due to the issuance of Executive Order GA-28, as amended, and GA-29, and pursuant to Texas Government Code §418.108, the City Council of the City of Crosbyton believes it to be in the best interest of the City and its citizens, in order to protect and preserve the public health, safety and welfare, that additional measures must to taken to further contain COVID-19 and prevent its spread throughout the City of Crosbyton, continue the extension of the Declaration of Local Disaster, and adopt the measures outlined herein;

NOW THEREFORE, BE IT RESOLVED AND ORDERED BY THE CITY COUNCIL OF THE CITY OF CROSBYTON, TEXAS, THAT:

SECTION 1. The recitals set forth above are true and correct and are incorporated as if fully set forth herein.

SECTION 2. All terms and conditions of the Governor's Executive Order GA-28, as amended and Executive Order GA-29 are hereby adopted by reference and are incorporated herein as though set forth fully herein. Additionally, the guidelines and recommendations provided by the Governor in conjunction with issuing Executive Orders GA-28 and GA-29, are also adopted, to the extent it does not conflict with this Resolution, and all businesses, religious institutions and citizens are encouraged to review and follow said guidelines. Copies of Executive Orders GA-28, as amended and GA-29 are attached hereto and incorporated herein as though set forth fully herein.

SECTION 3. The Declaration of Local Disaster for public health emergency for the City of Crosbyton, which was signed and executed by the Mayor on March 17, 2020, in accordance with section 418.108 of the Texas Government Code, as previously renewed and extended by the Mayor and City Council Resolutions, shall remain in full force and effect and are continued to the extent they do not directly conflict with this Resolution.

SECTION 4. All outdoor gatherings in excess of ten (10) people are prohibited unless such event has been previously approved by the Mayor, minimum standard health protocols as recommended by Texas Department of State Health Services are followed and they comply with any other restrictions, guidelines or protocols established by the Mayor not inconsistent with GA-28. Such additional restrictions and guidelines that the Mayor may impose include, but are not limited to, implementing additional sanitation and cleaning procedures, requiring social distancing, requiring event organizers to require all participants/spectators/attendees to wear face masks, limiting the number of participants/spectators/attendees at the event and/or additional reporting requirements.

SECTION 5. Pursuant to §418.108(c) of the Texas Government Code, this Resolution shall be given prompt and general publicity and shall be filed promptly with the City Secretary of the City of Crosbyton.

SECTION 6. In accordance with Texas Government Code § 418.173, this resolution and order is being issued in City of Crosbyton's Emergency Management Plan and any person who knowingly or intentionally violates this resolution commits an offense, punishable by a fine up to \$1,000.00. However, in accordance with Executive Order GA-29, after first receiving a verbal or written warning for a first-time violator for failing to wear a face covering in violation of Executive Order GA-29, any person failing to wear a face covering in violation of Executive Order GA-29 commits an offense punishable by a fine up to \$250 per violation.

SECTION 7. This Resolution shall go into effect immediately upon approval and continue until 11:59 p.m., Thursday, October 15, 2020, unless renewed, extended, amended or cancelled by the Mayor or City Council of the City of Crosbyton.

SECTION 8. This resolution, pursuant to applicable provisions of Texas Government Code Chapter 418 and Texas Health and Safety Code § 122.005, authorizes the Mayor to take any actions necessary to promote health and suppress the COVID-19 virus, including the quarantine of persons and occupied structures, examining and regulating hospitals, regulating ingress and egress from the City, regulating ingress and egress to occupied structures, establishment of quarantine stations, emergency hospitals and other hospitals, enforcing applicable orders issued by the Crosby County Judge, the Governor of the State of Texas or the Texas Department of State Health Services related to suppressing the COVID-19 virus, activating the emergency management plan for the City of Crosbyton in conjunction with Crosby County and insuring compliance of such actions.

SECTION 9. To the extent permitted by law, any local ordinance or administrative rule prescribing the procedures for conduct of City business or any local ordinance or administrative rule that would in any way prevent, hinder, or delay necessary action in coping with this disaster, including any local ordinance or administrative rule regarding contracting or procurement which would impede the City's emergency response necessary to cope with this declared disaster, are hereby suspended, but only for the duration of this declared local disaster and only for that limited purpose.

SECTION 10. That the Mayor may comport and amend this Resolution and any subsequent order to be consistent with any applicable executive order that may be issued by the Governor of the State of Texas.

SECTION 11. That the Mayor is authorized to use all available resources of the City of Crosbyton reasonably necessary to comply with this resolution.

READ, APPROVED AND ADOPTED by the City Council this the 15th day of September, 2020.

CITY OF CROSBYTON

By: _____

Dusty Cornelius, Mayor

ATTEST:

Amy Wallace, City Administrator

Administrative Report: City Administrator Amy Wallace updated the council on the status of city projects.

Council adjourned into executive session at 9:19 p.m. to discuss personnel matters. Council returned into open meeting at 9:40 p.m.

City Secretary Position: No action.

With no further business before the council, the meeting was adjourned at 9:41 p.m.