

**City of Hale Center – Regular City Council Meeting Agenda**  
**LeMond Community Center, 110 E Stevenson, Hale Center, TX 79041**  
**7:00 P.M. – Tuesday – February 9, 2021**

IN ACCORDANCE WITH ORDER OF THE OFFICE OF THE GOVERNOR ISSUED MARCH 13, 2020, THE CITY COUNCIL OF THE CITY OF HALE CENTER, TEXAS, WILL CONDUCT THE MEETING SCHEDULED FOR FEBRUARY 9, 2021, 7:00 P.M., AT HALE CENTER LEMOND CENTER – IN ORDER TO ADVANCE THE PUBLIC HEALTH GOAL OF LIMITING FACE-TO-FACE MEETINGS (ALSO CALLED “SOCIAL DISTANCING”) TO SLOW THE SPREAD OF THE CORONAVIRUS (COVID-19), THERE WILL BE LIMITED PUBLIC ACCESS TO THE LOCATION DESCRIBED ABOVE. THIS MEETING AGENDA AND THE AGENDA PACKET, ARE POSTED ONLINE AT <http://www.cityofhalecenter.com/PUBLIC-NOTICE.html>

**A. CALL TO ORDER / WELCOME GUESTS / PLEDGE OF ALLEGIANCE / INVOCATION**

**B. PUBLIC COMMENT:** Members of the public who wish to submit Public Comment on agenda items must email comments to [cityhall@cityofhalecenter.com](mailto:cityhall@cityofhalecenter.com), by noon February 9, 2021. Subject must be in the following format: “Public Comment, [item #]– February 9, 2021” include name and address. For assistance call 806-839-2411. An opportunity for the public to address City Council on any subject not on the Agenda, in accordance with Texas Open Meetings Act, City Council may not discuss issues or make any decision at this time. Issues raised may be referred to City staff for research and possible future action.

**C. CONSENT AGENDA**

- 1) Approve minutes of Regular Council Meeting 1/12/2021
- 2) Approve monthly report(s): Municipal Court / Hale Center EDC / Hale Center EMS / Hale Center Vol Fire Dept / Police Department / Senior Citizen Center / Hale Center Library
- 3) Review and approve financial reports for January 2021

**D. REGULAR AGENDA**

- 1) Discuss expense, disposal and COVID 19 - Ron Comer, Triple C Waste
- 2) Order May 1, 2021 Hale Center City General Election
- 3) Approve Resolution 20210209B - City Joint Election with Hale Center Independent School District
- 4) Review and approve annual Hale Center Police Department Racial Profile Report
- 5) Approve Resolution 20210209A - Approval for a net surcharge related to Docket 49831 submitted by Southwestern Public Service Company; Authorization to participate in proceedings at the Public Utility Commission of Texas and courts of law; Authorizing the retention of special counsel; And requiring reimbursement of municipal rate case expenses.
- 6) Discuss and respond to COVID-19
- 7) City Manager Administrative Report
  - a. meter failure at 14<sup>th</sup> Street Pump Station
  - b. Well #5 is having issues
  - c. update on the LeMond Center
  - d. update on Recycle Grant
  - e. status of FAST Grant
  - f. Criminal Justice Development Grant submittal
- 8) Consider items to be placed on City Council meeting agenda for 3/9/2021 city council meeting

**E. ADJOURNMENT**

POSTED: 2/5/2021 TIME: 9AM  
ATTEST: P. Isaquino

The Council may enter closed session at any time during the meeting in accordance with the Open Meetings Act, Gov. Code 551. This meeting is also being conducted in accordance with the Disabilities Act (42 U.S.C. of 1991). The facility where the meeting is held is wheelchair accessible and handicapped parking is available. Other handicapped services are available upon request if received at least 48 hours prior to the meeting.

City of Hale Center Regular City Council Meeting Minutes  
Tuesday, January 12, 2021

Attendance: Mayor W.H. Johnson, Councilmembers: Mario Martinez, Karen Boyce, and Christine Reyna     Absent: Mayor Pro-Tem Janet Peoples, Richard Castillo

Others Present: City Manager, Mike Cypert; City Secretary, Patricia Isaguirre; City Attorney, Lanny Voss; Chief of Police, Brandon Richardson; Public Works Director, Johnny Ruiz

Mayor W.H. Johnson called meeting to order at 7:06 pm with a quorum present. The Pledge of Allegiance was led by Mayor Johnson and invocation was given by City Manager Cypert.

PUBLIC COMMENT: No one was present for comment no emails were received for comment.

Councilperson Reyna made a motion, Councilperson Boyce seconded, to approve minutes of the Regular City Council meeting held November 11, 2020, with corrections to include the Executive Session. Motion passed unanimously.

Councilperson Reyna made a motion, Councilperson Boyce seconded, to approve the remaining consent agenda. Motion passed unanimously.

Councilperson Martinez made a motion, Councilperson Reyna seconded, to approve Resolution 20210112A for submission of a grant application for the Vehicle Replacement Program to the Office of Governor, Criminal Justice Division for Hale Center Police Department. Motion passed unanimously.

Councilperson Martinez made a motion, Councilperson Reyna seconded, to approve expansion plan for Police Department with an effective date of January 13, 2021. Motion passed unanimously.

No action taken on a lease agreement for the rodeo arena grounds. At the request of the council, City Secretary Isaguirre will contact individual interested in lease and explain tentative components of agreement then report back on how to proceed.

Mayor Johnson advised council the number of positive cases, in Hale Center, is ten (10), this number was given by Hale County Health Department authority. Mayor Johnson expressed his relief at how the numbers have declined and encourages continuation of following the CDC guidelines.

Council reviewed Ordinance 2011-1114, this ordinance defines truck parking and truck routes that are in effect. At council request, City Manager Cypert will correct wording in order for ordinance to be legally correct in the codification of Hale Center City ordinances that is actively being completed by Franklin Legal.

Council reviewed Ordinance 062310, this ordinance addresses sex offenders in the community. At council request, City Manager Cypert will include an appeal clause as required by House Bill 1111

in order for ordinance to be legal in the codification of Hale Center City ordinances that is actively being completed by Franklin Legal.

City Manager Cypert gave updates on the following:

- a. Trail Grant - park benches have arrived, they need assembling; limited on pouring concrete and fencing due to the weather
- b. FAST Grant – firetruck should be arriving by the end of January, still waiting on funding for pumper truck and funding
- c. Criminal Department of Justice Grant – 2021 Dodge Charger has been ordered and should be ready by the end of January
- d. LeMond Center – renovations going well and budget is on target

Mayor Johnson announced recess at 8:25pm. Mayor Johnson announced entering closed Executive Session at 8:37pm, under authority of Section 551.074, Texas Government Code, for Personnel matters, review employment contract for Hale Center City Manager Mike Cypert.

Mayor Johnson announced ending closed Executive Session at 8:50pm and reconvened to open regular session at 8:51pm. Councilperson Boyce made a motion, Councilperson Reyna seconded to approve salary increase of \$5000, for City Manager Cypert, then extend term of contract to two (2) years, and will include an annual performance review. Motion passed unanimously.

No items were placed on next council meeting scheduled for February 9, 2021.

Mayor Johnson adjourned the meeting at 8:55 p.m.

Signed this \_\_\_\_\_ day of \_\_\_\_\_, 2021

\_\_\_\_\_  
W.H. Johnson, Mayor

\_\_\_\_\_  
Patricia Isaguirre, TRMC, City Secretary

City of Hale Center  
Municipal Court Council Report  
From 1/1/2021 to 1/31/2021

2/2/2021 10:48 AM

Violations by Type

Traffic	Penal	City Ordinance	Parking	Other	Total
5	1	0	0	1	7

Financial

State Fees	Court Costs	Fines	Tech Fund	Building Security	Total
\$804.81	\$538.37	\$1,510.90	\$40.79	\$44.76	\$2,939.63

Warrants

Issued	Served	Closed	Total
0	0	2	2

FTAs/NPTAs

FTAs	VPTAs	Total
0	0	0

Dispositions

Paid	Non-Cash Credit	Dismissed	Driver Safety	Deferred	Total
10	0	1	0	0	11

Trials & Hearings

Jury	Bench	Appeal	Total
0	0	0	0

Omni/Scofflaw/Collection

Omni	Scofflaw	Collections	Total
0	0	0	0

HALE CENTER ECONOMIC DEVELOPMENT CORPORATION

Revenue and Expense for 01/01/2021 through 01/31/2021

VISTA BANK CHECKING ACCOUNT 05116937

12/31/20	120,089.12
REVENUE/RECEIPTS	
Sales Tax Payment for January	3,264.97
TOTAL RECEIPTS	3,264.97
EXPENSES	
Payment to Kristina Janet Sherrill – Consulting	2,083.33
Check to Economic Council for membership	525.00
Check for legal fees/ contract Sherrill	1,882.00
TOTAL EXPENSES	4,490.33
Checking Account Balance 1/31/21	118,863.76
CERTIFICATE OF DEPOSIT VISTA BANK 12/31/2020	101,668.43
Interest paid 1/26/21	60.41
VALUE OF CERTIFICATE OF DEPOSIT 01/31/21	101,728.84
TOTAL HOLDINGS 1/31/21	220,592.27

**116 W 6<sup>th</sup> Street \* PO Box 1027**

**Hale Center TX 79041**

**806-590-8042 \* Fax 806-590-8043**

*Anthony Juarez, Director*

## January 2021 Run Report

7 Transfers 5(ALS) 2(BLS)

21 EMS calls

## 16 Within City Limits

## 05 Out of City

## 28 Total Calls

## 04 No Transport

## 24 Billable Runs

## Transfers from Covenant Hospital Plainview

## 10 Covenant Medical Center Plainview

04 University Medical Center

## 01 Lubbock Heart Hospital

## 07 Covenant Lubbock

## 01 Pavillion Amarillo

## 01 LaMesa Hospital

11:42 AM  
02/02/21  
Cash Basis

**Ambulance Service of Hale Center**  
**Profit & Loss**  
January 2021

	Jan 21
Ordinary Income/Expense	
Income	
City Supplement	4,000.00
County Supplement	8,500.00
Donations	45.00
Insurance Billing	18,498.11
	<hr/>
Total Income	31,043.11
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Gross Profit	31,043.11
Expense	
Computer Equipment & Software	-648.41
Medical Supplies/Equipment	
Medical Supplies	2,720.79
Medical Supplies/Equipment - Other	30.85
	<hr/>
Total Medical Supplies/Equipment	2,751.64
Office Supplies	166.88
Payroll Expenses	16,063.08
Phone, TV & Internet Expenses	217.69
Vehicle Expense	
Vehicle Fuel	374.50
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Total Vehicle Expense	374.50
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Total Expense	18,925.38
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Net Ordinary Income	12,117.73
	<hr/>
Net Income	12,117.73

11:45 AM  
02/02/21  
Cash Basis

**Ambulance Service of Hale Center**  
**Balance Sheet**  
As of January 31, 2021

	Jan 31, 21
<b>ASSETS</b>	
Current Assets	
Checking/Savings	
aGeneral Operating	29,985.20
Fund Raiser Acct	798.53
Petty Cash	81.16
Total Checking/Savings	30,864.89
Total Current Assets	30,864.89
Fixed Assets	
Furniture and Equipment	
Amb Equipment	27,754.00
Total Furniture and Equipment	27,754.00
Vehicles	
3901 - 2010 Chevy Ambulance	57,491.00
3902 - 1997 Ford Ambulance	16,816.00
3904 - 1997 Chevy Ambulance	15,000.00
Total Vehicles	89,307.00
Total Fixed Assets	117,061.00
Other Assets	
employee Advance	-186.69
Total Other Assets	-186.69
<b>TOTAL ASSETS</b>	<b>147,739.20</b>
<b>LIABILITIES &amp; EQUITY</b>	
Liabilities	
Current Liabilities	
Accounts Payable	
Accounts Payable	-1,196.75
Total Accounts Payable	-1,196.75
Other Current Liabilities	
Payroll Liabilities	189,393.56
Total Other Current Liabilities	189,393.56
Total Current Liabilities	188,196.81
Total Liabilities	188,196.81
Equity	
Opening Balance Equity	112,135.13
Unrestricted Net Assets	-164,710.47
Net Income	12,117.73
Total Equity	-40,457.61
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<b>147,739.20</b>



**CITY OF HALE CENTER  
HALE CENTER, TEXAS  
MONTHLY REPORT OF BANK BALANCES  
February 1, 2021**

**Bank Account Balances**

(Demand Deposits)

44.32%

Operational Account	0502219	0.05%	\$190,030.99
Water 2060 I&S MMA	7018664	0.05%	\$10,504.56
FAST Grant Acct	7018756		\$1.00
Back the Blue	7018059	0%	\$1,754.28
PD Training	7018804		\$796.29
<b>Total</b>			<b>\$203,087.12</b>

**Schedule of Investments**

(Time Deposits)

55.68%

Budget	Fund	Account	Origin	Date	Current	Length	Original	Current Value
Certificate of Deposit		6318810		2/19/16	1.65%	3 Month	\$100,000.00	\$102,180.68
Certificate of Deposit		6324212		11/9/16	1.65%	6 Month	\$150,000.00	\$153,008.20
<b>Totals</b>							<b>\$250,000.00</b>	<b>\$255,188.88</b>

<b>Total Cash Accounts</b>	<b>\$203,087.12</b>
<b>Total Investments</b>	<b>\$255,188.88</b>
<b>Total Cash and Investments</b>	<b>\$458,276.00</b>




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Mike Cypert  
City Manager

This report complies with the City's Investment Policy and all federal, state, and local statutes, rules, or regulations.

Account	Description	Budget	MTD	YTD	Variance	%
	Operating Revenues					
014007	Ad Valorem Taxes	268,352.00	35,083.52	177,014.00	91,338.00	65.96
014014	Ad Valorem Tax Discounts	-4,000.00	-148.51	-3,997.43	-2.57	99.94
014021	Ad Valorem P&I	4,500.00		360.94	4,139.06	8.02
014028	Delinquent Ad Valorem Taxes	11,000.00	867.75	2,292.66	8,707.34	20.84
014035	Delinquent Ad Valorem P&I	4,500.00	292.88	851.97	3,648.03	18.93
014042	Sales Tax	72,000.00	6,529.97	27,662.58	44,337.42	38.42
014049	Sales Tax EDC	36,000.00	3,264.97	13,831.26	22,168.74	38.42
014050	Liens Collected			1,000.00	-1,000.00	
014056	Franchise Fees	93,300.00	6,806.59	31,328.79	61,971.21	33.58
014063	Permits	4,450.00	114.00	1,101.20	3,348.80	24.75
014070	Food Permits	900.00			900.00	
014084	Interest Income	2,125.00	8.87	31.47	2,093.53	1.48
014098	Animal Control Fees	2,600.00		-794.96	3,394.96	-30.58
014105	Misc. Income	2,500.00		23,386.72	-20,886.72	935.47
014112	Leases and Rents	6,000.00			6,000.00	
014119	Sanitation Charges	161,500.00	13,144.00	52,778.07	108,721.93	32.68
014126	Landfill Fees	49,000.00	3,917.00	15,730.23	33,269.77	32.10
014133	Recycling Income	200.00		501.60	-301.60	250.80
014140	Mosquito Spray Fees	9,850.00	781.00	3,135.57	6,714.43	31.83
014147	Sale of Property	5,000.00		20.00	4,980.00	.40
014154	Municipal Court Fees	78,600.00	2,455.97	9,235.21	69,364.79	11.75
014161	Court Technology Fees	1,400.00	34.55	477.46	922.54	34.10
014168	Court Security Fees	1,125.00	37.11	170.26	954.74	15.13
014175	Transfer From Water Fund	111,613.00			111,613.00	
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	Operating Revenues	922,515.00	73,189.67	356,117.60	566,397.40	38.60
	Non-Operating Revenues					
014401	Insured Claims			500.00	-500.00	
014407	TP&W Trails Grant	23,725.00			23,725.00	
014414	FAST Grant	425,357.00		68,316.11	357,040.89	16.06
014421	Criminal Justice Grant - Vehic	34,830.00			34,830.00	
014428	Criminal Justice Grant - Body	2,520.00			2,520.00	
014436	Donation for PD equipment			1,000.00	-1,000.00	
		-----	-----	-----	-----	-----
	Non-Operating Revenues	486,432.00		69,816.11	416,615.89	14.35
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	Total Revenue	1,408,947.00	73,189.67	425,933.71	983,013.29	30.23
	TOTAL REVENUE	1,408,947.00	73,189.67	425,933.71	983,013.29	
	Administration					
015007	Appraisal Dist. Exp.	5,325.00	886.64	1,499.32	3,825.68	28.16
015014	Accounting	9,450.00			9,450.00	
015021	Attorney Fees	5,700.00	987.50	2,000.00	3,700.00	35.09
015028	Legal Publications	2,000.00		382.20	1,617.80	19.11
015035	Codification	1,000.00			1,000.00	

Period:Yr 21 Pd 04

Title: Actual vrs Budget - Period 4

Fund: 01, General Fund

## City of Hale Center

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Date: 02/02/2021 6:42 AM

Account	Description	Budget	MTD	YTD	Variance	%
015042	Dues, Registrations & Meetings	5,000.00	879.00	1,665.50	3,334.50	33.31
015049	Office Supplies	4,500.00	34.27	569.28	3,930.72	12.65
015056	Postage	1,000.00	89.34	313.84	686.16	31.38
015063	Printing	500.00	57.25	296.78	203.22	59.36
015077	Misc. Expense	1,000.00		98.00	902.00	9.80
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	Administration	35,475.00	2,934.00	6,824.92	28,650.08	19.24
	Nondepartmental					
015203	EMS Contract	48,000.00	4,000.00	16,000.00	32,000.00	33.33
015210	Fire Dept. Contract	9,900.00	825.00	3,300.00	6,600.00	33.33
015217	Library Contract	4,800.00	450.00	1,800.00	3,000.00	37.50
015224	Sr. Citizens Contract	6,000.00	500.00	2,000.00	4,000.00	33.33
015231	Civil Defense	5,000.00		73.39	4,926.61	1.47
015238	Hale Center EDC	34,612.00	3,264.97	13,831.26	20,780.74	39.96
015245	EMS Bld. Maint.	500.00			500.00	
015252	Fire Bld. Maint.	500.00			500.00	
015259	City Hall Bld. Maint.	500.00		194.62	305.38	38.92
015266	LeMond Bld. Maint	3,000.00		309.16	2,690.84	10.31
015273	Environmental Health Insp.	1,500.00			1,500.00	
015280	Building Inspection Fees	1,800.00		75.00	1,725.00	4.17
015287	General Insurance	13,880.00	3,546.63	7,093.26	6,786.74	51.10
015294	Utilities - Gas and Elect.	11,050.00	1,889.30	5,142.07	5,907.93	46.53
015301	Telephone/Internet	5,310.00	455.52	1,769.00	3,541.00	33.31
015308	Software / IT	4,000.00	157.94	945.40	3,054.60	23.64
015337	Capital Outlay - LeMond	15,000.00	674.40	9,956.34	5,043.66	66.38
015343	Capital Outlay - Fire	425,357.00		21,000.00	404,357.00	4.94
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	Nondepartmental	590,709.00	15,763.76	83,489.50	507,219.50	14.13
	Legislative					
015378	Dues Registrations & Meetings	12,000.00		223.99	11,776.01	1.87
015385	Election Expense	6,000.00	5,031.36	5,031.36	968.64	83.86
015392	Council Stipends	2,400.00		2,400.00		100.00
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	Legislative	20,400.00	5,031.36	7,655.35	12,744.65	37.53
	Judicial					
015406	Dues, Registrations & Training	2,000.00			2,000.00	
015413	State Traffic Fees	29,600.00	2,439.98	4,649.04	24,950.96	15.71
015420	Prosecutor Fees	2,500.00			2,500.00	
015427	IT/Software	2,785.00			2,785.00	
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	Judicial	36,885.00	2,439.98	4,649.04	32,235.96	12.60
	Police					
015455	Dues, Registrations & Training	3,000.00		200.00	2,800.00	6.67
015462	Uniforms	1,500.00		101.40	1,398.60	6.76
015476	Software / IT	650.00		300.00	350.00	46.15
015483	Supplies & Equipment	6,000.00	532.19	881.07	5,118.93	14.68

Account	Description	Budget	MTD	YTD	Variance	%
015490	Vehicle Fuel	14,000.00	1,213.30	4,579.99	9,420.01	32.71
015497	Vehicle Maint.	4,500.00	157.64	1,297.21	3,202.79	28.83
015504	Misc. Expense	1,000.00			1,000.00	
015511	Criminal Justice Grant - Vehic	34,830.00			34,830.00	
015518	Criminal Justice Grant - Body	2,520.00			2,520.00	
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	Police	68,000.00	1,903.13	7,359.67	60,640.33	10.82
	Streets					
015532	Sealcoat Project	50,000.00			50,000.00	
015539	Engineering - Sealcoat	10,000.00			10,000.00	
015546	Street & Pothole Reair	14,500.00			14,500.00	
015553	Utilities - Street Lighting	26,500.00	3,284.52	12,967.78	13,532.22	48.94
015560	Street Base Materials	1,500.00			1,500.00	
015567	Street Sign Repairs	1,000.00			1,000.00	
015574	Equipment Maint.	11,490.00		11,185.80	304.20	97.35
015575	Equipment Purchases	3,800.00		2,500.00	1,300.00	65.79
015581	Weed Control	3,500.00		219.50	3,280.50	6.27
015588	Spray License Fees & Training	1,500.00			1,500.00	
		-----	-----	-----	-----	-----
	Streets	123,790.00	3,284.52	26,873.08	96,916.92	21.71
	Parks					
015609	City Park Maint.	7,250.00		787.58	6,462.42	10.86
015616	Grant Expense - TPW	23,725.00	1,096.70	4,618.64	19,106.36	19.47
015623	Utilities - Parks	7,400.00	463.03	2,451.55	4,948.45	33.13
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	Parks	38,375.00	1,559.73	7,857.77	30,517.23	20.48
	Sanitation					
015651	Contracted Alley Service	137,000.00	11,564.95	46,259.80	90,740.20	33.77
015658	Recycle Center Disposal	12,500.00	599.93	1,874.67	10,625.33	15.00
015665	Plainview Recycle Prog.	1,500.00			1,500.00	
015672	Tire Recycling	1,200.00			1,200.00	
015679	Vector Control (Mosq.)	5,000.00			5,000.00	
015686	Animal Control	2,500.00		59.37	2,440.63	2.37
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	Sanitation	159,700.00	12,164.88	48,193.84	111,506.16	30.18
	Non-Budgeted Expense					
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	Total Operating Expense	1,073,334.00	45,081.36	192,903.17	880,430.83	17.97
	Payroll					
017007	Administrative Payroll	93,810.00	6,992.30	30,792.30	63,017.70	32.82
017014	Police Payroll	153,062.00	10,463.70	50,684.88	102,377.12	33.11
017021	Judicial Payroll	21,350.00	1,202.16	5,409.72	15,940.28	25.34
017028	Sanitation Payroll	7,675.00	524.80	2,574.80	5,100.20	33.55
017035	TML - Admin	5,320.00	369.75	1,848.75	3,471.25	34.75
017042	TML - Police	15,960.00	1,328.91	6,644.55	9,315.45	41.63
017056	TMRS - Admin	4,287.00	306.26	1,524.82	2,762.18	35.57

2/2/2021

## Fund Accounting

Period:Yr 21 Pd 04

## City of Hale Center

Page: 4

Title: Actual vrs Budget - Period 4

Date: 02/02/2021 6:42 AM

Fund: 01, General Fund

Account	Description	Budget	MTD	YTD	Variance	%
017063	TMRS - Police	6,315.00	458.31	2,517.63	3,797.37	39.87
017077	TWC - Admin	144.00			144.00	
017084	TWC - Police	576.00			576.00	
017091	TWC - Judicial	261.00	123.11	174.54	86.46	66.87
017098	TWC - Sanitation	123.00	67.32	93.17	29.83	75.75
017105	Workmans Comp	6,670.00	1,812.50	3,021.50	3,648.50	45.30
017175	HR Expense	250.00		510.00	-260.00	204.00
017600	Payroll Tax (FICA)	19,810.00	1,467.49	6,843.81	12,966.19	34.55
		-----	-----	-----	-----	-----
	Payroll	335,613.00	25,116.61	112,640.47	222,972.53	33.56
		-----	-----	-----	-----	-----
	Total Payroll Expense	335,613.00	25,116.61	112,640.47	222,972.53	33.56
		-----	-----	-----	-----	-----
	* CURRENT YEAR SURPLUS		2,991.70	120,390.07	-120,390.07	
		=====	=====	=====	=====	=====

Account	Description	Budget	MTD	YTD	Variance	%
	Operating Revenues					
024007	Metered Water Sales	539,600.00	29,209.43	122,316.94	417,283.06	22.67
024014	Sewer Service Sales	150,000.00	12,279.50	49,308.38	100,691.62	32.87
024021	Late Fees	21,500.00	1,215.79	6,322.04	15,177.96	29.40
024028	Returned Check Fees		30.00	90.00	-90.00	
024035	ACH/CC Processing Fees	5,400.00	537.00	2,162.15	3,237.85	40.04
024056	Reconnection Fees	6,000.00	525.00	3,270.00	2,730.00	54.50
024063	Water Tap Fees	500.00			500.00	
024070	Misc. Income	3,500.00			3,500.00	
024200	Returns / Overread / Adj.		-1,338.68	-6,516.49	6,516.49	
		-----	-----	-----	-----	-----
	Operating Revenues	726,500.00	42,458.04	176,953.02	549,546.98	24.36
	Non-Operating Revenues					
024401	Workman Comp Claims_payroll		1,473.04	2,209.56	-2,209.56	
		-----	-----	-----	-----	-----
	Non-Operating Revenues		1,473.04	2,209.56	-2,209.56	
		-----	-----	-----	-----	-----
	Total Revenue	726,500.00	43,931.08	179,162.58	547,337.42	24.66
	TOTAL REVENUE	726,500.00	43,931.08	179,162.58	547,337.42	
	Administration					
025007	Accounting	9,450.00			9,450.00	
025014	Attorney Fees	5,700.00	987.50	2,000.00	3,700.00	35.09
025021	Legal Publications	2,000.00			2,000.00	
025028	ACH/CC Expense	5,400.00	475.93	2,131.84	3,268.16	39.48
025035	Dues, Registrations & Meetings	5,000.00		284.99	4,715.01	5.70
025042	Office Supplies	4,500.00	1,011.06	1,475.02	3,024.98	32.78
025049	Postage	5,500.00	382.64	1,875.24	3,624.76	34.10
025056	Printing	2,000.00			2,000.00	
025063	Equipment Leasing / Maint.	4,000.00	342.25	1,435.18	2,564.82	35.88
025070	Misc. Expense	1,000.00		98.00	902.00	9.80
		-----	-----	-----	-----	-----
	Administration	44,550.00	3,199.38	9,300.27	35,249.73	20.88
	Nondepartmental					
025105	City Hall Maint.	500.00		97.13	402.87	19.43
025112	General Insurance	13,880.00	3,546.62	7,093.24	6,786.76	51.10
025119	Utilities - Gas and Elect.	7,500.00		2,889.10	4,610.90	38.52
025126	Telephone/Internet	5,310.00	455.51	1,768.99	3,541.01	33.31
025133	Software / IT	4,000.00	120.69	938.10	3,061.90	23.45
025140	Contract Labor - Housekeeping	3,420.00			3,420.00	
025147	Pest Control	1,320.00	110.00	440.00	880.00	33.33
025154	Bond Principal USDA	7,000.00			7,000.00	
025161	Bond Interest USDA	10,200.00			10,200.00	
025168	Transfer to General Fund	111,613.00			111,613.00	
025175	Transfer to Capital Reserve	28,409.00			28,409.00	

Account	Description	Budget	MTD	YTD	Variance	%
025400	Returned Check / Rejected ACH		-286.25	-1,600.50	1,600.50	
	Nondepartmental	193,152.00	3,946.57	11,626.06	181,525.94	6.02
	Water / Sewer Maintenance					
025560	Dues, Registrations & Training	7,000.00		2,860.00	4,140.00	40.86
025567	Uniforms	2,800.00		375.00	2,425.00	13.39
025581	Engineering Fees	6,000.00			6,000.00	
025588	State Fees & Permits	500.00		1,250.00	-750.00	250.00
025595	Production Utilities	31,600.00	456.73	10,205.34	21,394.66	32.30
025602	Lab Samples - Testing	5,000.00	120.00	1,679.27	3,320.73	33.59
025609	Building & Grounds Maint.	1,000.00			1,000.00	
025616	Vehicle & Equip. Fuel	14,000.00	816.95	3,693.76	10,306.24	26.38
025623	Vehicle Maint.	5,000.00	30.00	10,813.15	-5,813.15	216.26
025630	Equip. Maint.	7,000.00	10,259.37	13,197.59	-6,197.59	188.54
025631	Equip. Purchases	5,000.00		2,569.29	2,430.71	51.39
025644	Materials & Supplies	18,000.00	328.86	4,550.30	13,449.70	25.28
025651	Water Sewer Treatment	6,000.00			6,000.00	
025658	Utility Repairs & Maint.	65,000.00	698.19	1,730.33	63,269.67	2.66
	Water / Sewer Maintenance	173,900.00	12,710.10	52,924.03	120,975.97	30.43
	Total Operating Expense	411,602.00	19,856.05	73,850.36	337,751.64	17.94
	Payroll					
027007	Administrative Payroll	83,050.00	6,638.14	30,784.40	52,265.60	37.07
027014	W/S Maint Payroll	162,025.00	13,742.38	65,043.14	96,981.86	40.14
027021	TML - Admin.	5,320.00	448.82	2,244.10	3,075.90	42.18
027028	TML - Maint.	26,600.00	2,214.85	9,844.50	16,755.50	37.01
027035	TMRS - Admin.	3,800.00	367.56	1,892.84	1,907.16	49.81
027042	TMRS - Maint.	7,400.00	525.11	2,862.72	4,537.28	38.69
027049	TWC - Admin.	288.00		92.27	195.73	32.04
027056	TWC - Maint.	720.00			720.00	
027063	Workmans Comp	6,670.00	1,812.50	3,021.50	3,648.50	45.30
027175	HR Expense	250.00			250.00	
027600	Payroll Tax Expense (FICA)	18,775.00	1,559.12	7,330.82	11,444.18	39.05
	Payroll	314,898.00	27,308.48	123,116.29	191,781.71	39.10
	Total Payroll Expense	314,898.00	27,308.48	123,116.29	191,781.71	39.10
	* CURRENT YEAR SURPLUS		-3,233.45	-17,804.07	17,804.07	

**NOTICE OF GENERAL ELECTION  
(AVISO DE ELECCION GENERAL)**

To the registered voters of the City of HALE CENTER, Texas:

(a los votantes registrados del Ciudad de HALE CENTER, Texas):

Notice is hereby given that the polling places listed below will be open from 7:00 a.m. to 7:00 p.m., on Apr 20 & Apr 22 2021, for voting in a general election to elect three councilmembers.

(Notifíquese, por las presente, que las casillas electorales citadas abajo se abrirán desde las 7:00 a.m. hasta las 7:00 p.m. el 20 y 22 de abril de 20 21 para votar en la Elección General para elegir tres consejales.)

LOCATION(S) OF POLLING PLACES  
(DIRECCION(ES) DE LAS CASILLAS ELECTORALES)

**LeMond Community Center, 111 E Stevenson, Hale Center, Texas 79041**

Early voting by personal appearance will be conducted each weekday at  
(La votación adelantada en persona se llevará a cabo de lunes a viernes en)

**LeMond Community Center, 111 E Stevenson, Hale Center, Texas 79041**

(location) (sitio)

Recommended but not required

between the hours of 8:00 a.m. and 5:00 p.m. beginning on (entre las 8:00 de la mañana y las 5:00 de la tarde empezando el 4/19/2021  
(date) (fecha)

and ending on (y terminando el) 4 / 27 / 2021  
(date) (fecha)

Applications for ballot by mail shall be mailed to:  
(Las solicitudes para boletas que se votarán en ausencia por correo deberán enviarse a:)

Patricia Isaguirre  
(Name of Early Voting Clerk)  
(Nombre del Secretario(a) de la Votación Adelantada)

P O Box 532  
(Address) (Dirección)

Hale Center, TX 79041  
(City) (Ciudad) (Zip Code) (Zona Postal)

Applications for ballots by mail must be received no later than the close of business on  
(Las solicitudes para boletas que se votarán en ausencia por correo deberán recibirse para el fin de las horas de negocio el)

4 / 20 / 2021  
(date) (fecha)

Issued this the \_\_\_\_\_ day of \_\_\_\_\_, 20 \_\_\_\_\_.  
(Emitida este día \_\_\_\_\_ de \_\_\_\_\_, 20 \_\_\_\_\_.)

\_\_\_\_\_  
Signature of Mayor (Firma del Alcalde)



**CITY / ISD JOINT ELECTION RESOLUTION NO. 20210209**

BE IT REMEMBERED THAT ON THE 9<sup>TH</sup> DAY OF FEBRUARY, 2021, THE CITY COUNCIL OF THE CITY OF HALE CENTER, IN ITS REGULAR MONTHLY MEETING, DID ENACT THE FOLLOWING RESOLUTION REGARDING A JOINT ELECTION TO BE HELD BETWEEN THE CITY OF HALE CENTER AND THE HALE CENTER INDEPENDENT SCHOOL DISTRICT, MORE FULLY DESCRIBED IN THE JOINT ELECTION AGREEMENT, ATTACHED HERE TO AS EXHIBIT A AND INCORPORATED BY REFERENCE HEREIN, THE SAME AS IF FULLY COPIED AND SET FORTH AT LENGTH:

WHEREAS, the City of Hale Center ("the City"), and the Hale Center Independent School District ("the School") are each political Subdivision of the State of Texas; and,

WHEREAS, the City of Hale Center, Texas will hold a City Election

WHEREAS, the City and the School will hold all of this election in a Joint Election May 1, 2021, pursuant to resolutions and agreements previously enacted and executed by those entities; and,

WHEREAS, the City and School are both wholly located within the boundaries of the county; and,

WHEREAS, the City and School desire to hold all of the above need elections in a Joint Election to be held on May 1, 2021, as set forth in the Joint Election Agreement; and,

WHEREAS, the City and School have common voters, and it would be to the benefit of the City and School and their citizens and voters, to hold the election jointly at a common polling place.

BE IT THEREFORE RESOLVED, that the City of Hale Center here by adopts the above recitals as findings of fact and operative provision hereof the same as it set out in full; and,

BE IT FURTHER RESOLVED that the City of Hale Center City Council authorizes the Mayor and Hale Center ISD Superintendent to enter into the attached Joint Election Agreement.

PASSED AND APPROVED on this the 9<sup>th</sup> day of February, 2021, by way of majority vote of the City Council of the City of Hale Center, Texas, in a meeting open to the public and at its regular time and place.

---

W.H. Johnson, Mayor

---

Patricia Isaguirre, TRMC, City Secretary

**JOINT ELECTION AGREEMENT  
BETWEEN  
CITY OF HALE CENTER AND HALE CENTER ISD**

As permitted by the Texas Election Code Chapter 271, the City of Hale Center, Texas (the "City") and the Hale Center Independent School District (the "School") enter into the following agreement for the purpose of establishing the mutual responsibilities of the Parties for conducting a Joint Election on May 1, 2021.

WHEREAS, Texas Election Code 271.002(a) authorizes the governing bodies of political subdivisions to enter into an agreement to hold joint elections in election precincts that can be served by common polling places; and,

WHEREAS, the City of Hale Center and Hale Center ISD (collectively "Parties") are political subdivisions of the State of Texas; and,

WHEREAS, the City is a municipality located in the District; and,

WHEREAS, the School is an educational organization located in the District; and,

WHEREAS, May 1, 2021 is a uniform Election Day under the Election Code 41.001 ("Election Day"); and,

WHEREAS, the City of Hale Center and the School desire to hold a joint election as set forth in this Joint Election Agreement ("Agreement"); and

WHEREAS, the citizens and voter thereof, to hold elections jointly in the election precincts that can be served by common places insofar as possible.

NOW, THEREFORE, in consideration of the subjects of the following terms and provisions, the Joint Election Agreement set forth below is entered into by and between the City, acting by and through its City Council, and the School, acting by and through Hale Center ISD:

1. Scope:

- a. This Agreement governs the conduct of the City's and the School's elections, to be held on May 1, 2021.

2. Legal Documents:

- a. The Parties shall each be responsible for the preparation, adoption, and publication (including bilingual publications) of their respective required elections orders, notices, and any other pertinent documents required by law, unless otherwise set forth herein.

3. Polling Places

- a. Election Day voting shall be held at the following joint polling place:

Lemond Community Center  
110 E Stevenson  
Hale Center, Texas 79041

As permitted by 271.003, and set forth in the Parties' election orders.

4. Supplies

- a. Each Party shall be responsible for ordering and paying for its respective election supplies.

5. Expenses

- a. Joint election expenses incurred under this Agreement shall be split evenly (50/50) between the Parties, unless otherwise set forth herein. Expenses to be split between the Parties include, but are not limited to be split between the Parties include, but are not limited to, compensation for election officials and workers.
- b. The Parties hereby agree to enter an agreement with Hale County for the rental of an electronic voting system. Costs related to electronic voting systems shall be split evenly, unless otherwise set forth in the Parties' agreement with the County. If the Parties are unable to enter into a single agreement with the County, each Party shall be responsible for costs as set forth in its respective agreement with the County.
- c. The Parties shall not split costs related to notices, newspaper publishing translations of documents, supplies, and legal fees, unless otherwise set forth herein, all those costs shall be borne by the Party incurring same.
- d. If a Party cancels its election, it shall be responsible only for its prorated share of expenses incurred through the date of cancellation.
- e. In the event of cancellation by one Party, the remaining Party shall be responsible for all election expenses incurred following the cancellation of an election by the other Party.

6. Cancellation

- a. Either Party may cancel its election as permitted by Texas Election Code 2.051. In the event of cancellation, the withdrawing Party is relieved from its joint election obligation, unless otherwise set forth herein.

7. Election Officers

- a. The Parties shall select a mutually agreeable Joint Election Judge.
- b. The Parties shall ensure that joint election officers are properly trained.

8. Compensation of Judge & Clerks

- a. Election judges and clerks shall be compensated in accordance with Texas Election Code 271.013 and Chapter 32, Subchapter E.

9. Early Voting

- a. Early voting by personal appearance will be conducted jointly at the following joint polling place:

Lemond Community Center  
110 E Stevenson  
Hale Center, Texas 79041

10. Method of Voting

- a. Electronic Voting Systems and/or Paper may be used at the joint polling place, as permitted by Texas Education Code 271.0071.
- b. The Parties will enter into an agreement with an electronic voting system provider for the programming, delivery, testing, set-up and removal of the electronic voting machines. Said contracts shall address the training of election workers on the electronic voting machines. See section 5 above.

11. Ballots

- a. The Parties shall use separate ballots.
- b. Each Party shall be responsible for preparing language for its respective ballot.
- c. If a Party uses paper ballots, it shall be responsible for all costs associated with the paper ballots. If the Parties use paper ballots separate ballot boxes shall be used.
- d. Preparation of electronic ballots shall be governed by contract between the Parties and the electronic voting system provider(s).

12. Canvassing
  - a. Canvassing shall be conducted separately.
13. Recounts
  - a. Recounts, if necessary, shall be conducted separately.
14. Election Records Retention
  - a. The Parties will each be responsible for retention of their respective records, in accordance with the Texas Election Code.
15. Order, Resolution or Other Official Action
  - a. The Parties agree to the terms of the joint election agreement in order, resolution, or other official action adopted by the governing body of each Party, at a public meeting, as required by Election Code 271.002(d).
16. Agreement Preservation
  - a. An executed copy of the Agreement shall be preserved by each Party for the same retention period used to preserve the precinct election records, as required by Election Code 271.002(e).
17. Miscellaneous Provisions
  - a. This Agreement shall be construed under and in accordance with the laws of the State of Texas, and all obligations of the Parties created hereunder are performable in Hale County, Texas.
  - b. The Parties shall comply with all applicable laws, ordinances, and codes of the State of Texas, all local governments, and any other entities with local jurisdictions.
  - c. In event one or more of the provisions contained in this Agreement shall for any reason be held to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect any other provision hereof and the Agreement shall be construed as if such invalid, illegal, or unenforceable provision had never been contained herein.
  - d. Either Party may terminate its participation in the Agreement by tendering written notice to the other Party.
  - e. Any amendment of this Agreement shall be of no effect unless in writing and signed by all Parties hereto.
  - f. This Agreement may be executed in multiple counterparts, each of which shall be deemed an original for all purposes.

THE CITY of HALE CENTER:

By: \_\_\_\_\_  
W.H. Johnson-Mayor, City of Hale Center

Date: \_\_\_\_\_

HALE CENTER ISD:

By: \_\_\_\_\_  
Steven Pyburn, Superintendent, Hale Center ISD

Date: \_\_\_\_\_

**RESOLUTION NO. 20210209A**

**RESOLUTION BY THE CITY OF HALE CENTER, TEXAS (“CITY”) APPROVING THE SURCHARGE RELATED TO DOCKET NO. 49831 SUBMITTED BY SOUTHWESTERN PUBLIC SERVICE COMPANY ON ABOUT DECEMBER 18, 2020; AUTHORIZING PARTICIPATION IN A COALITION OF SIMILARLY SITUATED CITIES KNOWN AS THE ALLIANCE OF XCEL MUNICIPALITIES; AUTHORIZING PARTICIPATION IN RELATED RATE PROCEEDINGS; REQUIRING THE REIMBURSEMENT OF MUNICIPAL RATE CASE EXPENSES; AUTHORIZING THE RETENTION OF SPECIAL COUNSEL; FINDING THAT THE MEETING COMPLIES WITH THE OPEN MEETINGS ACT; AND MAKING OTHER FINDINGS AND PROVISIONS RELATED TO THE SUBJECT**

**WHEREAS**, on about December 18, 2020, Southwestern Public Service Company, LLC (“SPS”) filed an application for authority to implement a surcharge in the amount of about \$71.5 million related to the rates agreed to and approved by the Public Utility Commission of Texas (“PUCT”) in Docket No. 49831 (SPS’s 2019 general rate case); and

**WHEREAS**, SPS’s application to approve a surcharge is in accord with the agreement the parties, including the Alliance of Xcel Municipalities (“AXM”), reached in Docket No. 46936 (SPS’s 2017 “Wind-Farm Case”) in which the PUCT approved SPS’s request to allow it to construct and operate the Hale and Sagamore wind facilities; and

**WHEREAS**, in the Wind-Farm Case the parties agreed that in SPS’s then-next general rate case, SPS could seek to implement the rates finally approved in that general rate case such that those rates would relate back to the 35<sup>th</sup> day after it filed its general rate case; and

**WHEREAS**, that general rate case is Docket No. 49831, SPS’s 2019 rate case, and the 35<sup>th</sup> day after filing in Docket No. 49831, is September 12, 2019; and

**WHEREAS**, the rates the PUCT ultimately approved in Docket No. 49831 have an effective date of August 31, 2020, thus making the period over which the surcharge is calculated, the period from September 12, 2019 through August 31, 2020; and

**WHEREAS**, SPS proposes to implement the surcharge over a one-year period from April 1, 2021 through March 31, 2022; and

**WHEREAS**, AXM's Special Counsel and rate experts engaged on behalf of AXM have reviewed SPS's application to implement an surcharge and have confirmed that SPS correctly calculated the surcharge and that its method for implementing the surcharge is mathematically correct and consistent with AXM's prior agreement with SPS; and

**WHEREAS**, the City is a regulatory authority under the Public Utility Regulatory Act ("PURA") and under Chapter 33, §33.001 et seq. of PURA has exclusive original jurisdiction over SPS's rates, operations, and services within the municipality; and

**WHEREAS**, in order to maximize the efficient use of resources and expertise in reviewing SPS's request it is prudent to coordinate the City's efforts with a coalition of similarly situated municipalities; and

**WHEREAS**, the City, in matters regarding SPS's rates, services, and operations has in the past joined with other local regulatory authorities in the Alliance of Xcel Municipalities ("AXM") of cities and hereby continues its participation in AXM; and

**WHEREAS**, SPS simultaneously filed its application to implement a surcharge with the Public Utility Commission of Texas, and therefore the decision of the Public Utility Commission of Texas could affect SPS's proposed surcharge, and thus impact the rates charged within the City, and in order for the City's participation to be meaningful it is important that the City promptly intervene in such proceeding at the Public Utility Commission of Texas.

**NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF HALE CENTER, TEXAS THAT:**

**Section 1.** The findings set out in the preamble are in all things approved and incorporated herein as if fully set forth.

**Section 2.** The City **APPROVES** SPS's application filed on about December 18, 2020, to implement a net surcharge in the amount not to exceed \$71,546,546, including interest in the amount of \$1,604,142, and directs SPS to refund to ratepayers any over-recovery that may occur above the \$71,546,546.

**Section 3.** The City authorizes intervention in proceedings related to SPS's application before the Public Utility Commission of Texas and related proceedings in courts of law as part of the coalition of cities known as the Alliance of Xcel Municipalities.

**Section 4.** The City hereby directs SPS to reimburse the City's rate case expenses, as part of the Alliance of Xcel Municipalities, and that it do so on a monthly basis and within 30 days after submission of the City's invoices related to proceedings involving SPS before the City, the Public Utility Commission of Texas, or any court of law.

**Section 5.** Subject to the right to terminate employment at any time, the City retains and authorizes the law firm of Herrera Law & Associates, PLLC to act as Special Counsel with regard to rate proceedings involving SPS before the City, the Public Utility Commission of Texas, or any court of law and to retain such experts as may be reasonably necessary for review of SPS's surcharge application subject to approval by the City.

**Section 6.** The City, through its participation in the Alliance of Xcel Municipalities, shall review the invoices of the lawyers and rate experts for reasonableness before submitting the invoices to SPS for reimbursement.

**Section 7.** A copy of this resolution shall be sent to SPS's local representative and to Mr. Alfred R. Herrera, Herrera Law & Associates, PLLC, 4524 Burnet Road, Austin, Texas 78756.

**Section 8.** The meeting at which this resolution was approved was in all things conducted in compliance with the Texas Open Meetings Act, Texas Government Code, Chapter 551.

**Section 9.** This resolution shall become effective from and after its passage.

**PASSED AND APPROVED** this \_\_\_\_\_ day of \_\_\_\_\_, 2021.

\_\_\_\_\_  
Mayor

**ATTEST:**

\_\_\_\_\_  
City Secretary

**AGENDA INFORMATION SHEET**  
**ITEM NO. 4**

**APPROVAL OF APPLICATION FOR A NET SURCHARGE  
RELATED TO DOCKET NO. 49831 SUBMITTED BY  
SOUTHWESTERN PUBLIC SERVICE COMPANY;  
AUTHORIZATION TO PARTICIPATE IN PROCEEDINGS AT THE  
PUBLIC UTILITY COMMISSION OF TEXAS AND COURTS OF  
LAW; AUTHORIZING THE RETENTION OF SPECIAL COUNSEL;  
AND REQUIRING REIMBURSEMENT OF MUNICIPAL RATE CASE  
EXPENSES**

**BACKGROUND**

On December 18, 2020, Southwestern Public Service Company (“SPS”) filed an application with the City and the Public Utility Commission of Texas (“Commission” or “PUC”) for approval to implement a net surcharge arising from its most recent base-rate case, Docket No. 49831. The amount of SPS’s proposed surcharge is \$71 million and is to be implemented over a one-year period from April 1, 2021 through March 31, 2022.

SPS’s application to approve a surcharge is in accord with the agreement the parties, including the Alliance of Xcel Municipalities (“AXM”), reached in Docket No. 46936 (the “Wind-Farm Case”). The Wind-Farm Case is the proceeding filed in 2017 where the PUC approved SPS’s request to allow it to construct and operate the Hale and Sagamore wind facilities. In the Wind-Farm Case the parties agreed that in SPS’s then-next general rate case, SPS could seek to implement the rates finally approved in that general rate case such that those rates would relate back to the 35<sup>th</sup> day after it filed its general rate case. That general rate case is Docket No. 49831, SPS’s 2019 rate case.

In Docket No. 49831, the 35<sup>th</sup> day after filing is September 12, 2019. Docket No. 49831 was a settled case and as part of the settlement, the parties agreed to an increase in SPS’s base-rate revenue of \$88 million. The rates the PUC ultimately approved in Docket No. 49831 have an effective date of August 31, 2020.

On August 31, 2020, SPS began implementing the rates resulting from the PUC’s final order approving the settlement in Docket No. 49831. Thus, pursuant to the parties’ agreement, the surcharge period is the period from September 12, 2019 through August 31, 2020. The proposed surcharge allows SPS to recover revenues that it would have recovered if the rates approved in Docket No. 49831 had been in effect from September 12, 2019 through August 31, 2020.



## AMOUNT OF SURCHARGE PER CUSTOMER CLASS

SPS proposes that each customer class pay its share of the total \$71 million surcharge as indicated in the table below. Note that while the surcharge in a net increase to rates, some customer classes will receive a rate decrease.

<b>Customer Class</b>	<b>Dollar Amount of Surcharge</b>	<b>Percentage Increase or Decrease</b>
Residential	\$30,328,815	13.19%
Small General	\$2,336,733	10.51%
Secondary General	\$11,604,397	10.14%
Primary General	\$7,298,049	11.03%
Primary Standby	\$35,130	*
SAS-4	\$326,683	*
SAS-8	\$25,427	*
Primary – Low Load Factor	\$11,220	*
Large General – Transmission 69 kV	\$3,218,463	*
Large General – Transmission 115 kV+	\$15,004,152	*
Small Municipal and School	\$(14,471)	(1.17%)
Large Municipal Service -- Secondary	\$869,821	13.28%
Large Municipal Service -- Primary	\$84,061	7.51%
Large School Service -- Secondary	\$(439,775)	(4.69%)
Large School Service -- Primary	\$354	0.29%
Flood Lighting	\$83,024	6.77%
Guard Lighting	\$218,789	7.15%
SA -- 810	\$867	*
Street Lighting	\$554,079	11.75%
SA-805	\$728	*
<b>TOTAL</b>	<b>\$71,546,546</b>	

\* The surcharge for these customer classes is based on individual customer calculations. For all other customer classes the surcharge is calculated as a percentage of each customer class's revenue.

The impact of SPS's proposed surcharge at varying levels of usage is shown in the table below. The average usage by for the Residential customer is about 1,000 kWh; the surcharge for a customer using 1,000 kWh per month is about \$12.85 per month, which equates to an increase of about 11.56% in the customer's bill.

<b>SUMMER - Base Rates Only - Excludes Cost of Fuel</b>				
<b>kWh Usage</b>	<b>Base-Rates Bill Pre-Surcharge</b>	<b>Percentage Surcharge</b>	<b>Base-Rates Bill With Surcharge</b>	<b>Amount of Surcharge</b>
500	\$59.67	13.19%	\$67.54	\$7.87
750	\$84.26	13.19%	\$95.37	\$11.11
<b>1000</b>	<b>\$108.85</b>	<b>13.19%</b>	<b>\$123.20</b>	<b>\$14.36</b>
<b>1250</b>	<b>\$133.43</b>	<b>13.19%</b>	<b>\$151.03</b>	<b>\$17.60</b>
1500	\$158.02	13.19%	\$178.86	\$20.84
1750	\$182.60	13.19%	\$206.69	\$24.09
2000	\$207.19	13.19%	\$234.52	\$27.33
2250	\$231.78	13.19%	\$262.35	\$30.57
2500	\$256.36	13.19%	\$290.18	\$33.81
2750	\$280.95	13.19%	\$318.01	\$37.06
3000	\$305.54	13.19%	\$345.84	\$40.30
3250	\$330.12	13.19%	\$373.66	\$43.54
3500	\$354.71	13.19%	\$401.49	\$46.79
3750	\$379.29	13.19%	\$429.32	\$50.03
4000	\$403.88	13.19%	\$457.15	\$53.27

The table below shows the impact of the surcharge for a customer using 1,000 kWh in both the Winter months and the Summer months:

<b>Residential - Winter Bill (1,000 kWh; including fuel charge)</b>	<b>Without Surcharge</b>	<b>With Surcharge</b>	<b>Surcharge Amount</b>
	\$104.16	\$116.25	\$12.09
<b>Residential - Summer Bill (1,000 kWh; including fuel charge)</b>			
	\$121.35	\$135.70	\$14.36

## **REPRESENTATION**

The law firm of Herrera Law & Associates, PLLC (through Mr. Alfred R. Herrera) has previously represented the Alliance of Xcel Municipalities (“AXM”) in rate matters involving SPS, including the recent cases, SPS’s Wind-Farm Case and SPS’s 2019 general rate case.

## **REVIEW OF SURCHARGE APPLICATION**

### **RATE CASE EXPENSES**

In ratemaking proceedings, including SPS's application for approval of a surcharge, Cities, by statute, are entitled to recover their reasonable rate case expenses from the utility. Thus AXM's rate-case expenses are reimbursable from SPS, who in turn recovers those rate case expenses from ratepayers. Legal counsel and consultants approved by the City submit monthly invoices to the City of Amarillo, and the City of Amarillo in turn makes those invoices available for review by any AXM city and forwards the invoice to SPS for reimbursement.

### **INTERVENTION AT THE PUBLIC UTILITY COMMISSION OF TEXAS AND COURT PROCEEDINGS, IF ANY**

SPS filed its request for approval of a net surcharge related to Docket No. 49831 with the City on the same date it filed its application with the PUC. It is important to participate in the PUC's proceeding because its final decision may affect SPS's proposed surcharge. Thus, the accompanying Resolution authorizes intervention in proceedings at the PUC, including any appeal of the City's decision on rates.

### **RECOMMENDATION**

AXM's Special Counsel recommends that the City:

1. Approve SPS's proposed surcharge related to Docket No. 49831 by no later than the end of February, 2021;
2. Intervene in the proceeding at the PUC, and related appeals, if any; and
3. Direct SPS to reimburse AXM's rate-case expenses on a monthly basis.

It is also recommended that the City continue its participation in AXM and that the City, through AXM, retain the law firm of Herrera Law & Associates, PLLC to represent the City's interest in matters related to SPS's surcharge application and to advise the City with regard to SPS's application.