

**MULESHOE CITY COUNCIL AGENDA
REGULAR MEETING
Monday, March 14, 2016 - 5:30 P.M.
COUNCIL CHAMBERS - CITY HALL**

Invocation.

Establishment of Quorum

Call to Order.

Pledge of Allegiance.

Roll Call.

Welcome Visitors and Receive Public Comment

This is the opportunity for visitors and guests to address the City Council on any issue. City Council may not discuss any presented issue, nor may any action be taken on any issue at this time. (Attorney General Opinion – JC-0169)

AGENDA

- 1. Approval of Minutes**
 - a. February 8, 2016**
 - b. February 16, 2016**
- 2. Consider Resolution No. R-713-0316 Suspension of the Southwestern Public Service Rate Case.**
- 3. Consider Resolution No. R-714-0316 Settlement of Atmos Energy Rate Case.**
- 4. Consider Resolution No. R-715-0316 Change name of City's Chief Executive Officer for HOME Grant Program.**
- 5. Consider Cancellation of General Election for City District #1.**
- 6. Consider Appointment of Election Judges for City General Election and City Special Election to be held May 7, 2016.**
- 7. Consider approval of changes to the monthly dues to be charged by Muleshoe Country Club as stated by the Lease Agreement between the City of Muleshoe and the Muleshoe Country Club.**
- 8. Administrative Reports:**
 - a. Code Enforcement/Animal Control has been moved to the Police Department. Jesse Parks has been hired for that position.**
 - b. The City held a Blood Drive on March 2, 2016. They registered 20 people and collected 17 units.**
 - c. Sylvester Torres will be retiring on March 31st after 40 years with the City. A reception will be held here in the council chambers on March 29th from 3-5p.m.**
 - d. The TML Region 3 quarterly meeting will be March 24th at the Scottish Rite Learning Center in Lubbock.**

9. Mayor and Council remarks

10. Adjourn

This facility is wheelchair accessible and accessible parking spaces are available. Requests for accommodations or interpretive services must be made 48 hours prior to this meeting. Please contact City Hall at (806) 272-4528 or FAX (806) 272-5260 for further information.

I certify that the above notice of meeting was posted on the bulletin board in City Hall, 215 South First Street, Muleshoe, Texas on the _____ day of _____, 2016, at _____ in accordance with the Open Meetings Laws of the State of Texas, Chapter 551, Texas Government Code.

Zanea Carpenter, City Secretary

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AGENDA

- 1. Approval of Minutes**
 - a. February 8, 2016
 - b. February 16, 2016

- 2. Consider Resolution No. R-713-0316 Suspension of the Southwestern Public Service Rate Case.**

On February 16, 2016, Southwestern Public Service filed an application to increase its base rates by approximately \$71.9 million in annual revenue. This resolution will suspend the effective date of March 22, 2016 by 90 days and allow the Alliance of Xcel Municipalities to review the request.

- 3. Consider Resolution No. R-714-0316 Settlement of Atmos Energy Rate Case.**

This resolution reflects the settlement between West Texas Cities and Atmos Energy that reduced the Company's request by \$1 million.

- 4. Consider Resolution No. R-715-0316 Change name of City's Chief Executive Officer for HOME Grant Program.**

This resolution simply changes the name from David Brunson to LeAnn Gallman as the City's Chief Executive Officer for the HOME Grant Program.

- 5. Consider Cancellation of General Election for City District #1.**

The law allows for the cancellation of an election where one candidate is unopposed. Mayor Pro Tem Ellis is the only applicant for a place on the ballot for City District 1.

- 6. Consider Appointment of Election Judges for City General Election and City Special Election to be held May 7, 2016.**

Deborah Noble has agreed to serve as Election Judge for the City General Election and City Special Election. We recommend that in addition to the appointment of Deborah Noble, you also appoint Virginia Bowers and Mario Costilla as Alternate Judges for these elections.

7. Consider approval of changes to the monthly dues to be charged by Muleshoe Country Club as stated by the Lease Agreement between the City of Muleshoe and the Muleshoe Country Club. The lease agreement between the City of Muleshoe and the Muleshoe Country Club states that when there are any changes to the monthly dues charged to members, the City Council must approve those changes. The Board of Directors for the Muleshoe Country Club are proposing to raise the amount of the Golf memberships from \$65 to \$80 per month. Other memberships will remain the same.

8. Administrative Reports:

- a. Code Enforcement/Animal Control has been moved to the Police Department. Jesse Parks has been hired for that position.**
- b. The City held a Blood Drive on March 2, 2016. They registered 20 people and collected 17 units.**
- c. Sylvester Torres will be retiring on March 31st after 40 years with the City. A reception will be held here in the council chambers on Tuesday, March 29th from 3-4:30 p.m.**
- d. The TML Region 3 quarterly meeting will be March 24th at the Scottish Rite Learning Center in Lubbock.**

9. Mayor and Council remarks

10. Adjourn

This facility is wheelchair accessible and accessible parking spaces are available. Requests for accommodations or interpretive services must be made 48 hours prior to this meeting. Please contact City Hall at (806) 272-4528 or FAX (806) 272-5260 for further information.

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Zanea Carpenter, City Secretary

**MINUTES OF A REGULAR MEETING
OF THE CITY COUNCIL OF MULESHOE, TEXAS
Monday, February 8, 2016, 5:30 p.m. City Hall**

MEMBERS PRESENT: Mayor Black; Council members Ellis, McElroy and Parker

MEMBERS ABSENT: None

OTHERS PRESENT: Larry Thornton, Muleshoe Journal; Gil Rennels, Channel 6; City Attorney Slater Elza, Underwood Law Firm; Randal Field, Randal L Field PC; Donald Phelps, Police Chief Roy Rice; Lieutenant Benny Parker; City Manager LeAnn Gallman; and City Secretary Zanea Carpenter

Mayor Black opened the meeting at 5:30 p.m.

AGENDA

1. Motion was made by Mayor Black and second by Mayor Pro Tem Ellis to approve the minutes of the December 14, 2015 Council meeting. Motion carried.
2. Motion was made by Mayor Black and second by Council member McElroy to accept the audit report for 2014/2015 as presented by Randal L. Field. Motion carried.
3. Motion was made by Mayor Black and second by Mayor Pro Tem Ellis to approve the recommendation by the Muleshoe Economic Development Corporation Board to continue services with Retail Coach. Motion carried.
4. Motion was made by Council member Parker and second by Council member McElroy to adopt Ordinance No. O-485-0216 stop sign ordinance. Motion carried.
5. Motion was made by Mayor Black and second by Council member Parker adopting Resolution No. R-712-0216 application for Criminal Justice grant. Motion carried.
6. Motion was made by Council member Parker and second by Mayor Black to reimburse Muleshoe Rotary Club \$1,123.25 for 2015 Labor Day Roping from Hotel/Motel funds. Motion carried.
7. Motion was made by Council member Parker and second by Mayor Pro Tem Ellis to accept the Muleshoe Police Department 2015 Annual Contact Data Report. Motion carried.
8. Motion was made by Mayor Pro Tem Ellis and second by Council member Parker to contract with Muleshoe ISD for Election services. Motion carried.
9. Motion was made by Mayor Black and second by Council member McElroy to contract with Muleshoe Area Hospital District for Election services. Motion carried.
10. Motion was made by Mayor Pro Tem Ellis and second by Mayor Black to Order the City General Election to be held May 7, 2016. Motion carried.
11. Motion was made by Mayor Pro Tem Ellis and second by Council member Parker to Order a Special Election for the "reauthorization of the local sales and use tax in the City of Muleshoe at the rate of ¼% to continue providing revenue for maintenance and repair of the municipal streets" to be held May 7, 2016. Motion carried.

12. Administrative reports included:

- a. The City held a Wellness Clinic on Wednesday, February 3rd. Thirty-five employees and dependents participated in the clinic.
- b. Thank you to the Muleshoe Public Works Department, all first responders including the Muleshoe Police Department and the Muleshoe Volunteer Fire Department, and all others who participated, for their work during the Goliath snow storm.
- c. The City has received notice that SPS intends to file a base rate case with the Public Utility Commission of Texas during February, 2016.
- d. Plan for a work session for City staff and City Council to look at future prospective projects.

13. Mayor and Council remarks included:

- a. Thank you again for all those who helped out with the Goliath snow storm.
- b. Congratulated LeAnn Gallman on her achievement of recertification with the Texas Municipal Clerks Certification Program

Mayor Black adjourned the meeting at 6:15 p.m.

PASSED AND APPROVED THIS THE _____ DAY OF _____, 2016.

Cliff Black, Mayor

ATTEST:

Zanea Carpenter, City Secretary

**MINUTES OF A SPECIAL MEETING
OF THE CITY COUNCIL OF MULESHOE, TEXAS
Tuesday, February 16, 2016, 6:00 p.m. City Hall**

MEMBERS PRESENT: Mayor Black; Council members Ellis, McElroy and Parker

MEMBERS ABSENT: None

OTHERS PRESENT: Public Works Director Ramon Sanchez; Police Chief Roy Rice; City Manager LeAnn Gallman; and City Secretary Zanea Carpenter

Mayor Black opened the meeting at 6:00 p.m.

AGENDA

1. Received certification of City Secretary stating that the number of verified signatures for the petition for Local Option Election to legalize "The legal sale of all alcoholic beverages including mixed beverages" was insufficient for ordering the election.
2. The council had a planning Session for the City. No action was taken on this item.

Mayor Black adjourned the meeting at 7:37 p.m.

PASSED AND APPROVED THIS THE _____ DAY OF _____, 2016.

Cliff Black, Mayor

ATTEST:

Zanea Carpenter, City Secretary

RESOLUTION NO. R-713-0316

A RESOLUTION BY THE CITY OF MULESHOE, TEXAS (“CITY”) SUSPENDING SOUTHWESTERN PUBLIC SERVICE COMPANY’S PROPOSED EFFECTIVE DATE IN CONNECTION WITH ITS STATEMENT OF INTENT SUBMITTED ON ABOUT FEBRUARY 16, 2016; AUTHORIZING THE CITY TO JOIN WITH OTHER CITIES IN THE ALLIANCE OF XCEL MUNICIPALITIES (“AXM”) TO DIRECT THE ACTIVITIES OF LAWYERS AND CONSULTANTS; AUTHORIZING THE HIRING OF ATTORNEYS AND CONSULTANTS; REQUIRING REIMBURSEMENT OF REASONABLE LEGAL AND CONSULTANT EXPENSES; REQUIRING PROOF OF NOTICE; FINDING THAT THE MEETING COMPLIES WITH THE OPEN MEETINGS ACT; MAKING OTHER FINDINGS AND PROVISIONS RELATED TO THE SUBJECT; AND DECLARING AN EFFECTIVE DATE

WHEREAS, Southwestern Public Service Company (“SPS”) filed a Statement of Intent with the City of Muleshoe, Texas (“City”) to increase its base-rate revenue requirement for its Texas retail service area by approximately \$71.9 million, which is an increase in base revenue of about 14.41%; 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’ rates, operations, and services within the municipality; and

WHEREAS, in order to maximize the efficient use of resources and expertise in reviewing, analyzing and investigating SPS’ rate request and its changes in tariffs it is prudent to coordinate the City’s efforts with a coalition of similarly situated municipalities; and

WHEREAS, the City, in matters regarding applications by SPS to change rates, has in the past joined with other local regulatory authorities to form the Alliance of Xcel Municipalities (“AXM”) and hereby continues its participation in AXM; and

WHEREAS, SPS' rate request, which was filed on about February 16, 2016, consists of a voluminous amount of information including SPS' rate-filing package, pre-filed direct testimony, exhibits, schedules, and workpapers; and

WHEREAS, SPS proposed March 22, 2016 as the effective date for its requested increase in rates, which is the 35th day after the date SPS submitted its application; and

WHEREAS, it is not possible for the City to complete its review of SPS' filing within 35 days; and

WHEREAS, the City will need an adequate amount of time to review and evaluate SPS' rate application to enable the City to adopt a final decision as a local regulatory authority with regard to SPS' requested rate increase.

NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL/COMMISSION FOR THE CITY OF MULESHOE, TEXAS THAT:

Section 1. The findings set out in the preamble are in all things hereby approved.

Section 2. SPS's proposed effective date of March 22, 2016 for its filing of February 16, 2016, is hereby suspended for an additional ninety (90) days, or at least until June 20, 2016.

Section 3. The statutory suspension period will be extended automatically day for day should SPS extend its proposed effective date, and may be further extended if SPS does not provide timely, meaningful, and proper public notice of its request to increase rates, or if its rate-filing package is materially deficient.

Section 4. The City continues its participation with other cities in a coalition of cities known as the Alliance of Xcel Municipalities ("AXM") with the understanding

that the Steering Committee of AXM is to provide direction and guidance to Special Counsel representing said cities.

Section 5. The City hereby retains Herrera & Boyle, PLLC as Special Counsel to represent the City with regard to SPS' requested increase in rates and related proceedings before local and state regulatory authorities and any court of law and authorizes Special Counsel to employ such rate experts as may be necessary for review and evaluation of SPS' rate application.

Section 6. The City, in coordination with the Steering Committee, shall review the invoices of the lawyers and rate experts for reasonableness before submitting the invoices to SPS for reimbursement.

Section 7. SPS shall reimburse the City on a monthly basis, through AXM's coordinating city, the City of Amarillo, Texas, for the reasonable costs of attorneys and consultants and expenses related thereto, upon the presentation of invoices reviewed by the City of Amarillo.

Section 8. Not later than seven days after SPS has completed publication of notice of its proposed increase in rates, SPS shall notify AXM that it has completed notice by providing proof of notice to AXM's Special Counsel, Herrera & Boyle, and such proof shall be in the form of an affidavit from a representative from SPS that has personal knowledge that SPS has published notice; such affidavit shall include a copy of notice SPS published.

Section 9. The City Secretary or other appropriate city official shall notify SPS of this Resolution by **sending a copy of the Resolution to Evan Evans, Regional Vice President, Rates and Regulatory Affairs, and Brooke Trammell, Rate Case Manager, Southwestern Public Service Company, P.O. Box 1261 Amarillo, Texas 79105-1261** and also **Stephen Fogel and Matthew Loftus, Xcel Energy Services, Inc.,**

816 Congress Ave., Suite 1650, Austin, Texas 78701-2471; and AXM shall be notified by sending a copy of this Resolution to Mr. Alfred R. Herrera, Herrera & Boyle, PLLC, 816 Congress Ave., Suite 1250, Austin, Texas 78701.

Section 10. The meeting at which this Resolution was approved was in all things conducted in strict compliance with the Texas Open Meetings Act, Texas Government Code, Chapter 551.

Section 11. This Resolution shall become effective from and after its passage.

Section 12. This Resolution supersedes any other resolution in conflict with this Resolution regarding SPS' Statement of Intent and application to increase rates submitted to the City on about February 16, 2016.

PASSED AND APPROVED this 14th day of March 2016.

MAYOR

ATTEST:

CITY SECRETARY

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MULESHOE, TEXAS, APPROVING A NEGOTIATED RESOLUTION BETWEEN THE ATMOS WEST TEXAS CITIES STEERING COMMITTEE (“WTX CITIES”) AND ATMOS ENERGY CORP., WEST TEXAS DIVISION REGARDING THE COMPANY’S 2015 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 TARIFFS TO BE JUST AND REASONABLE AND IN THE PUBLIC INTEREST; REQUIRING THE COMPANY TO REIMBURSE CITIES’ REASONABLE RATEMAKING EXPENSES; DETERMINING THAT THIS RESOLUTION 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 RESOLUTION TO THE COMPANY AND THE WTX CITIES’ LEGAL COUNSEL.

WHEREAS, the City of Muleshoe, 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 the West Texas Cities Steering Committee (“WTX 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, pursuant to the terms of the agreement settling the Company’s 2013 Statement of Intent to increase rates, WTX Cities and the Company worked collaboratively to develop a new Rate Review Mechanism (“RRM”) tariff that allows for an expedited rate review process by WTX Cities as a substitute to the current Gas Reliability Infrastructure Program (“GRIP”) process instituted by the Legislature, and that will establish rates for the WTX Cities based on the system-

wide cost of serving the West Texas Division, which includes the Amarillo, Lubbock, and WTX Cities rate jurisdictions; and

WHEREAS, the City passed an ordinance renewing the RRM tariff process for the City to govern rate setting in 2015 and beyond; and

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

WHEREAS, on or about December 1, 2015, the Company filed with the City its first annual RRM filing under the renewed RRM tariff, requesting to increase natural gas base rates system-wide by \$9.6 million, and for WTX Cities by \$4.2 million; and

WHEREAS, WTX Cities coordinated its review of Atmos West Texas' RRM filing through attorneys and consultants used in prior RRM cases, who prepared a report recommending \$1.66 million in adjustments; and

WHEREAS, the Company reached agreement with WTX Cities to adjust its \$4.2 million request by \$1 million; and

WHEREAS, the Executive Committee, as well as WTX Cities' counsel and consultants, recommend that WTX Cities approve the attached rate tariffs ("Attachment A" to this Resolution), which will increase the Company's revenues by \$3.2 million; and

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

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

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

Section 2. That the City Council finds the existing rates for natural gas service provided by Atmos West Texas are unreasonable, and new tariffs that are attached hereto and incorporated herein as Attachment A, are just and reasonable and are hereby adopted.

Section 3. That Atmos West Texas shall reimburse the reasonable ratemaking expenses of the WTX Cities in processing the Company's RRM application.

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

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

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

Section 7. That consistent with the City Ordinance that established the RRM process, this Resolution shall become effective from and after its passage with rates authorized by attached tariffs to be effective for bills rendered on or after March 15, 2016.

Section 8. That a copy of this Resolution shall be sent to Atmos West Texas, care of Becky Palmer, Vice President of Rates and Regulatory Affairs West Texas Division, Atmos Energy Corporation, P.O. Box 1121, Lubbock, Texas 79408-1121, and to Geoffrey Gay, General Counsel to WTX Cities, at Lloyd Gosselink Rochelle & Townsend, P.C., 816 Congress Avenue, Suite 1900, Austin, Texas 78701.

PASSED AND APPROVED this 14th day of March, 2016.

Mayor

ATTEST:

City Secretary

RESOLUTION R-715-0316

A RESOLUTION OF SUPPORT OF THE CITY COUNCIL OF THE CITY OF MULESHOE, TEXAS, AUTHORIZING LEANN GALLMAN, CITY MANAGER TO ACT AS THE CITY'S CHIEF EXECUTIVE OFFICER AND AUTHORIZED REPRESENTATIVE IN ALL MATTERS PERTAINING TO THE CITY'S PARTICIPATION IN THE PROGRAM.

WHEREAS, the City Council of the City of Muleshoe desires to develop a viable urban community, including decent housing and a suitable living environment principally for persons of low/moderate income; and

WHEREAS, certain substandard housing conditions exist which represent a health and safety threat to families residing in such structures; and

WHEREAS, the City Council supports the City's application for funding;

NOW, THEREFORE, IT BE RESOLVED BY THE CITY COUNCIL OF THE CITY OF MULESHOE, TEXAS.

1. That the City Council directs and designates the LeAnn Gallman, City Manager as the City's Chief Executive Officer and Authorized Representative to act in all matters in connection with this application and the City's participation in the HOME Program.

PASSED AND APPROVED THIS 14TH DAY OF MARCH 2016.

Clint Black, Mayor

Zanea Carpenter, City Secretary

Certification of Unopposed Candidates
By the City Secretary

I, Zanea Carpenter, certify that I am the city secretary of the City of Muleshoe and the authority responsible for preparing the ballot for the May 7, 2016 City of Muleshoe General Election. I further certify that no person has made a declaration of write-in candidacy, and the following candidate is unopposed in the District 1 position:

Colt Ellis – District #1


Zanea Carpenter
City Secretary
City of Muleshoe

Dated this 14th day of March, 2016.

ORDER OF CANCELLATION

The City of Muleshoe hereby cancels the General Election scheduled to be held on May 7, 2016 in accordance with Section 2.053(a) of the Texas Election Code. The following candidates have been certified as unopposed and are hereby elected as follows:

El Ciudad de Muleshoe por la presente cancela la eleccion que, de lo contrario, se hubiera celebrado el Mayo 7, 2016 de conformidad, con la Seccion 2.053(a) delCodigo de Elecciones de Texas. Los siguientes candidatos han sido certificados como candidatos unicos y por la presente quedan elegidos como se haya indicado a continuacion:

General Election

Candidate (Candidato)	Office Sought (Cargo al que presenta candidatura)
Colt Ellis	Council member District 1

A copy of this order will be posted on Election Day at each polling place that would have been used in the election.

El Dia de las Elecciones se exhibira una copia de esta orden en todas las mesas electorales que se hubieran utilizado en la eleccion.

Dated this 14th day of March, 2016.

Mayor (Alcalde)

City Secretary (Secretario de Ciudad)

**ORDER OF APPOINTMENT
ELECTION JUDGES AND ALTERNATES**

The City of Muleshoe City Council hereby appoints the following Election Judge and Alternate Judge for the City of Muleshoe General and Special Elections to be held on May 7, 2016 between the hours of 7:00 A.M. and 7:00 P.M. at City Hall, 215 S. First, Muleshoe, Texas.

Election Judge – Deborah Noble

Alternate Election Judge – Virginia Bowers

Alternate Election Judge – Mario Costilla

It is hereby directed that this order be filed with the City Secretary. The City Secretary is hereby instructed to send notice of appointment to each Election Judge for the City of Muleshoe General and Special Elections to be held May 7, 2016.

Cliff Black, Mayor

Membership Dues
Muleshoe Country Club

	Current	Proposed
Full members	\$90.00	\$90.00
Associate members	\$90.00	\$90.00
Golf members	\$65.00	\$80.00
Social members	\$50.00	\$50.00