

THE CITY OF EASTLAND
CITY COMMISSION REGULAR MEETING

April 20, 2020

EASTLAND, TEXAS §

EASTLAND, COUNTY §

The City Commission of the City of Eastland, Texas, met in Open Session at Eastland City Hall as scheduled, and notice was posted 72 hours prior to the meeting. Due to the COVID-19 Restrictions this meeting was held virtually, via ZOOM and YouTube.

CITY COMMISSIONERS PRESENT:

Chairman Larry Vernon

CITY COMMISSIONERS PRESENT VIRTUALLY:

Commissioner Cecil Funderburgh
Commissioner Ben McNabb
Commissioner Richard Rossander
Commissioner Zac Darr

PERSONNEL PRESENT:

City Manager Ron Duncan
City Secretary Roma Holley
Director of Planning Tony Stubblefield

PERSONNEL PRESENT VIRTUALLY:

Code Enforcement Terry Simmons
Chief of Police David Hullum

I. MEETING CALLED TO ORDER

Chairman Larry Vernon called the meeting to order at 6:00 p.m.

II. INVOCATION AND PLEDGE OF ALLEGIANCE

Commissioner Richard Rossander offered the invocation and Commissioner Zac Darr led the Pledge of Allegiance.

III. PUBLIC COMMENT ON ANY SUBJECT NOT LISTED ON THIS AGENDA (Limited to Five Minutes Per Speaker)

There were no comments from the public.

IV. Approve Minutes of the March 16th, 2020, March 18th, 2020 and March 31st, 2020 Meetings.

Commissioner Cecil Funderburgh made a motion, seconded by Commissioner Richard Rossander to Approve Minutes of the March 16th, 2020, March 18th, 2020 and March 31st, 2020 Meetings.

Motion prevailed by the following vote:

Ayes: Commissioners Darr, Funderburgh, McNabb, Rossander,
Nays: None
Absent: None

V. Financial Report

City Manager stated that the sales tax has decreased, probably due to the COVID-19 pandemic restrictions.

VI. The Board of City Commissioners May Discuss and Take Action on the Following Agenda Items:

1. Discussion and Consideration of Resolution 2020-05 Denying Distribution Cost Recovery Factor increase

A RESOLUTION OF THE CITY OF EASTLAND, TEXAS FINDING THAT ONCOR ELECTRIC DELIVERY COMPANY LLC’S APPLICATION FOR APPROVAL TO AMEND ITS DISTRIBUTION COST RECOVERY FACTOR TO INCREASE DISTRIBUTION RATES WITHIN THE CITY SHOULD BE DENIED; AUTHORIZING PARTICIPATION WITH ONCOR CITIES STEERING COMMITTEE, AUTHORIZING THE HIRING OF LEGAL COUNSEL AND CONSULTING SERVICES; FINDING THAT THE CITY’S REASONABLE RATE CASE EXPENSES SHALL BE REIMBURSED BY THE COMPANY; FINDING THAT THE MEETING AT WHICH THIS RESOLUTION IS PASSED IS OPEN TO THE PUBLIC AS REQUIRED BY LAW; REQUIRING NOTICE OF THIS RESOLUTION TO THE COMPANY AND LEGAL COUNSEL.

WHEREAS, the City of Eastland, Texas (“City”) is an electric utility customer of Oncor Electric Delivery Company LLC (“Oncor” or “Company”), and a regulatory authority with an interest in the rates and charges of Oncor; and

WHEREAS, the Oncor Cities Steering Committee (“OCSC”) is a coalition of similarly situated cities served by Oncor that have joined together to efficiently and cost effectively review and respond to electric issues affecting rates charged in Oncor’s service area in matters before the Public Utility Commission (“Commission”) and the courts; and

WHEREAS, on or about April 3, 2020, Oncor filed with the Commission an Application to Amend its Distribution Cost Recovery Factor (“DCRF”), Commission Docket No. 50734, seeking to increase distribution rates by \$75.9 million annually (an approximately \$0.88 increase to the average residential customer’s bill); and

WHEREAS, the City of Eastland will cooperate with OCSC in coordinating their review of Oncor’s DCRF filing with designated attorneys and consultants, prepare a common response, negotiate with the Company, and direct any necessary litigation, to resolve issues in the Company’s filing; and

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

WHEREAS, working with the OCSC to review the rates charged by Oncor allows members to accomplish more collectively than each city could do acting alone; and

WHEREAS, OCSC’s members and attorneys recommend that members deny Oncor’s DCRF.

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

SECTION 1. That the City is authorized to participate with OCSC in Commission Docket No. 50734.

SECTION 2. That, subject to the right to terminate employment at any time, the City of Eastland hereby authorizes the hiring of the law firm of Lloyd Gosselink Rochelle & Townsend, P.C. and consultants to negotiate with the Company, make recommendations to the City regarding reasonable rates, and to direct any necessary administrative proceedings or court litigation associated with an appeal Oncor’s DCRF application.

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

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

SECTION 5. That the City’s reasonable rate case expenses shall be reimbursed in full by Oncor within 30 days of the adoption of this Resolution.

SECTION 6. That it is hereby officially found and determined that the meeting at which this Resolution is passed is open to the public as required by law and the public notice of the time, place, and purpose of said meeting was given as required.

SECTION 7. That a copy of this Resolution shall be sent to Tab Urbantke, Attorney for Oncor, at Hunton Andrews Kurth LLP, 1445 Ross Avenue, Suite 3700, Dallas, Texas 75202, and to Thomas Brocato, General Counsel to OCSC, at Lloyd Gosselink Rochelle & Townsend, P.C., P.O. Box 1725, Austin, TX 78767-1725, or tbrocato@lglawfirm.com.

City Manager Ron Duncan addressed the Commissioners stating that Oncor has recently filed an increase to their distribution rates that equated to \$75,889,531. The Steering Committee requested that we deny the request in order for the Steering Committee to study and address the rate increase. The Steering Committee will appoint law firm of Lloyd Gosselink Rochelle & Townsend, P.C. and consultants to negotiate with the Company, make recommendations to the City regarding reasonable rates.

Commissioner Zac Darr made a motion, seconded by Commissioner Richard Rossander to approve Resolution 2020-05 Denying Distribution Cost Recovery Factor increase.

Motion prevailed by the following vote:

Ayes: Commissioners Darr, Funderburgh, McNabb, Rossander,
Nays: None
Absent: None

VII. City Manager's Briefing

Our current Declaration of Local Disaster Due to Public Health Emergency continues until May 18, 2020, unless rescinded by Mayor Vernon. President Trump and Governor Abbott both appear eager to open the economy. I anticipate announcements soon from both. However, we do not know at this stage the plan for opening the state economy. Since the pandemic began things have been happening very quickly. **This week Mayor Vernon, along with several other small city mayors, sent a letter urging our congressional delegation urging them to make relief funding available to small as well as to the large cities. Without the financial assistance, I estimate we will face a serious shortfall in revenue due to the economic downturn.** In the meantime, the City of Eastland will continue to provide services for our residents as we cope with social distancing and a slow economy. While we continue to take prudent steps to protect our community, we will monitor events and keep the public informed.

2019-2020 Streets:

Lago Vista repairs will take place but we have a hold in place for anything else at this time. Broughter Street Repair work will begin in May.
West Main at Eastland Iron has been added for repair orders.

DAM REPAIRS

A meeting held April 1, 2020 with the Army Corps of Engineers and TCEQ did not produce a plan of action yet.

USDA Grants

We received a new Tahoe Police Vehicle, which was included in the 2019-2020 Budget last month. Mayor Vernon will sign papers today to begin the purchase of the Fire Chief's vehicle and SCUBA gear which is also in our budget. The new equipment will arrive in the coming months, again through a 75% grant from the USDA.

Woodlands Nursing Center Expansion:

The construction of University Drive is being constructed by the same company that is working on Broughter Street, Raydon, Inc. They will be working on University Drive at the same time as Broughter since the equipment will already be in the City.

Waste Water Treatment Plant:

Project is approximately 64.15% complete.

EASTLAND MUNICIPAL AIRPORT UPDATE

The City of Eastland will receive a \$20,000 grant through the Corona Aid Relief and Economic Security Act, (C.A.R.E.S. Act) for Eastland Municipal Airport operating expenses.

VIII. Code Compliance Report

Code Enforcement Officer Terry Simmons presented the Code Compliance Department March Report. He reported there were 10 open cases at the beginning of the month, 9 new cases were opened and 9 cases were closed which ended the month with 10 cases open. He also issued two junk vehicle citations. Two cases were reported for back taxes and one annual notice was issued. Fines assessed were \$1,280 and no fines were collected. One case was dismissed due to change of ownership.

IX. Monthly Police Department Report

Chief David Hullum stated that even with the COVID-19 restrictions in place, the department issued 83 citations and 252 warnings. There were 11 arrests and the calls for service increased over both January and February numbers. There were 5 MHMR calls in March.

In view of the possibility of exposure to COVID-19, the department purchased plain zip-up coveralls. (The PPE coveralls were not available) The thought is that if it was predetermined that an officer would be dispatched to a call where the subject is known to have COVID-19, the officer could wear the coveralls until the call is over and then remove the coveralls and disinfect them. It is not an ideal solution but it is all that is available at this time.

Chief Hullum advised that he spoke with EISD Superintendent Jason Cochran regarding the graduation of the 86 seniors. IF the COVID-19 restrictions are not lifted by May 29th, Mr. Cochran suggested having a parade of the graduates on Main Street, stopping at the Courthouse and receiving their diploma and then continuing. The logistics are being worked out at this time in order to have this plan in place by the next City Commission meeting in May.

X. ADJOURNMENT

Commissioner Zac Darr made a motion, seconded by Commissioner Richard Rossander, to adjourn at 6:37 p.m. Motion passed unanimously.

APPROVED

Larry Vernon, Chairman
Board of City Commissioners

ATTEST

Roma Holley, City Secretary