City of Copperas Cove

NOTICE OF MEETING
OF THE
GOVERNING BODY OF
COPPERAS COVE, TEXAS

An agenda information packet is available for public inspection in the Copperas Cove Public Library, City Hall and on the City's Web Page, www.ci.copperas-cove.tx.us

Notice is hereby given that a **Workshop Council Meeting** of the City of Copperas Cove, Texas, will be held on **September 21, 2010** at **6:00 p.m.** in the City Hall Council Chambers at 507 South Main Street, Copperas Cove, Texas 76522, at which time the following subjects will be discussed:

A. CALL TO ORDER

B. ROLL CALL

C. WORKSHOP ITEMS

1. Review and discussion of Bond Funds. ***Andrea M. Gardner, City Manager***

D. ADJOURNMENT

The City Council reserves the right to adjourn into Executive Session at any time regarding any issue on this agenda for which it is legally permissible.

City Hall is wheelchair accessible and accessible parking spaces are available. Requests for accommodations or interpretive services must be made 48 hours prior to the meeting. Please contact the City Secretary at (254) 547-4221, (254) 547-6063 TTY, or FAX (254) 542-8927 for information or assistance.

I, the undersigned authority, do hereby certify that the above Notice of Meeting of the Governing Body of the City of Copperas Cove was posted at _____, September 17, 2010 on the glass front door of City Hall, a place convenient and readily accessible to the general public at all times.

_____
Jane Lees, TRMC, CMC
City Secretary

City of Copperas Cove

NOTICE OF MEETING
OF THE
GOVERNING BODY OF
COPPERAS COVE, TEXAS

An agenda information packet is available for public inspection in the Copperas Cove Public Library, City Hall and on the City's Web Page, www.ci.copperas-cove.tx.us

Notice is hereby given that a **Regular Council Meeting** of the City of Copperas Cove, Texas, will be held on **September 21, 2010** at **7:00 p.m.** in the City Hall Council Chambers at 507 South Main Street, Copperas Cove, Texas 76522, at which time the following subjects will be discussed:

A. **CALL TO ORDER**

B. **INVOCATION AND PLEDGE OF ALLEGIANCE**

C. **ROLL CALL**

D. **ANNOUNCEMENTS**

E. **PUBLIC RECOGNITION**

1. Proclamation: National Night Out. ***John Hull, Mayor***

F. **CITIZENS FORUM** – At this time, citizens will be allowed to speak for a length of time not to exceed five minutes per person. Thirty minutes total has been allotted for this section. Pursuant to §551.042 of the Texas Open Meetings Act, any deliberation or decision about the subject of inquiry shall be limited to a proposal to place the subject on the agenda for a subsequent meeting.

G. **CONSENT AGENDA** – All matters listed under this item are considered to be routine by the City Council and will be enacted by one motion. There will not be separate discussion of these items. If discussion is desired, that item will be removed from the consent agenda and considered separately.

1. Consideration and action on approving the minutes from the special council meeting on August 31, 2010 at 7:00 p.m. ***Jane Lees, City Secretary***

2. Consideration and action on approving the minutes from the special council meeting on August 31, 2010 at 7:15 p.m. ***Jane Lees, City Secretary***

3. Consideration and action on approving the minutes from the special council meeting on August 31, 2010 at 7:30 p.m. ***Jane Lees, City Secretary***

4. Consideration and action on approving the minutes from the regular council meeting on September 7 2010. ***Jane Lees, City Secretary***

5. Consideration and action on authorizing the City Manager to enter into an agreement with Hill Country Community Action Association, Inc. to occupy a designated area of the Human Resource Center for a period of two years with an option to renew one additional year. ***Ken Wilson, Director of Community Services***

6. Consideration and action on approval of a resolution amending authorized TexSTAR representatives for the City of Copperas Cove, Texas. ***Imelda Rodriguez, Director of Financial Services***

7. Consideration and action on approval of a resolution amending authorized Texas Local Government Investment Pool (TexPool) representatives for the City of Copperas Cove, Texas. ***Imelda Rodriguez, Director of Financial Services***

8. Consideration and action on a resolution adopting the investment policy of the City of Copperas Cove. ***Imelda Rodriguez, Director of Financial Services***

9. Consideration and action on authorizing the City Manager to extend the contract with the Copperas Cove Independent School District (CCISD) for Policing Services. ***Tim Molnes, Police Chief***

H. **PUBLIC HEARINGS/ACTION**

1. Public hearing, consideration and action on an ordinance to rezone 116.16 acres of property generally located south of US Highway 190 and east of Constitution Drive, locally known as the Copperas Cove Economic Development Corporation Business Park to B-5 (Business). ***Wesley Wright, P.E., City Engineer***

2. Public hearing, consideration and action on an ordinance for a drainage easement abandonment at 1505 Vista Circle. ***Wesley Wright, P.E., City Engineer***

3. Public hearing, consideration and action on an ordinance amending the 2009-10 fiscal year budget for the City of Copperas Cove. ***Imelda Rodriguez, Director of Financial Services***

I. **ACTION ITEMS**

1. Consideration and action on appointments to the Copperas Cove Economic Development Corporation (CCEDC) Board of Directors positions 1 and 5. ***Polo Enriquez, Executive Director CCEDC***

2. Consideration and action on the appointment of members to the Keep Copperas Cove Beautiful Commission. ***Silvia Rhoads, Executive Director, Keep Copperas Cove Beautiful***

3. Consideration and action on the Mayor's Council Member recommendations and nominations to various ad hoc committees and outside agencies, committees, task forces, boards and commissions. ***John Hull, Mayor***

4. Consideration and action on a resolution amending the Purchasing Policy for the City of Copperas Cove. **Imelda Rodriguez, Director of Financial Services.**

5. Consideration and action on a resolution authorizing the City Manager to submit an application for funding with the Texas Department of Rural Community Affairs (TDRA) under the Texas Community Development Program (TCDP) 2011/2012 funding cycle for water system improvements in an amount of $275,000 and committing local matching funds in the amount of $55,000. ***Andrea M. Gardner, City Manager***

6. Consideration and action on evaluating the services of City Attorney and Municipal Court Prosecutor. ***Andrea M. Gardner, City Manager***

7. Consideration and action authorizing the Mayor to cast a ballot in accordance with the will of the majority of the governing body of Copperas Cove for Places 6, 7, 8 and 9 for the Texas Municipal League Intergovernmental Risk Pool Board of Trustees Election. ***Andrea M. Gardner, City Manager***

8. Consideration and action on a resolution of the City Council of the City of Copperas Cove, Texas, ("City") approving a change in the tariffs of Atmos Energy Corporation, Mid-Tex Division ("Atmos"), as a result of a settlement between Atmos and the Atmos Texas Municipalities ("ATM"); finding the rates set by the attached tariffs to be just and reasonable; finding that the additional cost for replacing steel service lines is appropriate and is approved subject to a prudence review; finding that the continuation of the rate review mechanism ("RRM"), as amended, for two years is reasonable. ***Andrea M. Gardner, City Manager***

J. **REPORTS FROM OUTSIDE ENTITIES, ADVISORY COMMITTEES AND BOARDS**

K. **ITEMS FOR FUTURE AGENDAS**

L. **EXECUTIVE SESSION**

M. **RECONVENE INTO OPEN SESSION FOR POSSIBLE ACTION RESULTING FROM ANY ITEMS POSTED AND LEGALLY DISCUSSED IN EXECUTIVE SESSION**

N. **ADJOURNMENT**

The City Council reserves the right to adjourn into Executive Session at any time regarding any issue on this agenda for which it is legally permissible.

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I, the undersigned authority, do hereby certify that the above Notice of Meeting of the Governing Body of the City of Copperas Cove was posted at _____, September 17, 2010, on the glass front door of City Hall, a place convenient and readily accessible to the general public at all times.

_____

Jane Lees, TRMC, CMC
City Secretary

City of Copperas Cove

PROCLAMATION

WHEREAS, the citizens of Copperas Cove are dedicated to increasing crime and drug prevention awareness among the young and old alike and they desire to generate support for our local crime fighting efforts and strengthen and organize our neighborhoods; and

WHEREAS, on Saturday, October 2, 2010 from 6:00 p.m. to 8:00 p.m., Copperas Cove citizens are invited to the "Kick-Off Party" in the downtown area; and

WHEREAS, on Tuesday, October 5, 2010 from 6:00 p.m. to 9:00 p.m., Copperas Cove citizens are invited to join with thousands of communities nationwide for the "27th Annual Night Out" crime and drug prevention campaign when citizens are asked to turn on outside lights and spend the evening outside with neighbors and police participating in such activities as block parties, cookouts, contests and youth activities; and

WHEREAS, our citizens desire to send a "loud and clear" message to criminals letting them know that the City of Copperas Cove neighborhoods are organized and fighting back and desire to strengthen police-community relationships in an effort to make our community a safer place to live; and

NOW, THEREFORE, I, John Hull, Mayor of the City of Copperas Cove, Texas do hereby proclaim Tuesday, October 5, 2010 shall be observed as:

"NATIONAL NIGHT OUT"

in the City of Copperas Cove, Texas, and I urge each and every citizen to join forces with the Copperas Cove Police Department in carrying the message of respect for the law, community involvement, and commitment for crime free neighborhoods to other citizens by example and through the exercising of responsible citizenship.

IN WITNESS WHEREOF, I have hereunto set my hand and caused the seal of the City of Copperas Cove to be affixed this 21st day of September 2010.

_____

John Hull, Mayor

Attest:

_____

Jane Lees, City Secretary

CITY OF COPPERAS COVE
CITY COUNCIL SPECIAL MEETING MINUTES
August 31, 2010 – 7:00 P.M.

A. CALL TO ORDER

Mayor John Hull called the special meeting of the City Council of the City of Copperas Cove Texas to order at 7:00 p.m.

B. INVOCATION AND PLEDGE OF ALLEGIANCE

Council Member Gary Kent gave the Invocation and Mayor Hull led the Pledge of Allegiance.

C. ROLL CALL

John Hull
Cheryl L. Meredith
Charlie D. Youngs - Absent
Gary L. Kent
Danny Palmer
Kenn Smith
Jim Schmitz - Absent
Frank Seffrood

ALSO PRESENT

Andrea M. Gardner, City Manager
Jane Lees, City Secretary

D. ANNOUNCEMENTS

Mayor Hull read the following announcement: Per Truth and Taxation, the Governing Body of the City of Copperas Cove, Texas is required to announce the date, time and place of the meeting at which the vote on the tax rate will be taken. The Governing Body of the City of Copperas Cove, Texas, is scheduled to vote on the tax rate, which may result in a tax increase, at a public meeting to be held on September 7, 2010 at 7:00 p.m. at City Hall Council Chambers, 507 South Main Street, Copperas Cove, Texas.

E. PUBLIC RECOGNITION – None.

F. CITIZENS' FORUM – None.

G. CONSENT ITEMS – None.

H. PUBLIC HEARINGS/ACTION

1. Public hearing on tax increase for the 2010-11 fiscal year. ***Imelda Rodriguez, Director of Financial Services***

Imelda Rodriguez, Director of Financial Services, gave an overview of agenda item H-1.

Mayor Hull opened the public hearing at 7:06 p.m.

Speaking for: None.

Speaking Against: None.
Mayor Hull closed the public hearing at 7:08 p.m.

No action taken.

I. ACTION ITEMS – None.

J. REPORTS FROM OUTSIDE ENTITIES, ADVISORY COMMITTEES AND BOARDS – None.

K. ITEMS FOR FUTURE AGENDAS – None.

L. EXECUTIVE SESSION – None.

M. RECONVENE INTO OPEN SESSION FOR POSSIBLE ACTION RESULTING FROM ANY ITEMS POSTED AND LEGALLY DISCUSSED IN EXECUTIVE SESSION

N. ADJOURNMENT

There being no further business, Mayor Hull adjourned the meeting at 7:09 p.m.

_____
John Hull, Mayor

ATTEST:

_____
Jane Lees, City Secretary

CITY OF COPPERAS COVE
CITY COUNCIL SPECIAL MEETING MINUTES
August 31, 2010 – 7:15 P.M.

A. CALL TO ORDER

Mayor John Hull called the special meeting of the City Council of the City of Copperas Cove Texas to order at 7:15 p.m.

B. INVOCATION AND PLEDGE OF ALLEGIANCE

C. ROLL CALL

John Hull
Cheryl L. Meredith
Charlie D. Youngs – Absent
Gary L. Kent
Danny Palmer
Kenn Smith
Jim Schmitz – Absent
Frank Seffrood

ALSO PRESENT

Andrea M. Gardner, City Manager
Jane Lees, City Secretary

D. ANNOUNCEMENTS

Mayor Hull read the following announcement: Per Truth and Taxation, the Governing Body of the City of Copperas Cove, Texas is required to announce the date, time and place of the meeting at which the vote on the tax rate will be taken. The Governing Body of the City of Copperas Cove, Texas, is scheduled to vote on the tax rate, which may result in a tax increase, at a public meeting to be held on September 7, 2010 at 7:00 p.m. at City Hall Council Chambers, 507 South Main Street, Copperas Cove, Texas.

E. PUBLIC RECOGNITION – None.

F. CITIZENS' FORUM – None.

G. CONSENT ITEMS – None.

H. PUBLIC HEARINGS/ACTION

1. Public hearing and action on approval of an ordinance amending the Capital Improvement Plan (CIP) for FY 09-10 for the City of Copperas Cove. ***Andrea M. Gardner, City Manager***

Andrea M. Gardner, City Manager, gave an overview of agenda item H-1.

Mayor Hull opened the public hearing at 7:23 p.m.

Speaking for: None.

Speaking Against: None.

Mayor Hull closed the public hearing at 7:24 p.m.

Council Member Seffrood made a motion to approve Ordinance No. 2010-34 as presented. Council Member Meredith seconded the motion, and with a unanimous vote, motion carried.

The ordinance caption is as follows:

ORDINANCE NO. 2010-34

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF COPPERAS COVE, TEXAS, AMENDING THE CAPITAL IMPROVEMENT PLAN FOR FISCAL YEAR 2009-2010.

2. Public hearing and action on approval of an ordinance amending the Capital Improvement Plan (CIP) for FY 2010-2014 and approving the official Capital Improvement Plan (approved CIP) for Fiscal Year 2011. ***Andrea M. Gardner, City Manager***

Andrea M. Gardner, City Manager, gave an overview of agenda item H-2.

Mayor Hull opened the public hearing at 7:26 p.m.

Speaking for: None.

Speaking Against: None.

Mayor Hull closed the public hearing at 7:29 p.m.

Council Member Smith made a motion to approve Ordinance No. 2010-35 as presented and approve the official CIP for FY 2011. Council Member Kent seconded the motion, and with a unanimous vote, motion carried.

The ordinance caption is as follows:

ORDINANCE NO. 2010-35

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF COPPERAS COVE, TEXAS, AMENDING THE CAPITAL IMPROVEMENT PLAN FOR FISCAL YEARS 2010-2014 AND APPROVING THE OFFICIAL CAPITAL IMPROVEMENT PLAN (APRROVED CIP) FOR THE FISCAL YEAR 2011.

I. ACTION ITEMS – None.

J. REPORTS FROM OUTSIDE ENTITIES, ADVISORY COMMITTEES AND BOARDS – None.

K. ITEMS FOR FUTURE AGENDAS – None.

L. EXECUTIVE SESSION – None.

M. RECONVENE INTO OPEN SESSION FOR POSSIBLE ACTION RESULTING FROM ANY ITEMS POSTED AND LEGALLY DISCUSSED IN EXECUTIVE SESSION

N. ADJOURNMENT

There being no further business, Mayor Hull adjourned the meeting at 7:30 p.m.

_____
John Hull, Mayor

ATTEST:

_____
Jane Lees, City Secretary

CITY OF COPPERAS COVE
CITY COUNCIL SPECIAL MEETING MINUTES
August 31, 2010 – 7:30 P.M.

A. CALL TO ORDER

Mayor John Hull called the special meeting of the City Council of the City of Copperas Cove Texas to order at 7:30 p.m.

B. INVOCATION AND PLEDGE OF ALLEGIANCE

C. ROLL CALL

John Hull
Cheryl L. Meredith
Charlie D. Youngs - Absent
Gary L. Kent
Danny Palmer
Kenn Smith
Jim Schmitz - Absent
Frank Seffrood

ALSO PRESENT

Andrea M. Gardner, City Manager
Jane Lees, City Secretary

D. ANNOUNCEMENTS

E. PUBLIC RECOGNITION – None.

F. CITIZENS' FORUM – None.

G. CONSENT ITEMS – None.

H. PUBLIC HEARINGS/ACTION

1. Public hearing, discussion and general direction to staff on amending the FY 2011 Proposed Budget. ***Imelda Rodriguez, Director of Financial Services***

Imelda Rodriguez, Director of Financial Services, gave an overview of agenda item H-1.

Mayor Hull opened the public hearing at 7:34 p.m.

Speaking for: None.

Speaking Against: None.

Mayor Hull closed the public hearing at 7:35 p.m.

City Manager Gardner stated that there was considerable discussion at the last meeting regarding changes to the budget and that she was requested to bring a report back to Council after conferring with the City Attorney to find out how the Charter was to be interpreted with regards to inserting items on the proposed budget after being submitted to the Council as a proposed budget. Section 6.06 of the City Charter states, "After such further hearing, the council

may insert the additional item or items and make the increase or increases to the amount in each case indicated by the published notice, or to a lesser amount; but where it shall increase the total proposed expenditures, it shall also provide for an increase in the total anticipated revenue to at least equal such total proposed expenditures." Mr. Zech's interpretation of the Charter is that we take all of the funds and we add them together looking at what was proposed, then added together with the changes.

Ms. Gardner said that on the revenue side the City is adding $162,748, that is $186,587 which is all coming from property tax revenue and in the General Fund. At the last workshop it was disclosed to the Council that there was a shortage recorded in the Water/Sewer Fund in terms of a transfer from the Drainage Fund. That shortage was $123,839. You subtract one from the other and that gives the total amount of revenues that are available. Going back to Mr. Zech's interpretation of this Charter is that as long as you don't add expenditures that exceed the $162,748 in all the funds the Council is good to go. On the expenditures, the total was $148,914. This means that the council is good to go.

The items that were published in the newspaper were different because we had not heard back from the City Attorney before it was published and staff preferred to be safe rather than sorry. There was a contingency item that was published in the paper in the General Fund that staff is requesting that the Council not insert. If the $42,000 is inserted, then we will not be O.K. in terms of meeting the Charter requirements.

Another item that was included in the posting in the newspaper was to reduce the utilities in the Water/Sewer Fund for the Wastewater Treatment Department by $52,787. Staff is requesting that Council only insert for a reduction of $23,839. That's all that's needed in order for this to balance and comply with the Charter.

In the Solid Waste Fund the City advertised to reduce fuel, oil, residential recycling and brush in the commercial departments. All these amounts need not be inserted. Those were published at $4,729, $965, $985 and $4,243. We don't need these based on Mr. Zech's interpretation of the Charter.

Ms. Gardner said that if the Council agrees with what was just recommended, then this is what they will see on September 7, 2010 when the budget comes before them for approval. The Council agreed with the recommendations given by consensus.

No action taken.

Mayor Hull read the following announcement: Per Truth and Taxation, the Governing Body of the City of Copperas Cove, Texas is required to announce the date, time and place of the meeting at which the vote on the tax rate will be taken. The Governing Body of the City of Copperas Cove, Texas, is scheduled to vote on the tax rate, which may result in a tax increase, at a public meeting to be held on September 7, 2010 at 7:00 p.m. at City Hall Council Chambers, 507 South Main Street, Copperas Cove, Texas.

I. ACTION ITEMS – None.

J. REPORTS FROM OUTSIDE ENTITIES, ADVISORY COMMITTEES AND BOARDS – None.

K. ITEMS FOR FUTURE AGENDAS – None.

L. EXECUTIVE SESSION

1. Pursuant to §551.087 of the Open Meetings Act, *Tex. Gov't Code,* City Council will meet in Executive Session to discuss or deliberate economic development negotiations regarding commercial or financial information that the governmental body has received from a business prospect that the governmental body seeks to have locate, stay, or expand in or near the territory of the governmental body and with which the governmental body is conducting economic development negotiations and to deliberate the offer of a financial or other incentive to a business prospect.

The Council adjourned to Executive Session at 7:41 p.m.

M. RECONVENE INTO OPEN SESSION FOR POSSIBLE ACTION RESULTING FROM ANY ITEMS POSTED AND LEGALLY DISCUSSED IN EXECUTIVE SESSION

Mayor Hull reconvened the open meeting at 8:28 p.m. and announced that there was no action required as a result of Executive Session.

N. ADJOURNMENT

There being no further business, Mayor Hull adjourned the meeting at 8:28 p.m.

_____
John Hull, Mayor

ATTEST:

_____
Jane Lees, City Secretary

CITY OF COPPERAS COVE
CITY COUNCIL REGULAR MEETING MINUTES
September 7, 2010 – 7:00 P.M.

A. CALL TO ORDER

Mayor John Hull called the regular meeting of the City Council of the City of Copperas Cove Texas to order at 7:00 p.m.

B. INVOCATION AND PLEDGE OF ALLEGIANCE

Pastor Amy Forsythe, Grace United Methodist Church, gave the Invocation and Mayor Hull led the Pledge of Allegiance.

C. ROLL CALL

John Hull
Cheryl L. Meredith
Charlie D. Youngs
Gary L. Kent
Danny Palmer
Kenn Smith
Jim Schmitz
Frank Seffrood

ALSO PRESENT

Andrea M. Gardner, City Manager
George Hyde, City Attorney
Jane Lees, City Secretary

D. ANNOUNCEMENTS – None.

E. PUBLIC RECOGNITION

1. Employee Service Awards – September 2010. ***Andrea M. Gardner, City Manager***

Andrea M. Gardner, City Manager, presented the following August 2010 recipients with their pins:

- Thomas Brooks Jr., Wastewater Operator II – 5 years
- Christopher Cullar, Parks & Recreation Laborer – 5 years
- Jose Velazco, Parks & Recreation Light Equipment Operator – 5 years
- Joseph Ngiraklang, Parks & Recreation Laborer – 5 years
- Roger Bekkerus, Fleet Maintenance Mechanic – 10 years
- Shane Kieltyka, Police Corporal – 10 years
- Shannon Thompson, Police Communications Operator – 10 years

2. Proclamation: National Library Card Sign Up Month. ***John Hull, Mayor***

Mayor Hull read the proclamation and presented it to Margaret Handrow, Library Director.

3. Proclamation: National Preparedness Month. ***John Hull, Mayor***

Mayor Hull read the proclamation and presented it to Mike Baker, Fire Chief.

F. CITIZENS' FORUM – None.

G. CONSENT ITEMS

1. Consideration and action on approving the minutes from the workshop council meeting on August 17, 2010. ***Jane Lees, City Secretary***

2. Consideration and action on approving the minutes from the special council meeting on August 17, 2010. ***Jane Lees, City Secretary***

3. Consideration and action on approving the minutes from the regular council meeting on August 17, 2010. ***Jane Lees, City Secretary***

5. Consideration and action authorizing the City Manager to execute a Memorandum of Agreement with the Texas Department of State Health Services for personnel assets in the event of a pending or actual disaster. ***J. Mike Baker, Fire Chief/EMS***

6. Consideration and action on authorizing the City Manager to execute a Memorandum of Agreement with the Central Texas Regional Advisory Council (CTRAC) for apparatus personnel assets in the event of a disaster. ***J. Mike Baker, Fire Chief***

Council Member Kent requested that consent item G-4 be removed from the consent agenda for further discussion.

Council Member Palmer made a motion to approve G-1, G-2, G-3, G-5 and G-6 as presented. Council Member Smith seconded the motion, and with a unanimous vote, motion carried.

4. Consideration and action on authorizing the City Manager to enter into an agreement with the Copperas Cove Athletic Officials Association to provide sports officiating for the Parks and Recreation Department. ***Danny Zincke, Assistant Director of Community Services***

Danny Zincke, Assistant Director of Community Services, gave an overview of consent agenda item G-4.

Council Member Kent said he would like to see other associations be approached for this contract in the future. Council Member Seffrood commented that the Copperas Cove Athletic Officials Association exists for the purpose of handling the officiating for the Parks & Recreation Department. Council Member Kent stated that he believed that competition is good and perhaps another organization should have a chance in the future..

Council Member Kent made a motion to approve the agreement with the Copperas Cove Athletic Officials Association as presented. Council Member Palmer seconded the motion, and with a unanimous vote, motion carried.

H. PUBLIC HEARINGS/ACTION – None.

I. ACTION ITEMS

1. Consideration and action on approval of the Copperas Cove Economic Development Corporation FY 2010-2011 Budget. ***Polo Enriquez, CCEDC Executive Director***

Polo Enriquez, CCEDC Executive Director, gave an overview of agenda item I-1.

Council Member Smith made a motion to approve the Copperas Cove Economic Development Corporation FY2010-2011 Budget as presented. Council Member Palmer seconded the motion, and with a unanimous vote, motion carried.

2. Reappointment of Lay Representative to the Central Texas Library System. ***Margaret Handrow, Library Director***

Margaret Handrow, Library Director, gave an overview of agenda item I-2.

Council Member Meredith made a motion to reappoint Marion Palumbo as the Lay Representative to the Central Texas Library System. Council Member Palmer seconded the motion, and with a unanimous vote, motion carried.

3. Consideration and action on authorizing the City Manager to enter into a Letter of Agreement with Grant Development Services, Inc. to provide all professional services associated with the preparation of an application for funding to the Texas Department of Rural Community Affairs (TDRA) under the Texas Community Development Program (TCDP) 2011/2012 Funding Cycle for water or sewer system improvements in an amount not to exceed $2,450. ***Andrea M. Gardner, City Manager***

Andrea M. Gardner, City Manager, gave an overview of agenda item I-3.

Council Member Palmer made a motion to approve item I-3 as presented. Council Member Smith seconded the motion, and with a unanimous vote, motion carried.

4. Consideration and action on authorizing the City Manager to complete the merger ballot approving the proposed merger of CAPP (Cities Aggregation Power Project) and STAP (South Texas Aggregation Project) effective January 1, 2011 and changes the name of CAPP to Texas Coalition for Affordable Power (TCAP) effective November 1, 2010 and acceptance of the Texas Coalition for Affordable Power (TCAP) Bylaws to become effective November 1, 2010. ***Andrea M. Gardner, City Manager***

Andrea M. Gardner, City Manager, gave an overview of agenda item I-4.

Council Member Palmer made a motion to authorize the City Manager to approve item I-4 as presented. Council Member Kent seconded the motion, and with a unanimous vote, motion carried.

5. Consideration and action authorizing the City Manager to release payment to the Texas Department of Transportation for the acquisition of right-of-way and adjustment of utilities for the FM 2657 widening project. ***Andrea M. Gardner, City Manager***

Andrea M. Gardner, City Manager, gave an overview of agenda item I-5.

Council Member Schmitz made a motion to approve item I-5 as presented, to include the net payment due of $50,257.60. Council Member Seffrood seconded the motion, and with a unanimous vote, motion carried.

6. Consideration and action on an ordinance to annex 6.8 acres owned by the City of Copperas Cove to the City. ***J. Mike Baker, Fire Chief/EMS***

J. Mike Baker, Fire Chief/EMS, gave an overview of agenda item I-6.

Council Member Kent made a motion to approve Ordinance No. 2010-37 as presented. Council Member Palmer seconded the motion, and with a unanimous vote, motion carried.

The ordinance caption is as follows:

ORDINANCE NO. 2010-37

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF COPPERAS COVE, TEXAS, ANNEXING THE 6.8 ACRE TRACT, BEING OWNED BY THE CITY OF COPPERAS COVE, TEXAS, TO THE CITY AND EXTENDING THE BOUNDARY OF SAID CITY SO AS TO INCLUDE THIS TRACT WITHIN THE CITY LIMITS; AND DECLARING AN EFFECTIVE DATE.

7. Consideration and action on an ordinance approving the annexation of 155.8906 acres of land in Coryell County, Texas being owned by the Copperas Cove Economic Development Corporation and generally located east of Constitution Drive and south of US Highway 190 to the City of Copperas Cove. ***Wesley Wright, P.E., City Engineer***

Wesley Wright, City Engineer, gave an overview of agenda item I-7.

Council Member Smith made a motion to approve Ordinance No. 2010-36 as presented. Council Member Kent seconded the motion, and with a unanimous vote, motion carried.

The ordinance caption is as follows:

ORDINANCE NO. 2010-36

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF COPPERAS COVE, TEXAS, ANNEXING 155.8906 ACRES OF LAND, BEING OWNED BY THE COPPERAS COVE ECONOMIC DEVELOPMENT CORPORATION, TO THE CITY AND EXTENDING THE BOUNDARY OF SAID CITY SO AS TO INCLUDE THIS PROPERTY WITHIN THE CITY LIMITS; AND DECLARING AN EFFECTIVE DATE.

8. Consideration and action on an ordinance amending the City of Copperas Cove's Code of Ordinances, Chapter 2, Article V, Section 2-124(a). ***Imelda Rodriguez, Director of Financial Services***

Imelda Rodriguez, Director of Financial Services, gave an overview of agenda item I-8.

Council Member Kent made a motion to approve Ordinance No. 2010-42 as presented. Council Member Palmer seconded the motion, and with a unanimous vote, motion carried.

The ordinance caption is as follows:

ORDINANCE NO. 2010-42

AN ORDINANCE OF THE CITY OF COPPERAS COVE, TEXAS, AMENDING THE CODE OF ORDINANCES, CHAPTER 2, ADMINISTRATION, ARTICLE V, FINANCIAL PROCEDURES AND FISCAL POLICY, DIVISION 3, FUND BALANCES AND OPERATING PROCEDURES; PROVIDING A SEVERABILITY CLAUSE; PROVIDING A SAVINGS CLAUSE; AND DECLARING AN EFFECTIVE DATE.

9. Consideration and action on an ordinance approving and adopting a budget for operating the municipal government of the City of Copperas Cove for fiscal year 2010-11. ***Imelda Rodriguez, Director of Financial Services***

Imelda Rodriguez, Director of Financial Services, gave an overview of agenda item I-9.

Council Member Schmitz made a motion to approve Ordinance No. 2010-41 as presented. Council Member Smith seconded the motion, and with a unanimous vote, motion carried.

The ordinance caption is as follows:

ORDINANCE NO. 2010-41

AN ORDINANCE APPROVING AND ADOPTING A BUDGET FOR OPERATING THE MUNICIPAL GOVERNMENT OF THE CITY OF COPPERAS COVE FOR THE FISCAL YEAR BEGINNING OCTOBER 1, 2010 AND ENDING ON SEPTEMBER 30, 2011; APPROPRIATING MONEY FOR THE VARIOUS FUNDS AND PURPOSES OF SUCH BUDGET INCLUDING APPROPRIATIONS OF MONEY TO PAY INTEREST AND PRINCIPAL SINKING FUND REQUIREMENTS ON ALL INDEBTEDNESS; PROVIDING A SAVINGS AND SEVERABILITY CLAUSE; REPEALING ALL ORDINANCES AND APPROPRIATIONS IN CONFLICT WITH THE PROVISIONS OF THIS ORDINANCE; AND ESTABLISHING AN EFFECTIVE DATE.

10. Consideration and action on an ordinance adopting the tax rate for fiscal year 2010-11. ***Imelda Rodriguez, Director of Financial Services***

Imelda Rodriguez, Director of Financial Services, gave an overview of agenda item I-10.

Council Member Palmer made a motion to approve item I-10 to adopt the tax rate for fiscal year 2010-11. Ms. Gardner stated that there was specific language that has to be used for this motion. Council Member withdrew his motion.

Council Member Seffrood made a motion to accept the tax rate of .76 per $100 of taxable value for the 2010-2011 fiscal year. Council Member Smith seconded the motion, and with a unanimous vote, motion carried.

City Attorney, George Hyde, requested that Mayor Hull recall item I-10. He stated that the council should reconsider the motion to include specific language on the .76 on the taxable value of real property in order to meet the statutory requirement. Mr. Hyde stated that in section 1 of the ordinance, the language that was provided by ordinance includes the .76 for each $100 of taxable value of real and personal property not exempt by taxation by the constitution and laws of the state. He asked that the council reconsider the item to amend the motion to include that language to comply with statutory requirements.

Council Member Seffrood stated that he would amend his original motion as follows: He made a motion to adopt the tax rate of .76 per $100 of taxable value of real and personal property for the 2010-2011 fiscal year in the City of Copperas Cove. Council Member Palmer seconded the amended motion, and with a unanimous vote, motion carried.

The ordinance caption is as follows:

ORDINANCE NO. 2010-40

AN ORDINANCE ADOPTING THE TAX RATE AND LEVYING A TAX UPON ALL PROPERTY SUBJECT TO TAXATION WITHIN THE CITY OF COPPERAS COVE, TEXAS, FOR THE 2010 TAX YEAR FOR THE USE AND SUPPORT OF THE MUNICIPAL GOVERNMENT OF THE CITY OF COPPERAS COVE FOR THE FISCAL YEAR BEGINNING OCTOBER 1, 2010 AND ENDING ON SEPTEMBER 30, 2011; APPORTIONING SAID LEVY AMONG THE VARIOUS FUNDS AND ITEMS FOR WHICH REVENUE MUST BE RAISED INCLUDING PROVIDING A SINKING FUND FOR THE RETIREMENT OF THE BONDED DEBT OF THE CITY; AND ESTABLISHING AN EFFECTIVE DATE.

11. Consideration and action to ratify the property tax increase reflected in the fiscal year 2010-11 budget. ***Imelda Rodriguez, Director of Financial Services***

Imelda Rodriguez, Director of Financial Services, gave an overview of agenda item I-11.

Council Member Kent made a motion to ratify the property tax increase reflected in the fiscal year 2010-11 budget. Council Member Palmer seconded the motion, and with a unanimous vote, motion carried.

12. Consideration and action on an ordinance amending the City's "Fee Schedule". ***Imelda Rodriguez, Director of Financial Services***

Imelda Rodriguez, Director of Financial Services, gave an overview of agenda item I-12.

Council Member Schmitz made a motion to approve Ordinance No. 2010-38 as presented. Council Member Meredith seconded the motion, and with a unanimous vote, motion carried.

The ordinance caption is as follows:

ORDINANCE NO. 2010-38

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF COPPERAS COVE, TEXAS AMENDING THE FEE SCHEDULE FOR THE CITY OF

COPPERAS COVE; REPEALING ALL ORDINANCES IN CONFLICT; PROVIDING A SAVINGS CLAUSE; AND DECLARING AN EFFECTIVE DATE.

13. Consideration and action on an ordinance amending Personnel Policy No. 030, Employee Evaluation Period. ***Kelli Sames, Human Resources Director***

Kelli Sames, Human Resources Director, gave an overview of agenda item I-13.

Council Member Meredith made a motion to approve Ordinance No. 2010-39 as presented. Council Member Palmer seconded the motion, and with a unanimous vote, motion carried.

The ordinance caption is as follows:

ORDINANCE NO. 2010-39

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF COPPERAS COVE, TEXAS, APPROVING THE ATTACHED PERSONNEL POLICIES AND PROCEDURES OF THE CITY OF COPPERAS COVE BY REPEALING THE CURRENT PERSONNEL POLICY, N0. 030, (EMPLOYEE EVALUATION PERIOD), AND REPLACING THE EXISTING POLICY WITH A REVISED PERSONNEL POLICY, N0. 030, (EMPLOYEE EVALUATION PERIOD) AND RATIFYING THE REMAINING SECTIONS OF THE PERSONNEL POLICIES AND PROCEDURES MANUAL; AND DECLARING AN EFFECTIVE DATE.

14. Consideration and action on a resolution authorizing the City to apply for a grant through the United States Department of Homeland Security, Federal Emergency Management Agency, Staffing for Adequate Fire and Emergency Response Grants program (SAFER) to hire Firefighter/EMT personnel. ***Gary D. Young, Deputy Fire Chief***

Gary D. Young, Deputy Fire Chief, gave an overview of agenda item I-14.

Council Member Palmer made a motion to approve Resolution No. 2010-30 as presented. Council Member Meredith seconded the motion, and with a unanimous vote, motion carried.

The resolution caption is as follows:

RESOLUTION NO. 2010-30

A RESOLUTION OF THE CITY OF COPPERAS COVE, TEXAS, ALLOWING THE CITY TO APPLY FOR A STAFFING FOR ADEQUATE FIRE AND EMERGENCY RESPONSE GRANT (SAFER) THROUGH THE UNITED STATES DEPARTMENT OF HOMELAND SECURITY, FEDERAL EMERGENCY MANAGEMENT AGENCY, TO HIRE FIREFIGHTER/EMT PERSONNEL NOT TO EXCEED $889,107.

15. Consideration and possible action on authorizing the City Manager to execute an agreement for the lease of space at the Hills of Cove Golf Course for the purpose of preparation and sale of concessions. ***Danny Zincke, Assistant Director of Community Services***

Danny Zincke, Assistant Director of Community Services, gave an overview of agenda item I-15.

Council Member Smith made a motion to approve item I-15 as presented. Council Member Palmer seconded the motion, and with a unanimous vote, motion carried.

J. REPORTS FROM OUTSIDE ENTITIES, ADVISORY COMMITTEES AND BOARDS – None.

K. ITEMS FOR FUTURE AGENDAS – None.

L. EXECUTIVE SESSION – None.

M. RECONVENE INTO OPEN SESSION FOR POSSIBLE ACTION RESULTING FROM ANY ITEMS POSTED AND LEGALLY DISCUSSED IN EXECUTIVE SESSION

N. ADJOURNMENT

There being no further business, Mayor Hull adjourned the meeting at 8:44 p.m.

_____
John Hull, Mayor

ATTEST:

_____
Jane Lees, City Secretary

City Council Regular **Item #: G. 5.**

Date: 09/21/2010

Contact: Ken Wilson, Director of Community Services, Community Services

Information

SUBJECT

Consideration and action on authorizing the City Manager to enter into an agreement with Hill Country Community Action Association, Inc. to occupy a designated area of the Human Resource Center for a period of two years with an option to renew one additional year. ***Ken Wilson, Director of Community Services***

BACKGROUND/HISTORY

Hill Country Community Action Association, Inc. has occupied a portion of the Human Resource Center for several years. HCCA, Inc currently provides, Energy assistance, Meals on wheels and family planning along with the head start program, weatherization program, and Retired Seniors Volunteer program (RSVP).

FINDINGS/CURRENT ACTIVITY

HCCAA provides several services to the community including but not limited to: energy assistance, meals on wheels and family planning. The attached agreement allows Hill Country Community Action Association, Inc. to continue utilizing the Human Resources Center for the activities. The City Attorney has reviewed and approved the legal content of the agreement.

ACTION OPTIONS/RECOMMENDATION

City Staff recommends City Council authorize the City Manager to enter into an agreement with Hill Country Community Action Association, Inc. to occupy a designated area of the Human Resource Center.

Fiscal Impact

Funds available Y/N?: N

FINANCIAL IMPACT:

In this agreement Hill Country Community Action has agreed to pay the City $2,400/year for maintenance and landscaping of the Human Resource Center.

Attachments

Link: HCCA Agrmt.

THE STATE OF TEXAS *

KNOW ALL MEN BY THESE PRESENTS:

COUNTY OF CORYELL *

AGREEMENT

This agreement is made and entered into this the 1st day of October, 2010 by and between the City of Copperas Cove, a home-rule municipality (hereinafter referred to as "City") and Hill Country Community Action Association, Inc. (hereinafter referred to as "Agency").

WHEREAS, the City and Agency mutually agree that space is needed for social service agencies providing services to citizens of Copperas Cove;

WHEREAS, the City owns the Human Resource Center, 1012 North Drive, which has adequate space to house several agencies;

WHEREAS, Agency has the personnel and knowledge to provide specific services to the community;

WHEREAS, the City Council finds that providing quality social services for pre-school, youth, adult, senior citizens and those people with special needs are essential for the well-being and growth of the community;

NOW, THEREFORE, the City and Agency hereby agree as follows:

1. The City agrees to provide no less than 2280 square feet of floor space in the Human Resource Center for a period of 2 years from the date of the agreement.

2. Agency agrees to establish and operate community programs for the Copperas Cove area in a portion of the Human Resource Center owned by the City of Copperas Cove located at 1012 North Drive, Copperas Cove, Texas.

3. Agency agrees to maintain their portion of the building to include, but not limited to, meeting all current federal and state building codes and licensing requirements. Agency shall assume responsibility for all maintenance, repairs, replacement, and upkeep, including furnishings, air conditioning and heating units, appliances and supplies. No modifications or renovations shall be undertaken by Agency without written consent of the City of Copperas Cove. Any and all work must meet or exceed all local, state and federal codes including ADA specifications. The City reserves the right of final approval prior to the start of any work. The City will bear no additional costs in connection with the Agency's use of space.

4. Agency shall be responsible for payment of all utility bills for the portion of the building that is occupied by Agency.

5. City shall maintain the grounds surrounding the Human Resource Center and Agency shall pay $2400/year for maintenance and landscaping of the Human Resource Building.

6. City agrees that Agency shall have the exclusive use, occupancy, and right to operate programs and the overall supervision of these programs at the designated site.

7. City shall provide fire insurance on the building.

8. Agency shall provide comprehensive and liability insurance with the City of Copperas Cove as co-insured.

9. This agreement shall continue in full force and effect for a period of two years from the date hereof and so long as the parties might agree provided, however, that in the event Agency fails to establish or continue to operate programs acceptable to the City Council of Copperas Cove, then the Council shall have the option of immediately terminating this agreement. In the event the building is destroyed or damaged by fire, storm, or other acts of God and/or other causes, the City has no responsibility beyond timely repair or replacement of the building as provided by insurance coverage.

10. Binding Effect. All of the terms, covenants, and conditions contained within this agreement shall apply to, bind, insure to the benefit of, and be exercised by the parties hereto and their respective heirs, executors, administrators, successors in interest and assigns, except as otherwise expressly provided herein.

11. Amendments. Both parties agreed that no amendment, modification or alteration of the terms of this agreement shall be binding unless reduced to writing, dated subsequent to the date of this agreement, and duly executed by the parties hereto.

12. Notices. Notices given pursuant to the provisions of this agreement, or necessary to carry out its provisions, shall be in writing, and delivered personally to the person to whom the notice is to be given, or given by certified or registered mail and return receipt requested, addressed to the proper party. The parties' addresses for this purpose are as follows:

City of Copperas Cove
Attn: Andrea Gardner, City Manager
P.O. Drawer 1449
Copperas Cove, TX 76522

Hill Country Community Action
Attn: Tama Shaw
PO Box 846
San Saba, TX 76877

13. Governing law and venue. The parties hereto agree that the laws of the State of Texas shall govern the interpretation, validity, performance, and enforcement of this agreement. Venue for any action involving this agreement shall be in the courts of Coryell County, Texas.

14. Severability. Each and every covenant and obligation contained in this agreement is and shall be construed to be a separate and independent covenant and obligation. If any term or provision of this agreement, or its application to any person or circumstances shall to any extent be held invalid, illegal or unenforceable, the remainder of this agreement shall not be affected thereby, and each and every other term and provision shall be enforced to the fullest extent permitted by law as if the invalid, illegal, or unenforceable provision had never been included in this agreement.

15. Construction and Interpretation. Each party has carefully read this entire agreement, and understands the meaning and effect of each and every provision contained herein. Each party executes this Agreement freely and voluntarily, and only after first having obtained (or having had a reasonable opportunity to obtain) competent legal advice. The parties thus agree that the construction and interpretation of the terms of this lease the rule of construction that a document is to be construed most strictly against the party who prepared the same shall not be applied, it being agreed that the agreement should be construed fairly and simply and not strictly against either party.

16. Time is of the essence. The parties agree that time is of the essence in the performance of this Agreement.

17. Independent Contractor. It is expressly understood and agreed that the employees, servants and agents of the Agency are not employees, servants or agents of the City and that Agency is deemed and independent contractor and the City is in no way responsible for the negligent and intentional acts or omissions of the Agency, its employees, officers, volunteers, servants, agents, licensees or invitees.

18. Authorized signatures. The persons signing this Agreement on behalf of the parties hereto certify that they are duly authorized to sign this Agreement on behalf of said parties.

19. Compliance with Laws. The parties hereto mutually agree to comply with all applicable federal, state and local laws, ordinances, rules and regulations in performance of their obligation pursuant to this Agreement.

20. Discrimination Prohibited. The parties hereto mutually agree to adhere to all federal, state and local laws and regulations prohibiting discrimination. The parties agree that they shall not discriminate against a participant in any of the programs described above because of race, color, religion, national origin, sex, sexual preferences, sexual orientation, height, weight or beliefs.

IN WITNESS WHEREOF, the parties have fully executed this Agreement on this the _____ day of _____ 2010.

City of Copperas Cove

By: _____
Andrea Gardner, City Manager

Attest:

_____
Jane Lees, City Secretary

Agency

By:_____
Tama Shaw

City Council Regular **Item #: G. 6.**

Date: 09/21/2010

Contact: Imelda Rodriguez, Director of Finance, Finance

Information

SUBJECT

Consideration and action on approval of a resolution amending authorized TexSTAR representatives for the City of Copperas Cove, Texas. ***Imelda Rodriguez, Director of Financial Services***

BACKGROUND/HISTORY

The City of Copperas Cove, Texas currently participates in TexSTAR. The City Manager, Director of Financial Services, and Director of Budget are the only representatives authorized to invest City funds in, or withdraw funds from, TexSTAR. The Project Accountant is authorized only to make inquiries regarding investments of the City.

FINDINGS/CURRENT ACTIVITY

Due to the hiring of the New Director of Financial Services and Project Accountant, the list of authorized representatives needs to be amended. The City is required to pass a resolution to change authorized representatives. The attached resolution authorizes the City Manager, Director of Financial Services and Director of Budget to make investment decisions for the City of Copperas Cove.

ACTION OPTIONS/RECOMMENDATION

City staff recommends approval of Resolution No. 2010-31, amending authorized TexSTAR representatives for the City of Copperas Cove, Texas.

Attachments

Link: TEXSTAR Resolution

Link: texstar form

RESOLUTION NO. 2010-31

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COPPERAS COVE, CORYELL COUNTY, TEXAS, AMENDING AUTHORIZED TEXSTAR REPRESENTATIVES FOR THE CITY OF COPPERAS COVE.

WHEREAS, the City of Copperas Cove, Texas ("Participant") is a local government of the State of Texas and is empowered to delegate to a public funds investment pool the authority to invest funds and to act as custodian of investment; purchased with local investment funds; and

WHEREAS, it is in the best interest of the Participant to invest local funds in investments that provide for the preservation and safety of principal, liquidity, and yield consistent with the Public Funds Investment Act; and

WHEREAS, the TexSTAR, a public funds investment pool, was created on behalf of entities whose investment objective in order of priority are preservation and safety of principal, liquidity, and yield consistent with the Public Funds Investment Act.

NOW, THEREFORE, BE IT RESOLVED AS FOLLOWS:

Section 1.

A. That the individuals, whose signatures appear in this Resolution, are Authorized Representatives of the Participant and are each hereby authorized to transmit funds for investment in TexSTAR and are each further authorized to withdraw funds from time to time, to issue letters of instruction, and to take all other actions deemed necessary or appropriate for the investment of local funds.

B. That an Authorized Representative of the Participant may be deleted by a written instrument signed by all remaining Authorized Representatives provided that the deleted Authorized Representatives (1) is assigned job duties that no longer require access to the Participant's TexSTAR account or (2) is no longer employed by the Participant; and

C. That the Participant may by Amending Resolution signed by the Participant add an Authorized Representative provided the additional Authorized Representative is an officer, employee, or agent of the Participants;

Authorized Representatives of the Participant are listed below. These individuals will be issued P.I.N. numbers.

1. Name: Andrea M. Gardner Title: City Manager

   Signature:_____

   Phone Number: (254) 547-4221

2. Name: Imelda Rodriguez Title: Director of Financial Services

   Signature:_____

   Phone Number: (254) 547-4221

3. Name: "Vacant Position at this Time" Title: Director of Budget

   Signature:_____

   Phone Number: (254) 547-4221

List the names of the Authorized Representatives listed above that will have primary responsibility for performing transactions and receiving confirmations and monthly statements under the Participation Agreement.

Name: Imelda Rodriguez

In addition and at the option of the Participant, one additional Authorized Representative can be designated to perform only inquiry of selected information. This limited representative cannot make deposits or withdrawals. If the Participant desires to designate a representative with inquiry rights only, complete the following information:

4. Name: Stephanie Potvin Title: Project Accountant

D. That this Resolution and its authorization shall continue in full force and effect until amended or revoked by the Participant, and until TexSTAR receives a copy of any such amendment or revocation. This Resolution is hereby introduced and adopted by the Participant at a regular meeting held on the 21st day of September 2010.

John Hull, Mayor

ATTEST:

Jane Lees, City Secretary

APPROVED AS TO FORM:

Denton, Navarro, Rocha
& Bernal, P.C., City Attorney

TexSTAR

ADDITION/DELETION FORM FOR AUTHORIZED REPRESENTATIVES

PARTICIPANT NAME: City of Copperas Cove **LOCATION NUMBER:** 05004

PART I: DELETIONS - Please enter the Authorized Representatives to be *deleted*

1. Wanda Bunting
2. _____
3. _____

PART II: ADDITIONS - Please enter the Authorized Representatives to be *added*

1. Name: _____ Title: _____
   Signature: _____ Phone: _____
   Email: _____
2. Name: _____ Title: _____
   Signature: _____ Phone: _____
   Email: _____

PART III: APPROVALS - Please enter the names of *all* currently Authorized Representatives to authorize the deletions and additions of the individuals above.

1. Name: Andrea M. Gardner
   Signature: _____
   Title: City Manager
2. Name: Imelda Rodriguez
   Signature: _____
   Title: Director of Financial Services
3. Name: _____
   Signature: _____
   Title: _____
4. Name: _____
   Signature: _____
   Title: _____

Official Seal of Participant (required)

Attested By: _____

Title: _____

Mail originals to TexSTAR Participant Services * 325 North St. Paul Street, Suite 800 * Dallas, Texas 75201

TexSTAR

ADDITION/DELETION FORM FOR AUTHORIZED REPRESENTATIVES

PART IV: PRIMARY CONTACT [required] - If the Primary Contact on file with TexSTAR was deleted in Part I of this form, please provide the name of the Authorized Representative that will be the Primary Contact. The Primary Contact is the individual who will receive the daily transaction confirmations, monthly statements, monthly newsletter, TexSTAR updates and other program mailings.

Name: Andrea M. Gardner

Email Address: agardner@ci.copperas-cove.tx.us

Phone Number: (254) 542-4221

PART V: INQUIRY ONLY [optional] - If an Inquiry Only Representative was deleted in Part I and you wish to replace this representative or add an inquiry only representative to your TexSTAR account for the first time, please list this individual below. This limited representative cannot make deposits or withdrawals or sign Bank Information Sheets.

Name: Stephanie Potvin Title: Project Accountant

Signature: _____ Phone: (254) 547-4221

Email: spotvin@ci.copperas-cove.tx.us

If you have any questions regarding this form or the Authorized Representatives currently on file with TexSTAR for your entity, please contact TexSTAR Participant Services at 1-800-839-7827.

Forms with alterations (i.e. white out, mark out, etc.) will not be accepted
Mail originals to TexSTAR Participant Services * 325 North St. Paul Street, Suite 800 * Dallas, Texas 75201

City Council Regular **Item #: G. 7.**

Date: 09/21/2010

Contact: Imelda Rodriguez, Director of Finance, Finance

Information

SUBJECT

Consideration and action on approval of a resolution amending authorized Texas Local Government Investment Pool (TexPool) representatives for the City of Copperas Cove, Texas. ***Imelda Rodriguez, Director of Financial Services***

BACKGROUND/HISTORY

The City of Copperas Cove, Texas currently participates in the Texas Local Government Investment Pool (TexPool). The City Manager, Director of Financial Services, and Director of Budget are the only representatives authorized to invest City funds in, or withdraw funds from, TexPool. The Project Accountant is authorized only to make inquiries regarding investments of the City.

FINDINGS/CURRENT ACTIVITY

Due to the hiring of the New Director of Financial Services and Project Accountant, the list of authorized representatives needs to be amended. The City is required to pass a resolution to change authorized representatives. The attached resolution authorizes the City Manager, Director of Financial Services and Director of Budget to make investment decisions for the City of Copperas Cove.

ACTION OPTIONS/RECOMMENDATION

City staff recommends approval of Resolution No. 2010-33, amending authorized Texas Local Government Investment Pool (TexPool) representatives for the City of Copperas Cove, Texas.

Attachments

Link: TEXPOOL Resolution

RESOLUTION NO. 2010-31

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COPPERAS COVE, CORYELL COUNTY, TEXAS, AMENDING AUTHORIZED TEXPOOL REPRESENTATIVES FOR THE CITY OF COPPERAS COVE.

WHEREAS, the City of Copperas Cove, Texas ("Participant") is a local government of the State of Texas and is empowered to delegate to a public funds investment pool the authority to invest funds and to act as custodian of investment; purchased with local investment funds; and

WHEREAS, it is in the best interest of the Participant to invest local funds in investments that provide for the preservation and safety of principal, liquidity, and yield consistent with the Public Funds Investment Act; and

WHEREAS, the Texas Local Government Investment Pool ("TexPool"), a public funds investment pool, was created on behalf of entities whose investment objective in order of priority are preservation and safety of principal, liquidity, and yield consistent with the Public Funds Investment Act.

NOW, THEREFORE, BE IT RESOLVED AS FOLLOWS:

Section 1.

A. That the individuals, whose signatures appear in this Resolution, are Authorized Representatives of the Participant and are each hereby authorized to transmit funds for investment in TexPool and are each further authorized to withdraw funds from time to time, to issue letters of instruction, and to take all other actions deemed necessary or appropriate for the investment of local funds.

B. That an Authorized Representative of the Participant may be deleted by a written instrument signed by all remaining Authorized Representatives provided that the deleted Authorized Representatives (1) is assigned job duties that no longer require access to the Participant's TexPool account or (2) is no longer employed by the Participant; and

C. That the Participant may by Amending Resolution signed by the Participant add an Authorized Representative provided the additional

Authorized Representative is an officer, employee, or agent of the Participants;

Authorized Representatives of the Participant are listed below. These individuals will be issued P.I.N. numbers.

1. Name: Andrea M. Gardner Title: City Manager

   Signature:_____

   Phone Number: (254) 547-4221

2. Name: Imelda Rodriguez Title: Director of Financial Services

   Signature:_____

   Phone Number: (254) 547-4221

3. Name: "Vacant Position at this Time" Title: Director of Budget

   Signature:_____

   Phone Number: (254) 547-4221

List the names of the Authorized Representatives listed above that will have primary responsibility for performing transactions and receiving confirmations and monthly statements under the Participation Agreement.

Name: Imelda Rodriguez

In addition and at the option of the Participant, one additional Authorized Representative can be designated to perform only inquiry of selected information. This limited representative cannot make deposits or withdrawals. If the Participant desires to designate a representative with inquiry rights only, complete the following information:

4. Name: Stephanie Potvin Title: Project Accountant

D. That this Resolution and its authorization shall continue in full force and effect until amended or revoked by the Participant, and until TexPool receives a copy of any such amendment or revocation. This Resolution is hereby introduced and adopted by the Participant at a regular meeting held on the 21st day of September 2010.

John Hull, Mayor

ATTEST:

Jane Lees, City Secretary

APPROVED AS TO FORM:

Denton, Navarro, Rocha
& Bernal, P.C., City Attorney

City Council Regular **Item #: G. 8.**

Date: 09/21/2010

Contact: Imelda Rodriguez, Director of Finance, Finance

Information

SUBJECT

Consideration and action on a resolution adopting the investment policy of the City of Copperas Cove. ***Imelda Rodriguez, Director of Financial Services***

BACKGROUND/HISTORY

According to the Texas Government Code, Chapter 2256, also known as the "Public Funds Investment Act", the City Council is required to review and adopt, by resolution, a formal investment policy on an annual basis. The last review and update of the policy occured on October 13, 2009. Additionally, the Public Funds Investment Act requires that the chief financial officer and the investment officer attend an approved training course every two years that provides at least 10 hours of training.

FINDINGS/CURRENT ACTIVITY

The attached policy may be updated at anytime during the year, but must be updated annually to satisfy the statutory requirements of the Texas Government Code, 2256.005(e), which states, "The governing body of an investing entity shall review its investment policy and investment strategies not less than annually. The governing body shall adopt a written instrument by rule, order, ordinance, or resolution stating that it has reviewed the investment policy and investment strategies and that the written instrument so adopted shall record any changes made to either the investment policy or investment strategies."

The following changes to the investment policy are being recommended.

1. Section III. Investment Committee

Under "Members" replace Assistant Director of Financial Services with Director of Budget.

2. Section IV. Responsibility and Control

Under the "Transaction Authority" replace Assistant Director of Financial Services with Director of Budget.

3. Section XIII. City of Copperas Cove Investment Strategy

Added 2010 General Obligation Bonds and 2010 Limited Tax Notes to the "Capital Projects Funds" List.

ACTION OPTIONS/RECOMMENDATION

City staff recommends that the City Council approve Resolution No. 2010-32, adopting the Investment Policy of the City of Copperas Cove.

Attachments

Link: Resolution No. 2010-32

Link: Invest. Policy

RESOLUTION NO. 2010-32

A RESOLUTION ADOPTING THE INVESTMENT POLICY FOR THE CITY OF COPPERAS COVE, TEXAS.

WHEREAS, Chapter 2256 of the Texas Government Code, commonly known as the "Public Funds Investment Act," requires the City to adopt an investment policy by rule, order, ordinance, or resolution; and

WHEREAS, this investment policy and investment strategies must be approved annually; and

WHEREAS, this review is authorized by the Public Funds Investment Act; and

WHEREAS, the Public Funds Investment Act requires the treasurer; chief financial officer, if not the treasurer; and the investment officer of the city to attend investment training; and

WHEREAS, the attached investment policy complies with the Public Funds Investment Act, and authorizes the investment of City funds in safe and prudent investments.

NOW, THEREFORE, BE IT RESOLVED AND ORDERED BY THE CITY COUNCIL OF THE CITY OF COPPERAS COVE, TEXAS:

Section 1.

That the City of Copperas Cove has complied with the requirements of the Public Funds Investment Act, and the investment Policy attached hereto as "Exhibit A," is hereby adopted as the investment policy of the City Effective September 21, 2010.

PASSED, APPROVED, AND ADOPTED on this 21st day of September, 2010 at a regular meeting of the City Council of the City of Copperas Cove, Texas which meeting was held in compliance with the Open Meetings Act, *Tex. Gov't Code*, §551.001, et.seq. at which meeting a quorum was present and voting.

_____

John Hull, Mayor

ATTEST:

_____
Jane Lees, City Secretary

APPROVED AS TO FORM:

_____
Denton, Navarro, Rocha
& Bernal, P.C., City Attorney

Exhibit A
Resolution 2010-32

CITY OF COPPERAS COVE, TEXAS
INVESTMENT POLICY

City of Copperas Cove

Revised
September 21, 2010

City of Copperas Cove, TX
Investment Policy

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I. INVESTMENT AUTHORITY AND SCOPE OF POLICY

The investment policy applies to the investment activities of the Government of the City of Copperas Cove. It is the policy of the City of Copperas Cove to invest public funds in a manner, which will provide the highest investment return with the maximum security. This policy serves to satisfy the statutory requirements of Local Government Code 116.112 and Government Code Chapter 2256 to define and adopt a formal investment policy. This policy will be reviewed and adopted by resolution at least annually according to Section 2256.005(e).

Funds Included. All financial assets of all funds, of the City of Copperas Cove, including the General Fund, Water and Sewer Fund, Solid Waste Fund, the Capital Projects Funds, the Special Revenue Funds, the Debt Service Funds, and all other funds that may be created from time to time, and any funds held in custody by the Director of Financial Services, unless expressly prohibited by law or unless it is in contravention of any depository contract between the City of Copperas Cove and any depository bank.

Funds Excluded. None.

II. INVESTMENT OBJECTIVES

The primary objectives, in priority order, of the City of Copperas Cove's investment activities shall be:

Safety. Safety of principal is the foremost objective of the City of Copperas Cove. Investments of the City of Copperas Cove shall be undertaken in a manner that seeks to ensure the preservation of capital in the overall portfolio. To attain this objective, diversification is required in order that potential losses on individual securities do not exceed the income generated from the remainder of the portfolio.

Liquidity. The City of Copperas Cove's investment portfolio will remain sufficiently liquid to enable the City of Copperas Cove to meet all operating requirements, which might be reasonably anticipated. Portfolio maturities will be structured to meet the obligations of the City first, and then to achieve the highest return of interest consistent with the objectives of this policy. When the City has funds that will not be needed to meet current-year obligations, maturity restraints will be imposed based upon the investment strategy for each fund. The City of Copperas Cove shall invest in instruments with scheduled maturity or duration not to exceed two (2) years at the time of purchase. In the event coupon security maturity exceeds the specified limit with a calculated duration of two (2) years, the instrument will satisfy this policy requirement. For pooled funds, the weighted maximum average dollar maturity shall be limited to a

maximum of ninety (90) days, with the maximum maturity for any individual security in the portfolio not exceeding thirteen (13) months.

Yield. It will be the objective of the City to earn the maximum rate of return allowed on its investments within the policies imposed by its safety and liquidity objectives, investment strategies for each fund, and state and federal law governing investment of public funds.

III. INVESTMENT COMMITTEE

Members. The City of Copperas Cove Investment Committee will consist of the City Manager, Director of Financial Services, ~~Assistant Director of Financial Services~~ Director of Budget and Project Accountant. The Investment Committee shall receive quarterly reports, as outlined in this policy, and monitor the results and performance of the investment portfolio. The Investment Committee shall ratify all investments made by the Director of Financial Services. The Investment Committee shall select qualified independent accountants to perform an annual compliance audit of management controls on investments and adherence to the City's established investment policies in accordance with Gov. Code 2256.005(m). The results of such audit shall be presented to the Investment Committee in conjunction with the City's annual audit.

Scope. The Investment Committee shall include in its deliberations such topics: investment strategy, return on investments, market risk, economic outlook, portfolio diversification, maturity structure, potential risk to the City's fund, and authorized broker dealers.

IV. RESPONSIBILITY AND CONTROL

Delegation. Authority to manage the City of Copperas Cove's investment program is derived from the City of Copperas Cove's Code of Ordinances, City Charter, Article VIII. Finance Administration, Sec. 8.01 (c) (7). Management responsibility for the investment program is hereby delegated to the Director of Financial Services. This person is responsible for all investment decisions and activities and shall be the City's investment officer. The Director of Financial Services may designate deputies to assist with the management of the investment portfolio. The Director of Financial Services shall be responsible for all transactions and compliance with the internal control, insure the safekeeping, custodial, and collateral duties, consistent with this investment policy.

Management and Internal Controls. The Director of Financial Services shall establish a system of internal controls, which shall be documented in writing. The internal controls shall be reviewed by the independent auditor. The controls shall be designed to reasonably prevent losses of public funds arising from fraud, employee error, misrepresentation by third parties, unanticipated changes in financial markets, or imprudent actions by employees and officers of the City of Copperas Cove. Dual control of all investment activities will consistently be maintained by the Director of Financial Services.

Transaction Authority. Certain signatory responsibilities are required to transact investments. Positions authorized as depository signatories shall be the City Manager, the Director of Financial Services and the ~~Assistant Director of Financial Services~~Director of Budget.
The persons holding these positions are also designated as authorized to transact wire transfers, buy/sell, and trade investments in accord with the goals and objectives of the City's investment strategy.
Bonding of all those individuals authorized to place, purchase, or sell investment instruments shall be required.

Prudence. In accordance with Government Code 2256.006, investments shall be made with the exercise of due care, which persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation, but for investment considering the probable safety of their own capital as well as the probable income to be derived. Investment of funds shall be governed by the following investment objectives, in order of priority: preservation and safety of principal; liquidity; and yield. This investment principle shall be applied in the context of managing the overall investment portfolio.

The Director of Financial Services when acting in accordance with written procedures and exercising due diligence shall be relieved of personal responsibility for an individual security's credit risk or market price dangers, provided deviations from expectations are reported in a timely fashion and appropriate action is taken to control adverse developments. In determining whether the Director of Financial Services has exercised prudence with respect to an investment decision, the determination shall be made taking into consideration: (1) the investment of all funds, or funds under the control of the City, over which the Director of Financial Services had responsibility rather than a consideration as to the prudence of a single investment; and (2) whether the investment decision was consistent with the written investment policy of the City.

Training, Quality and Capability of Investment Management. It is the City's policy to provide training as required by the Public Funds Act, Sec. 2256.008 and periodic training in investments for the Director of Financial Services and designated investment officers. Authorized officers will be required to complete 10 hours of training within 12 months of assuming duties. Training shall be provided

through courses and seminars offered by independent sources to ensure the quality, capability and competency of the Director of Financial Services and Investment Officers in making investment decisions. At a minimum, the Director of Financial Services and Investment Officers must attend a training session once every two years and receive 10 hours of training.

Monitoring of Investments. The City of Copperas Cove's investment strategy is active. Given this strategy, the basis used by the Director of Financial Services to determine whether market yields are being achieved shall be the six month U.S. Treasury Bill and the Average Fed Funds Rate. These rates may be obtained from the Wall Street Journal or other similar investment periodicals or journals.

V. ETHICS

Conflicts of Interest. Officers and employees directly involved in the investment process, and those authorized as depository signatories, shall refrain from personal business activity that could conflict with proper execution of the investment program, or which could impair their ability to make impartial investment decisions.

Disclosure. Such employees shall disclose to the City Manager any material financial interests they have in financial institutions that conduct business with the City of Copperas Cove, and shall further disclose any large personal financial or investment positions that could be related to the performance of the City's portfolio. Such employees shall subordinate their personal investment transactions to those of the City, particularly with regard to the timing of purchases and sales.
If the Director of Financial Services has a personal business relationship with an entity--or is related within the second degree by affinity or consanguinity to an individual--seeking to sell an investment to the City, the Director of Financial Services must file a statement disclosing that personal business interest--or relationship with the Texas Ethics Commission in accordance with Government Code 2256.005 (i).

VI. REPORTING INVESTMENT EARNING EVALUATION

Quarterly Reports. In accordance with Government Code 2256.023, not less than quarterly, the investment officer shall prepare and submit to the City Council a written report of investment transactions for all funds for the preceding reporting period within a reasonable time after the end of the period. The report must:

(1) describe in detail the investment position of the City on the date of the report;
(2) be prepared jointly by all investment officer(s);
(3) be signed by each investment officer of the entity;

(4) contain a summary statement of each pooled fund group that states the:
   A. beginning market value for the reporting period;
   B. additions and changes to the market value during the period; and
   C. ending market value for the period;
   D. fully accrued interest for the period

(5) state the book value and market value of each separately invested asset at the beginning and end of the reporting period by the type of asset and fund type invested; market value shall be determined by reference to published prices in the Wall Street Journal or by reference to other commonly recognized source of market information.

(6) state the maturity date of each separately invested asset that has a maturity date;

(7) state the account or fund or pooled group fund in the city for which each individual investment was acquired; and

(8) state the compliance of the investment portfolio of the City as it relates to:
   A. the investment strategy expressed in the city's investment policy; and
   B. relevant provisions of the Public Funds Investment Act.

(9) state the total rate of return on the investment portfolio

(10) the quarterly investment reports shall be reviewed by the City's independent auditors, as part of the City's annual audit and the result of this review shall be reported to the City Council.

Annual Report. Within 120 days of the end of the fiscal year, the Director of Financial Services shall present an annual report on the investment program activity. The annual report shall include 12-month performance information, and shall suggest improvements that might be made in the investment program.

Notification of Investment Changes. It shall be the duty of the Director of Financial Services to notify the City Council of any significant changes in current investment methods and procedures prior to their implementation, regardless of whether they are authorized by this policy or not.

VII. INVESTMENT TYPES

Active Portfolio Management. The City intends to pursue an active vs. a passive portfolio management philosophy. That is securities may be sold before they mature if market conditions present an opportunity for the City to benefit from the trade.

Eligible Investments. Financial assets of the government of the City of Copperas Cove may be invested in:

A. Obligations of the United States or its agencies and instrumentalities, which have a stated maturity on the date of purchase of two years or less.

B. Direct obligations of the State of Texas or its agencies and instrumentalities;

C. Certificates of deposit if issued by a state or national bank domiciled in the State of Texas or a savings and loan association domiciled in the State of Texas and:
   (1) is guaranteed or insured by the Federal Deposit Insurance Corporation or its successor;
   (2) secured by obligations that are described by Section 2256.009(a) Public Funds Investment Act, but excluding those mortgage backed securities of the nature described by Section 2256.009(b) of the Public Funds Investment Act; or
   (3) secured in any other manner and amount provided by law for deposits of the City.

D. Other obligations, the principal and interest of which are unconditionally guaranteed or insured by, or backed by the full faith and credit of, the State of Texas or the United States or their respective agencies and instrumentalities, which have a stated maturity on the date of purchase of two years or less.

E. Obligations of states, agencies, counties, cities, and other political subdivisions of any state rated as to investment quality by a nationally recognized investment rating firm of not less than A or its equivalent, which have a stated maturity on the date of purchase of two years or less.

F. A fully collateralized repurchase agreement, as defined in the Public Funds Investment Act, if it:
   (1) has a defined termination date;
   (2) is secured by obligations described by Section 2256.009 (a) (1) of the Public Funds Investment Act; and
   (3) requires the securities being purchased by the City to be pledged to the City, held in the City's name, and deposited at the time the investment is made with the City or with a third party selected and approved by the City; and,
   (4) is placed through a primary government securities dealer, as defined by the Federal Reserve, or a financial institution doing business in this State. Notwithstanding any law, the term of any reverse security repurchase agreement may not exceed 90 days after the date the reverse security repurchase agreement is delivered. Money received by the City under the terms of a reverse security repurchase agreement shall be used to acquire additional authorized investments, but the term of the authorized investments acquired must mature not later than the expiration date stated in the reverse security repurchase agreement.

G. Eligible investment pools (as discussed in the Public Funds Investment Act, Sec.2256.016-2256.019) if the City Council by resolution authorizes investment in the particular pool. An investment pool shall invest the funds it receives from the City in authorized investments permitted by the Public Funds Investment Act.

H. Any other securities which may be added by the State of Texas as permissible investments for municipal governments which are in compliance with the Public Funds Investment Act. Investment pools must be continuously rate triple-AAA or AAA-m by at least one nationally recognized rating service or no lower than investment grade by at least one nationally recognized service with weighted average maturity not greater than 90 days. Market mutual funds must be registered with and regulated by the Securities Exchange Commission and must provide the City with a prospectus and other information required by federal law. All prudent measures will be taken to liquidate an investment that is downgraded to less than the required minimum rating.

Length of Investments. The City of Copperas Cove shall invest in instruments with scheduled maturity or duration not to exceed two (2) years at the time of purchase. In the event a coupon security maturity exceeds the specified limit with a calculated duration of two (2) years, the instrument will satisfy this policy requirement.

Diversification. It shall be the policy of the City of Copperas Cove to diversify the investment portfolio. Diversification strategies shall determined and revised periodically by the Director of Financial Services. In establishing specific diversification strategies, the following general constraints shall apply:

A. Portfolio maturities shall be staggered to avoid concentration of assets in a specific maturity sector.
B. Portfolio investment instruments shall be diversified by type.
C. Competitive bidding of all investments must accompany diversification among security dealers.

Prohibited Investments. The Director of Financial Services has no authority to use any of the following investment instruments, which are strictly prohibited:

(1) Obligations whose payment represents the coupon payments on the outstanding principal balance of the underlying mortgage-backed security collateral and pays no principal;
(2) Obligations whose payment represents the principal stream of cash flow from the underlying mortgage-backed security collateral and bears no interest;
(3) Collateralized Mortgage Obligations;

(4) Any investment instrument which has a scheduled maturity or duration in excess of 2 years at the time of purchase;
(5) The City of Copperas Cove investment portfolio will not invest in derivatives. For the purposes of this Investment Policy, the definition of derivatives include instruments which have embedded features that alter their character or income stream or allow holders to hedge or speculate on a market or spreads between markets that are external to the issuer, or are not correlated on a one-to-one basis to the associated index or market.

Prohibited derivatives include the following:

(1) Arrangements in which an investor has swapped the natural cash flows or some portion of the natural cash flows of an instrument for a different set of cash flows. (i.e. Interest Rate Swaps).
(2) Over-the-Counter/Exchange traded options or futures. (i.e. Option Contracts, Futures Contracts).
(3) Instruments explicitly specified as follows: Collateralized Mortgage Obligations, Inverse Floating Rate Notes, Range Index Notes, Non-Money Market Index based Notes, Dual Index Notes, Index Amortizing Notes, Inverse Multi-index Bonds, Stepped Inverse Index Bonds, Inverse Index Bonds.
Allowable instruments which are not considered derivatives by the preceding definition are authorized investments listed as follows:
Treasury Bills, Treasury Notes, Treasury Bonds, Treasury Strips, Repurchase Agreements, Reverse Repurchase Agreements, Agency Notes with a defined maturity and fixed upon rate, Money Market Index variable rate Notes (i.e. floating rate notes tied to money market indices defined as Treasury Bills, London Interbank Offering Rate (LIBOR), Fed Funds, and Cost of Funds Index), Step-up notes, and Certificates of Deposit.

VIII. SELECTION OF BANKS AND DEALERS

Bidding Process. Depositories shall be selected through the City's banking services procurement process, which shall include a formal request for proposal (RFP) issued every two (2) years. In selecting depositories, the credit worthiness of institutions shall be considered, and the Director of Financial Services shall conduct a comprehensive review of prospective depositories credit characteristics and financial history.

Insurability. Banks seeking to establish eligibility for the City's depository contract shall submit financial statements, evidence of Federal insurance and other information as required by the Director of Financial Services.

Primary Dealers and Approved List. In accordance with 2256.005(k), a written copy of this investment policy shall be presented to any person seeking to sell to the City an authorized investment. The registered principal of the business organization seeking to sell an authorized investment shall execute a written instrument substantially to the effect that the registered principal has:

(1) Received and thoroughly reviewed the investment policy of the City; and
(2) Acknowledged that the organization has implemented reasonable procedures and controls in an effort to preclude imprudent investment activities arising out of investment transactions conducted between the City and the organization. The Director of Financial Services may not buy any securities from a person who has not delivered to the City an instrument in substantially the form provided above according to Section 2256.005(1).

All dealers and brokers who desire to become qualified bidders for investment transactions with the City of Copperas Cove, must be recommended by the Director of Financial Services and approved by the City Manager. Applications will be reviewed on a periodic basis and submitted for approval. The Director of Financial Services will maintain a list of primary dealers and brokers authorized to provide investment services to the City. The authorized list of primary dealers and brokers will be reviewed on an annual basis, and any broker/dealers who fail to meet the standards of this policy shall be removed from the list. All dealers and brokers who desire to become qualified bidders for investment transactions must supply the following:

(1) Completed broker dealer questionnaire.
(2) Proof of registration with the Texas State Securities Board.
(3) Proof of National Association of Securities Dealers (NASD) certification.
(4) Audited financial statements.
(5) Written acknowledgment that the entity has read the City of Copperas Cove Investment Policy and has reasonable procedures and controls to preclude imprudent investment activities arising out if investment transactions conducted between the entity and the City of Copperas Cove (Securities Broker Dealer Acknowledgment Form - Section XV).

All brokers and dealers who desire to transact business with the City of Copperas Cove must be approved, in advance of any business transactions, by the City Manager. For brokers and dealers of government securities, the City Manager shall select only those dealers reporting to the Market Reports Division of New York, also known as the "primary government securities dealers," unless a broker/dealer comprehensive questionnaire and certification reveals that other firms are adequately financed to conduct public business. The Director of Financial Services will annually review the financial condition and registration of qualified dealers and brokers. The Director of Financial Services shall not conduct business with any firm, which has been removed from the approved list by the City Manager.

Competitive Bidding of Investments. All trades, purchases and sales done for the City of Copperas Cove will be done through a documented competitive bidding process. Competitive quotes must be taken from at least three qualifying institutions for any investment transaction. The broker/dealers used for the City of Copperas Cove will be those approved by and in compliance with the rules of this investment policy.

Broker/dealers are neither required nor encouraged to contact the City on current securities that the broker/dealers believe are items that require City attention.

IX. SAFEKEEPING AND CUSTODY

Insurance or Collateral. All deposits and investments of City funds with commercial banks shall be secured by pledged collateral with a market value equal to no less than 100% of the deposits or investments. If the maturity date of the pledged collateral exceeds two years, 102% of market value shall be maintained by the Director of Financial Services or a third party financial institution. Repurchase agreements shall be documented by a specific agreement noting the collateral pledged in each agreement. Collateral shall be reviewed monthly to assure the market value of the securities pledged equals or exceeds the related bank balances.

Pledged Collateral Safekeeping Agreement. All safekeeping arrangements shall be in accordance with a Safekeeping Agreement approved by the Director of Financial Services which clearly defines the procedural steps for gaining access to the collateral should the City of Copperas Cove determine that the City's funds are in jeopardy. The safekeeping institution, or Trustee, shall be the Federal Reserve Bank or an institution not a branch of the firm pledging the collateral. The safekeeping agreement shall include the signatures of the City of Copperas Cove, the firm pledging the collateral, and the Trustees.

Collateral Defined. The City of Copperas Cove shall accept only the following securities as collateral:

A. U.S. Treasury securities maturing in less than two (2) years;
B. Short-term obligations of U.S.-Government Agencies which are guaranteed by the full faith and credit of the United States of America as to principal and interest;
C. Federal Deposit Insurance (FDIC) coverage of principal invested;
D. Direct or unconditionally guaranteed obligations of the State of Texas except that the city will not accept Industrial Revenue Bonds or Private Activity Bonds as pledged securities.
E. Bonds of States, government agencies, counties, cities, or political subdivisions nationally rated "A" or above.

Subject to Audit. All collateral shall be subject to inspection and audit by the Director of Financial Services or the City's independent auditors.

Delivery vs. Payments. Treasury Bills, Notes, and Bonds and Government Agencies or other securities shall be purchased using the delivery vs. payment basis method. That is, funds shall not be wired or paid until verification has been made that the collateral was received by the City Agent or the Trustee. The collateral shall be held in the name of the City. The Trustee's or Agent's records shall assure the notation of the City's ownership of or explicit claim on the securities. The original copy of all safekeeping receipts shall be delivered to the City.

Standards of Operation. The Director of Financial Services shall develop and maintain written administrative procedures for the operation of the investment-program, consistent with this investment policy.

X. INTERNAL CONTROLS

Internal Controls. The Director of Financial Services is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the entity are protected from loss, theft or misuse. The internal control structure shall be designed to provide reasonable assurance that these objectives are met. The concept of reasonable assurance recognizes that (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits requires estimates and judgments by management. Accordingly, the Director of Financial Services shall establish a process for annual independent review by an external auditor to assure compliance with policies and procedures. The internal controls shall address the following points:

(1) Control of collusion -Collusion is a situation where two or more employees are working in conjunction to defraud their employer.
(2) Separation of transaction authority from accounting and record keeping - By separating the person who authorizes or performs the transaction from the people who record or otherwise account for the transaction, a separation of duties is achieved.
(3) Custodial safekeeping -Securities purchased from any bank or dealer including appropriate collateral (as defined by State Law) shall be placed with an independent third party for custodial safekeeping.
(4) Avoidance of physical delivery securities -Book entry securities are much easier to transfer and account for since actual delivery of a document never takes place. Delivered securities must be properly safeguarded against loss or destruction. The potential for fraud and loss increases with physically delivered securities.

(5) Clear delegation of authority to subordinate staff members -Subordinate staff members must have a clear understanding of their authority and responsibilities to avoid improper actions. Clear delegation of authority also preserves the internal control structure that is contingent on the various staff positions and their respective responsibilities.
(6) Written confirmation or telephone transactions for investments and wire transfers -Due to the potential for error and improprieties arising from telephone transactions, all telephone transactions should be supported by written communications and approved by the appropriate person. Written communications may be via fax if on letterhead and the safekeeping institution has a list of authorized signatures.
(7) Development of a wire transfer agreement with the lead bank or third party custodian -This agreement should outline the various controls, security provisions, and delineate responsibilities of each party making and receiving wire transfers.
(8) Documentation of transactions and strategies -By recording this necessary information, certification of investment procedures processing is accomplished.

XI. INVESTMENT STRATEGIES

Investment Strategies. In accordance with the Public Funds Investment Act, Section 2256.005(d), a separate written investment strategy will be developed for each of the funds under the City's control. Each investment strategy must describe the investment objectives for the particular fund using the following priorities of importance:

(1) Understanding of the suitability of the investment to the financial requirements of the entity;
(2) Preservation and safety of principal;
(3) Liquidity;
(4) Marketability of the investment if the need arises to liquidate the investment before maturity;
(5) Diversification of the investment portfolio;
(6) Yield; and
(7) Maturity restrictions.

The investment strategies to be employed by the City of Copperas Cove are:

(1) The Roll-Over Approach. This strategy shall be referred to as Strategy A. This approach means that, despite the excess funds available early in the tax collection season and the requirements of the remaining months, you choose to place the excess funds outside a theoretical short-term period. Instead the excess funds are held in daily liquidity fund such as a bank money market account, a short-term liquidity interlocal pool, or in an eligible SEC registered mutual money market fund (90 day maximum maturity) $1.00 stable net asset

value. The funds continue to roll-over or remain accessible on a daily basis for the entire cycle and the funds are disbursed as liabilities occur.

(2) The Matching Approach. This strategy shall be referred to as Strategy B. This approach uses excess funds to fill future shortfalls or to match maturing investments with liabilities, matching relies on accurate forecasting of liabilities matched with maturity investments. The Matching Approach generally requires holding investments to maturity.

(3) The Extension Approach. This strategy shall be referred to as Strategy C. This is an aggressive approach because it is a one-sided bet on the market and disregards liability requirements. The expectation is that long-term investments can be liquidated at cost or a profit to cover short-term needs. The Extension Method is risky and makes an aggressive statement about the direction of interest rates. Use of this method can reduce liquidity and create losses. Attachment A includes investment strategies for all funds. In accordance with the Public Funds Investment Act, Section 2256.005(e), investment strategies will be reviewed and adopted by resolution at least annually.

XII. POLICY

Exemption. Any investment currently held that does not meet the guidelines of this policy shall be exempted from the requirements of this policy. At maturity or liquidation, such monies shall be reinvested only as provided by this policy.

Amendment. This policy shall be reviewed on an annual basis. Any changes must be approved by the City Manager.

Glossary. The Glossary is provided in Attachment B.

XIII. CITY OF COPPERAS COVE INVESTMENT STRATEGY

OPERATING FUNDS	INVESTMENT STRATEGY
GENERAL FUND	A,B
WATER AND SEWER FUND	A,B
SOLID WASTE FUND	A,B
GOLF COURSE FUND	A,B
DEBT SERVICE FUNDS	
TAX I&S FUND	A,B
SPECIAL REVENUE FUNDS	
RECREATIONAL ACTIVITIES FUND	A,B
DRAINAGE UTILITY FUND	A,B
MUNICIPAL CEMETERY FUND	A,B
HOTEL OCCUPANCY TAX FUND	A,B
MUNICIPAL COURT EFFICIENCY FUND	A,B
MUNICIPAL COURT TECHNOLOGY FUND	A,B
MUNICIPAL COURT SECURITY FUND	A,B
CAPITAL PROJECTS FUNDS	
2001 CERTIFICATES OF OBLIGATION	A,B
2003 CERTIFICATES OF OBLIGATION	A,B
2006 LIMITED TAX NOTES	A,B
2007 CERTIFICATES OF OBLIGATION	A,B
2008 LIMITED TAX NOTES	A,B
2008A LIMITED TAX NOTES	A,B
2009 GENERAL OBLIGATION BONDS	A,B
2009 LIMITED TAX NOTES	A,B
2010 GENERAL OBLIGATION BONDS	A,B
2010 LIMITED TAX NOTES	A,B

XIV. GLOSSARY

AGENCIES: Federal agency securities.

ASKED: The price at which securities are offered.

BANKER'S ACCEPTANCE (BA): A draft or bill or exchange accepted by a bank or trust company. The accepting institution guarantees payment of the bill, as well as the issuer.

BID: The price offered by a buyer of securities. (When you are selling securities, you ask for a bid.) See offer.

BROKER: A broker brings buyers and sellers together for a commission.

CERTIFICATE OF DEPOSIT (CD):A time deposit with a specific maturity evidenced-by a certificate. Large-denomination CD's are typically negotiable.

COLLATERAL: Securities, evidence of deposit or other property, which a borrower pledges to secure repayment of a loan. Also refers to securities pledged by a bank to secure deposits of public monies.

COMPREHENSIVE ANNUAL FINANCIAL REPORT (CAFR): The official annual report for the City of Copperas Cove. It includes five combined statements for each individual fund and account group prepared in conformity with GAAP. It also includes supporting schedules necessary to demonstrate compliance with finance-related legal and contractual provisions, extensive introductory material, and a detailed Statistical Section.

COUPON: (a) The annual rate of interest that a bond's issuer promises to pay the bondholder on the bond's face value. (b) A certificate attached to a bond evidencing interest due on a payment date.

DEALER: A dealer, as opposed to a broker, acts as a principal in all transactions, buying and selling for his own account.

DEBENTURE: A bond secured only with the general credit of the issuer.

DELIVERY VERSUS PAYMENT: There are two methods of delivery of securities: delivery versus payment and delivery versus receipt. Delivery versus payment is delivery of securities with an exchange of money for the securities. Delivery versus receipt is delivery of securities with an exchange of a signed receipt for the securities.

DISCOUNT: The difference between the cost price of a security and its maturity when quoted at lower than face value. A security selling below original offering price shortly after sale also is considered to be at a discount.

DISCOUNT SECURITIES: Non-interest bearing money market instruments that are issued a discount and redeemed at maturity for full face value, e.g. U.S. Treasury Bills.

DIVERSIFICATION: Dividing investment funds among a variety of securities offering independent returns.

FEDERAL CREDIT AGENCIES: Agencies of the Federal government set up to supply credit to various classes of institutions and individuals. e.g. S&L's, small business firms, students, farmers, farm cooperatives, and exporters.

FEDERAL DEPOSIT INSURANCE CORPORATION (FDIC): A deferral agency that insures bank deposits, currently up to $100,000 per deposit.

FEDERAL FUNDS RATE: The rate of interest at which Fed funds are traded. This rate is currently pegged by the Federal Reserve through open-market operations.

FEDERAL HOME LOAN BANKS (FHLB): The institutions that regulate and lend to savings and loan associations. The Federal Home Loan Banks play a role analogous to that played by the Federal Reserve Banks vis-à-vis member commercial banks.

FEDERAL NATIONAL MORTGAGE ASSOCIATION (FNMA): FNMA like GMNA was chartered under the Federal National mortgage Association Act in 1938. FNMA is a federal corporation working under the auspices or he Department of Housing and Urban Development (HUD). It is the largest single provider of residential mortgage funds in the United States. Fannie Mac, as the corporation is called, is the private stockholder- owned corporation. The corporation's purchases include a variety of adjustable mortgages and second loans. in addition to fixed-rate mortgages. FNMA's securities are also highly liquid and are widely accepted. FNMA assumes and guarantees that all security holders will receive timely payment of principal and interest.

FEDERAL OPEN MARKET COMMITTEE (FOMC): Consists of seven members of the Federal Reserve Board and five of the twelve Federal Reserve Bank Presidents. The President of the New York Federal Reserve Bank is a permanent member, while the other Presidents serve on a rotating basis. The Committee periodically meets to set Federal Reserve guidelines regarding purchases and sales of Government Securities in the open market as a means of influencing the volume of bank credit and money.

FEDERAL RESERVE SYSTEM: The central bank of the United States created by Congress and consisting of a seven member Board of Governors in Washington, D.C., 12 regional banks and about 5,700 commercial banks that are members of the system.

GOVERNMENT NATIONAL MORTGAGE ASSOCIATION (GNMA OR Ginnie Mae): Securities influencing the volume of bank credit guaranteed by GNMA and issued by mortgage bankers, commercial banks, savings and loan associations, and other institutions. Security holder is protected by full faith and credit of the U.S. Government. Ginnie Mae securities are backed by the FHA, VA or FMHM mortgages. The term "pass through" is often used to describe Ginnie Maes.

LIQUIDITY: A liquid asset is one that can be converted easily and rapidly into cash without a substantial loss of value. In the money market, a security is said to be liquid if the spread between bid and asked prices is narrow and reasonable size can be done at those quotes.

LOCAL GOVERNMENT INVESTMENT POOL (LCIP): The aggregate of all funds from political subdivisions that are placed in the custody of the State Treasurer for investment and **reinvestment.**

MARKET VALUE: The price at which a security is trading and could presumably be purchased or sold.

MASTER REPURCHASE AGREEMENT: A written contract covering all future transactions between the parties to repurchase--reverse repurchase agreements that establishes each party's rights in the transactions. A master agreement will often specify, among other things, the right of the buyer-lender to liquidate the underlying securities in the event of default by the seller-borrower.

MATURITY: The date upon which the principal or stated value of an investment becomes due and payable.

MONEY MARKET: The market in which short-term debt instruments (bills, commercial paper, bankers' acceptances, etc.) are issued and traded.

OFFER: The price asked by a seller of securities. (When you are buying securities, you ask for an offer.) See Asked and Bid.

OPEN MARKET OPERATIONS: Purchases and sales of government and certain other securities in the open market by the New York Federal Reserve Bank as directed by the FOMC in order to influence the volume of money and credit; sales have the opposite effect. Open market operations are the Federal Reserve's most important and most flexible monetary policy tool.

PORTFOLIO: Collection of securities held by an investor.

PRIMARY DEALER: A group of government securities dealers who submit daily reports of market activity and positions and monthly financial statements to the Federal Reserve Bank of New York and are subject to its informal oversight. Primary

dealers include Securities and Exchange Commission (SEC)-registered securities broker-dealers, banks, and a few unregulated firms.

PRUDENT PERSON RULE: An investment standard. In some states the law requires that a fiduciary, such as a trustee, may invest money only in a list of securities by the custody state-the-so-called legal list. In other states the trustee may invest in a security if it is one which would be bought by a prudent person in discretion and intelligence who is seeking a reasonable income and preservation of capital.

QUALIFIED PUBLIC DEPOSITORIES:

A financial institution which does not claim exemption from the payment of any sales or compensating use or ad valorem taxes under the laws of this state, which has segregated for the benefit of the commission eligible collateral having a value of not less than its the Public Deposit Protection Commission to hold public deposits.

RATE OF RETURN: The yield obtainable on a security based on its purchase price or its current market price. this may be the amortized yield to maturity on a bond the current income return.

REPURCHASE AGREEMENT (RP OR REPO):

A holder of securities sells these securities to an investor with an agreement to repurchase them at a fixed price on a Fixed date. the security "buyer" in effect lends the "seller" money for the period of agreement, and the terms of the agreement are structured to compensate him for this. Dealers use RP extensively to finance their positions. Exception: when the Fed is said to be doing RP, it is lending money, that is, increasing bank reserves.

SAFEKEEPING: A service to customers rendered by banks for a fee whereby securities and valuables of all types and descriptions are held in the bank's vaults for protection.

SECONDARY MARKET: A market made for the purchase and sale of outstanding issues following the initial distribution.

SECURITIES & **EXCHANGE COMMISSION:** Agency created by Congress to protect investors in securities and sale of outstanding issues following the initial distribution. **SEC RULE 15C3-1:** See Uniform Net Capital Rule.

TREASURY BILLS: A non-interest bearing discount security issued by the U.S. Treasury to finance the national debt. Most bills are issued to mature in three months, six months, or one year.

TREASURY BONDS: Long-term U.S. Treasury securities having initial maturities of more than 10 years.

TREASURY NOTES: A non-interest bearing discount security issued by the U.S. Treasury to finance the national debt. Most bills are issued to mature in three months, six months or one year.

UNIFORM NET CAPITAL RULE: Securities and Exchange Commission requirement that member firms as well as nonmember broker-dealers in securities maintain a maximum ratio of indebtedness to liquid capital of 15 to 1; also called net capital rule and net capital ratio. Indebtedness covers all money owed to a firm, including margin loans and commitment to purchases securities, one reason new public issues are spread among members of underwriting syndicates. Liquid capital includes Cash and assets easily converted into cash.

YIELD: The rate of annual income return of an investment, expressed as a percentage. (a) **INCOME YIELD** is obtained by dividing the current dollar income by the current market price for the security. (b) **NET YIELD TO MATURITY** is current income yield minus any premium above pare or plus any discount from par in purchase price, with the adjustment spread over the period from the date of purchase to the date of maturity of the bond.

XV.

CITY OF COPPERAS COVE, TEXAS
SECURITIES BROKER/DEALER ACKNOWLEDGEMENT

In compliance with the Texas Government Code (Public Funds Investment Act) Section 2256.005 (k)-(1), acknowledges that the registered principal and all sales personnel conducting investment transactions with the City of Copperas Cove have received and have thoroughly reviewed the Investment Policy of the City of Copperas Cove. Broker acknowledges that Broker has implemented reasonable procedures and controls in an effort to preclude imprudent investment activities arising out of investment transactions conducted between the City and Broker. Transactions between this firm and the City of Copperas Cove will be directed toward protecting the City of Copperas Cove from credit and market risk. This firm pledges due diligence in informing the City of Copperas Cove of foreseeable risks with financial transactions connected with this firm.

_____

Primary Representative, Title Date

City Council Regular **Item #: G. 9.**

Date: 09/21/2010

Contact: Tim Molnes, Police Chief

Information

SUBJECT

Consideration and action on authorizing the City Manager to extend the contract with the Copperas Cove Independent School District (CCISD) for Policing Services. ***Tim Molnes, Police Chief***

BACKGROUND/HISTORY

On November 10, 1998, a contract was entered into between the Copperas Cove Independent School District (CCISD) and the City of Copperas Cove in a joint effort to provide a safe environment for the children of Copperas Cove.

FINDINGS/CURRENT ACTIVITY

The attached contract expires at the end of September 2011. No changes to the contract from the prior fiscal year are included for reimbursement amounts for services provided. The contract provides for two uniformed police officers to perform law enforcement related activities for the School District.

The contract has been reviewed and approved for legal content by the City Attorney. The contract will also be signed by CCISD Superintendent Dr. Rose Cameron after approval by the Copperas Cove Independent School District School Board.

ACTION OPTIONS/RECOMMENDATION

City staff recommends that the City Council authorize the City Manager to extend the contract with CCISD to provide police services to the district. This contract will cover the 2010-2011 fiscal year beginning October 1, 2010 and ending September 30, 2011, with an option to renew the contract in future years.

Fiscal Impact

Funds available Y/N?: Y

FINANCIAL IMPACT:

All costs in providing this service will be reimbursed to the City in quarterly installments. Total reimbursement will equal $106,584.

Attachments

Link: CCISD Contract FY10-11

STATE OF TEXAS
COUNTY OF CORYELL

This agreement is made between the Copperas Cove Independent School District (herein referred to as "the District") and the City of Copperas Cove, Texas, a home rule municipality (herein referred to as "the City") in a joint effort to provide a safe environment for the children of Copperas Cove.

1. Term of Agreement: This agreement will be in effect for a one (1) year period commencing on October 1, 2010 and shall expire September 30, 2011.

2. Renewal of Agreement: This agreement may be renewed annually if the parties so desire. Upon renewal, both parties will continue to be bound by the terms of this agreement. Neither party is bound to renew this agreement for successive years and no notice of intent to renew this agreement is required.

3. Consideration:

The City:

A. Shall assign two (2) full-time certified peace officers to patrol District grounds and facilities during each contract year. Each officer shall patrol District facilities and grounds for forty (40) hours per week during the school terms, and shall conduct such patrols during hours designated by the District as regularly scheduled school hours.

B. Shall be responsible for insuring that the officers are covered by the City's liability insurance policy while on duty at the schools.

C. Shall provide transportation for the officers in the form of a police patrol vehicle on campus.

D. Shall provide after-hour officers for extra-curricular activities that occur within the city limits of Copperas Cove as requested by the District at the District's expense.

E. Shall provide, install, maintain and operate, other than those owned, provided, maintained, and installed by the Texas Department of Transportation, all flashing lights at intersections designated by the City at school cross walks when needed to slow the traffic. Electrical service currently provided by the District shall continue to be the District's responsibility.

F. Shall be responsible for designating, marking, and maintenance of official school cross walks.

G. Shall assist in providing training for crossing guards when requested.

H. Shall provide a replacement officer to the District when an officer is absent due to illness, injury, court appearance or other approved temporary leave without additional cost to the District. If an absence is for a court appearance that is directly related to the performance of the school officer's duties for the District, a replacement officer will be provided only at the request of the District and at an additional cost to the District.

The District:

A. Shall remit $106,584.00 to the City for providing this service. The payment of this flat rate will be in quarterly payments of $26,646.00. Payment shall be made no later than the 15th day after the end of each quarter. All such payments shall be made from current revenues appropriated by the District for payments under this Agreement.

B. Shall reimburse the City at total cost for after-hour officers requested by the District for extra-curricular activities.

C. Shall reimburse the City at a total cost for any replacement officer requested by the District as set out in this contract.

D. Shall employ, train, and supervise crossing guards to work at cross walks where the District deems necessary. The City shall not be responsible for temporary crossing guards when an absence of a guard occurs; however, if manpower allows, the City may assist.

E. The District shall furnish to the City each year the name and daytime telephone number of the District employee responsible for the crossing guard program.

F. Agrees and Understands that in the event the Emergency Operations Center ("EOC") is activated, the City's staffing and manpower needs shall take priority over the requirements of this Agreement.

4. Termination of Agreement: Either party may terminate this agreement for any reason by giving at least thirty (30) days written notice. Such written notice shall be delivered by certified mail to the central administrative office of the party receiving the notice.

5. Liability: The District and the City are responsible for the acts of their respective employees. The parties agree that all officers working pursuant to this agreement are employees of the City and are not employed by the District. The

City assumes no liability for the acts of the District or its agents or employees. The District assumes no liability for the acts of the City or its agents or employees.

6. Duties of Officers: The District facilities and grounds to be patrolled shall be determined in the sole discretion of the City and its officers. While on campus or at school related activities, the officers will report their presence to the principal or the principal's designee. The officers will consult with the principal or the principal's designee in planning patrol activities, and will endeavor to keep the principal or the principal's designee fully informed as to the officer's observations and activities during patrol. Each principal and/or designee shall be clearly identified to the City by the District.

7. Entire Agreement: This document is the final agreement of the parties. There are no representations or promises between the parties other than those set out herein.

8. Amendments: This agreement may be amended or any of its items modified upon mutual agreement of the parties. Such amendment must be written, dated, and signed by the authorized representatives of each party.

9. Performance, Governing Law: This agreement is to be performed wholly in the State of Texas and is to be interpreted and governed by Texas Law. Further, the venue for this contract is executed in duplicate originals.

COPPERAS COVE INDEPENDENT SCHOOL DISTRICT

ATTEST:

BY:_____
Rose Cameron, Superintendent

_____
Kathy Blake, Secretary

CITY OF COPPERAS COVE

BY:_____
Andrea Gardner, City Manager

_____
Jane Lees, City Secretary

Approved As To Form

BY:_____
Denton, Navarro, Rocha & Bernal, P.C., City Attorney

City Council Regular **Item #: H. 1.**

Date: 09/21/2010

Contact: Wesley Wright, Projects Director/City Engineer, Engineering

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Information

SUBJECT

Public hearing, consideration and action on an ordinance to rezone 116.16 acres of property generally located south of US Highway 190 and east of Constitution Drive, locally known as the Copperas Cove Economic Development Corporation Business Park to B-5 (Business). ***Wesley Wright, P.E., City Engineer***

BACKGROUND/HISTORY

On August 16, 2010, the Copperas Cove Economic Development Corporation (CCEDC) submitted an application for zoning change of 116.16 acres of land. The land contained in the proposed zone change consists primarily of the recent Fort Hood "land-swap" property and is located south of US Highway 190, east of Constitution, and north of Old Copperas Cove Road.

The property was scheduled for formal annexation by the City Council on September 7, 2010 and is currently unzoned. The CCEDC is requesting a B-5 (Business) designation for the entire 116.16 acres.

The stated purpose of the rezone request is to "to accommodate future commercial development". If approved, any allowable use in B-5 zoning districts, including but not limited to amusement parks, kennels, machine shops, refrigerated warehousing, truck services, manufactured home sales, RV/camper/trailer sales, and most wholesale businesses, will be permitted on the site.

The immediate area can be characterized as undeveloped. The property is directly adjacent to the proposed US 190 Reliever Route (South Bypass). The 2007 Comprehensive Plan's Future Land Use Plan indicates a "special area" use for property in the area.

Per Local Government Code requirements, notice of the rezone request was published in the Cove Leader Press on August 20, 2010 and mailed to all property owners within 200' of the subject track.

FINDINGS/CURRENT ACTIVITY

Please see attached area map and report from Espey Consultants for reference.

ACTION OPTIONS/RECOMMENDATION

City Staff, Espey Consultants, and the Planning and Zoning Commission recommend City Council approve Ordinance No. 2010-43, rezoning the subject property from unzoned to B-5 (business).

Attachments

Link: A1 - Espey Consultants write up - CCEDC rezone

Link: Rezone Ordinance

Link: A3 - Zoning Area Description

Link: A4 - Zoning Area 200' Radius Map

ITEM: PUBLIC HEARING / CONSIDERATION / ACTION ON A REQUEST TO REZONE TWO PARCELS OF LAND, TOTALING 116.16 ACRES, LOCATED: IN THE WM. P. HARDEMAN SURVEY, ABS. 454, THE D.D. THOMPSON SURVEY, ABS. 1041, THE A.G. MATHEWS SURVEY, ABS. 1765, THE JAMES A WELLS SURVEY, ABS. 1065, AND THE C.G. BENNETT SURVEY, ABS. 1680.

PREPARED BY: Chris Stewart, AICP, Espey Consultants, Inc.
CONTACT: cstewart@espeyconsultants.com, 512-326-5659
or Wes Wright, City Engineer

BACKGROUND

The subject tracts of land are located within an area purchased by the Copperas Cove EDC, adjacent to the proposed 190 Bypass, and intended for development of commercial and industrial uses.

ANALYSIS

Future Land Use Plan

The Future Land Use Plan, Plate 4, describes the area proposed as a "Special Area". This designation is assumed to reflect the intentions of the EDC to develop the area into a commercial business park – pending a final strategy for marketing to specific uses. Given the location adjacent to the 190 Bypass and the mission of the Copperas Cove EDC, Staff believes that the proposed zoning change is consistent with the "Special Area" designation on the Future Land Use Plan. Consequently, an Amendment to the Future Land Use Plan is not seen as necessary.

Land Use Quantity

In previous land use cases before the Commission, the issue of "over-zoning" has been discussed. Over-zoning is a condition in which too much land is available for a given use, creating an oversupply and deterioration of property value in the long-run. As has been discussed previously, there is an over-designation of B-4 and B-5 zoning city-wide. The risk of adding additional area is that it continues the pattern of over-zoning for B-5 and may lead to oversupply of property available for commercial business uses. On the other hand, slight oversupply in areas that have adequate vehicular access can work to force land prices down, thereby spurring development by easing entry into the market. The problem of over-zoning is significantly more acute in areas that are "fringe" to integral residential developments; there is greater risk of degradation to surrounding residential areas where the access, visibility, lot size and infrastructure are not intended for B-5 uses. In the current case, the infrastructure, visibility, access and lot size are all consistent with B-5 uses.

STAFF RECOMMENDATION

Staff recommends in favor of the request to rezone the two tracts totaling 116.16 acres to B-5, General Business.

ORDINANCE NO. 2010-43

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF COPPERAS COVE, TEXAS REZONING 116.16 ACRES DESCRIBED IN EXHIBIT A FROM UNZONED TO B-5 (BUSINESS).

WHEREAS, the hereinabove described property was annexed into the City limits on September 7, 2010; and

WHEREAS, the hereinabove described property is currently unzoned; and

WHEREAS, the owner thereof has requested that such property should be zoned B-5 (Business); and

WHEREAS, all required public notices and property owner notifications have been made; and

WHEREAS, the Planning and Zoning Commission of the City of Copperas Cove held a public hearing on September 8, 2010, and voted to recommend approval of the zoning change to the City Council of the City of Copperas Cove; and

WHEREAS, the City Council of the City of Copperas Cove held the required public hearing concerning the zoning change on September 21, 2010, and approved the change.

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

SECTION 1.

That the 116.16 acres described in Exhibit A be given the permanent zoning of B-5 (Business).

SECTION 2.

That should any section, clause, or provision of this ordinance be declared by a court of competent jurisdiction to be invalid, the same shall not affect the validity of this ordinance or any other ordinance of the City as a whole or any part thereof, other ordinance of the City as a whole or any part thereof, other than the part so declared to be invalid.

SECTION 3.

That this ordinance shall go into effect upon passage.

PASSED, APPROVED AND ADOPTED this 21st day of September 2010, at a regular meeting of the City Council of the City of Copperas Cove, Texas, which meeting was held in compliance with the Open Meetings Act, *Tex. Gov't. Code* §551.001, et.seq., at which meeting a quorum was present and voting.

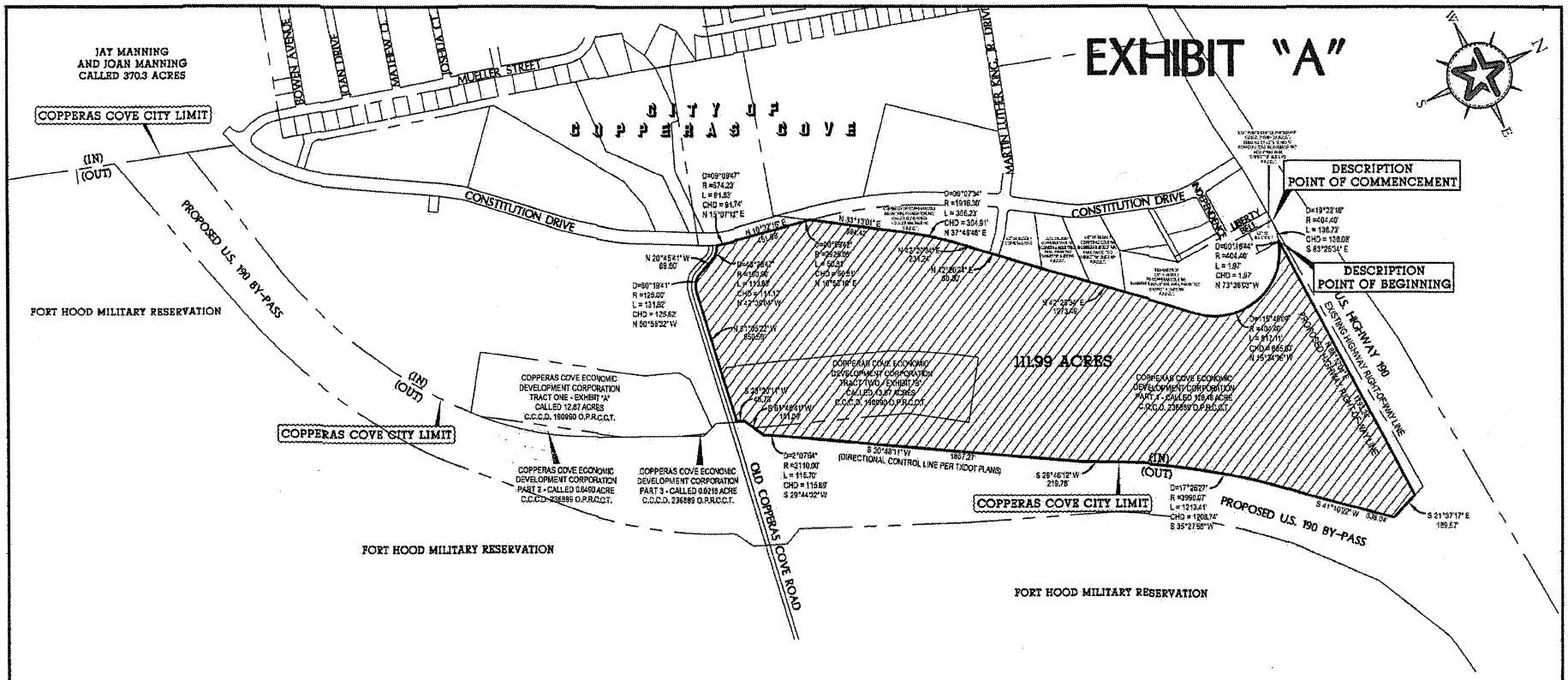
_____
John Hull, Mayor

ATTEST:

_____
Jane Lees, City Secretary

APPROVED AS TO FORM:

_____
Denton, Navarro, Rocha
& Bernal, P.C., City Attorney



PREPARED: AUGUST 13, 2010

KEVIN R. HESSEL, R.P.L.S. 5344

STATE OF TEXAS
REGISTERED
KEVIN R. HESSEL
5344
PROFESSIONAL
LAND SURVEYOR

EXHIBIT OF
A 111.99 ACRE TRACT OF LAND FOR RE-ZONING
BY THE CITY OF COPPERAS COVE, CORYELL COUNTY, TEXAS

NOTE: THIS DRAWING WAS PREPARED UNDER 22 TAC 663.21, DOES NOT REFLECT THE RESULTS OF AN ON THE GROUND SURVEY, AND IS NOT TO BE USED TO CONVEY OR ESTABLISH INTERESTS IN REAL PROPERTY EXCEPT THOSE RIGHTS AND INTERESTS IMPLIED OR ESTABLISHED BY THE CREATION OR RECONFIGURATION OF THE BOUNDARY OF THE POLITICAL SUBDIVISION FOR WHICH IT WAS PREPARED.

THIS DRAWING IS BASED UPON A LAND DESCRIPTION TITLED 111.99 ACRE TRACT OF LAND FOR REZONING BY THE CITY OF COPPERAS COVE, CORYELL COUNTY, TEXAS, COMPILED FROM RECORDS BY KEVIN R. HESSEL R.P.L.S. 5344 ON FEBRUARY, 13TH, 2010 HAVING A RELEASE DATE OF AUGUST 13, 2010. THIS DRAWING AND THE ATTACHED DESCRIPTION WERE PREPARED FOR THE SOLE PURPOSE OF RE-ZONING OF THE 111.99 ACRE TRACT BY THE CITY OF COPPERAS COVE, CORYELL COUNTY, TEXAS.

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ENGINEERS • SURVEYORS
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PHONE: 1-254-714-1402 • T.B.P.E. REGISTRATION NO. 8033

0 300 600 1200
GRAPHIC SCALE IN FEET

REVISIONS

PLAT NO. B1-0179 DRAFT DATE 08-13-10 FB/PG NA
PROJ. NO. 1-01737 TAB NO. NA FIELD NOTE NO. 01
DWG. NAME 1-01737MSTR.DWG DRAWN BY KRH

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EXHIBIT "A"

111.99 ACRE TRACT OF LAND
FOR RE-ZONING BY THE CITY OF COPPERAS COVE, CORYELL COUNTY, TEXAS

FIELD NOTES FOR A 111.99 ACRE TRACT OF LAND LOCATED IN THE D.D. THOMPSON SURVEY, ABSTRACT 1041, A.G. MATHEWS SURVEY, ABSTRACT 1765, JAMES A. WELLS SURVEY, ABSTRACT 1065, C.G. BENNETT SURVEY, ABSTRACT 1680 AND THE WM. P. HARDEMAN SURVEY, ABSTRACT 454 LYING PARTIALLY WITHIN THE CITY OF COPPERAS COVE, CORYELL COUNTY, TEXAS AND FORT HOOD MILITARY RESERVATION AND BEING A PORTION OF A REMAINDER OF A CALLED 193.33 ACRE TRACT DESCRIBED IN A DEED TO UNITED STATES OF AMERICA (U.S.A.) RECORDED IN VOLUME 146, PAGE 363 OF THE DEED RECORDS OF CORYELL COUNTY, TEXAS (D.R.C.C.T.), A PORTION OF A REMAINDER OF A CALLED 120.66 ACRE TRACT DESCRIBED IN A DEED TO U.S.A. RECORDED IN VOLUME 146, PAGE 411 OF THE D.R.C.C.T., A PORTION OF A REMAINDER OF A CALLED 127.00 ACRE TRACT DESCRIBED IN A DEED TO U.S.A. RECORDED IN VOLUME 147, PAGE 271 OF THE D.R.C.C.T., A PORTION OF A CALLED 165 ACRE TRACT DESCRIBED IN A DEED TO U.S.A. RECORDED IN VOLUME 146, PAGE 410 OF THE D.R.C.C.T., A PORTION OF A CALLED 13.97 ACRES DESCRIBED AS "TRACT TWO" IN A DEED TO COPPERAS COVE ECONOMIC DEVELOPMENT CORPORATION, A TEXAS CORPORATION (C.C.E.D.C.) RECORDED UNDER CORYELL COUNTY CLERK'S DOCUMENT (C.C.C.D.) 190990 OF THE OFFICIAL PUBLIC RECORDS OF CORYELL COUNTY, TEXAS (O.P.R.C.C.T.), A PORTION OF A REMAINDER OF A CALLED 87.21 ACRE TRACT DESCRIBED AS "TRACT THREE" IN SAID DEED TO C.C.E.D.C. RECORDED UNDER C.C.C.D. 190990 OF THE O.P.R.C.C.T., SAID 111.99 ACRES BEING MORE PARTICULARLY DESCRIBED BY METES AND BOUNDS AS FOLLOWS:

COMMENCING AT A TEXAS DEPARTMENT OF TRANSPORTATION (TXDOT) BRASS CAP MONUMENT STAMPED "269+80.20 LT 1766.40" FOUND IN THE SOUTH RIGHT-OF-WAY LINE OF UNITED STATES HIGHWAY 190 AT ITS INTERSECTION WITH THE EAST RIGHT-OF-WAY LINE OF LIBERTY BELL LANE (60' WIDE R.O.W. – CABINET "A", SLIDE 411) MARKING THE NORTHWEST CORNER OF LOT 1C, BLOCK 1, COPPERAS COVE 190 BUSINESS & INDUSTRIAL PARK, RECORDED IN CABINET "B", SLIDE 472 OF THE P.R.C.C.T.;

THENCE AN ARC DISTANCE OF 136.73' WITH SAID SOUTH LINE OF UNITED STATES HIGHWAY 190, SAME BEING THE NORTH LINE OF SAID LOT 1C AND BEING ALONG A CURVE TO THE RIGHT HAVING A RADIUS OF 404.40' AND A CHORD WHICH BEARS S 83°25'34" E – 136.08' TO A 1/2" IRON ROD WITH CAP STAMPED "G.E. WALKER" SET MARKING THE MOST NORTHERLY NORTHWEST CORNER AND **POINT OF BEGINNING** OF THE HEREIN DESCRIBED TRACT, FROM WHICH A TXDOT BRASS CAP MONUMENT STAMPED "270+27.74 LT 1648.34" FOUND IN THE PROPOSED SOUTH RIGHT-OF-WAY LINE OF UNITED STATES HIGHWAY 190 AS SHOWN ON PLANS PROVIDED BY THE TEXAS DEPARTMENT OF TRANSPORTATION FOR THE PROPOSED WIDENING OF UNITED STATES HIGHWAY 190 AND THE PROPOSED U.S. 190 BY-PASS RIGHT-OF-WAY (DATED 09-20-03) BEARS N 88°12'01" E – 0.55';

THENCE N 88°12'01" E – 1793.24' WITH SAID PROPOSED RIGHT-OF-WAY LINE OF UNITED STATES HIGHWAY 190 TO A TXDOT BRASS CAP MONUMENT STAMPED "280+58.06 LT 405.85" FOUND MARKING AN ANGLE POINT AT THE WEST CUT-BACK LINE OF THE PROPOSED U.S. 190 BY-PASS RIGHT-OF-WAY, MARKING THE MOST NORTHERLY NORTHEAST CORNER OF THE HEREIN DESCRIBED TRACT;

THENCE S 21°37'17" E – 189.57' WITH SAID CUT-BACK LINE TO A TXDOT BRASS CAP MONUMENT STAMPED "280+09.21 LT 223.87" FOUND MARKING AN ANGLE POINT IN THE WEST LINE OF PROPOSED U.S. 190 BY-PASS RIGHT-OF-WAY;

THENCE WITH THE WEST LINE OF THE PROPOSED U.S. 190 BY-PASS RIGHT-OF-WAY PASSING THROUGH FORT HOOD MILITARY RESERVATION AND THE ABOVE-MENTIONED TRACTS CONVEYED TO THE UNTIED STATES OF AMERICA THE FOLLOWING 5 CALLS:

1) **S 41°10'22" W – 538.04'** TO A TXDOT BRASS CAP MONUMENT STAMPED "275+00 LT 160.00" FOUND MARKING A POINT OF CURVATURE OF A NON-TANGENT CURVE TO THE LEFT,
2) **AN ARC DISTANCE OF 1213.41'** WITH SAID CURVE TO THE LEFT HAVING A RADIUS OF 3990.07' AND A CHORD WHICH BEARS S 35°27'56" W – 1208.74' TO A TXDOT BRASS CAP MONUMENT STAMPED "263+35.36 LT 160.00" FOUND MARKING THE POINT OF TANGENCY,
3) **S 26°46'12" W – 219.78'** T O A TXDOT BRASS CAP MONUMENT STAMPED "261+15.65 LT 160.00" FOUND MARKING AN ANGLE POINT,

4) **S 30°48'11" W – 1857.27' (DIRECTIONAL CONTROL LINE AS SHOWN ON SAID TXDOT PLANS DATED 09-20-03)** TO A TXDOT BRASS CAP MONUMENT STAMPED "242+63.17 LT 291.23" FOUND MARKING A POINT OF CURVATURE OF A CURVE TO THE LEFT,
5) **AN ARC DISTANCE OF 115.70'** WITH SAID CURVE TO THE LEFT HAVING A RADIUS OF 3110.00' AND A CHORD WHICH BEARS S 29°44'32" W – 115.69' TO A TXDOT BRASS CAP MONUMENT STAMPED "241+47.73 LT 297.25" FOUND MARKING AN ANGLE POINT AT A CUT-BACK TO OLD COPPERAS COVE ROAD;

THENCE S 61°48'41" W – 151.09' WITH SAID CUT-BACK LINE TO A TXDOT BRASS CAP MONUMENT STAMPED "240+23.98 LT 348.02" FOUND MARKING THE END OF SAID CUT-BACK LINE;

THENCE S 23°20'11" W – 45.73' CONTINUING WITH THE WEST LINE OF THE PROPOSED U.S. 190 BY-PASS RIGHT-OF-WAY TO A 1/2" IRON ROD WITH CAP STAMPED "G.E. WALKER" SET IN THE NORTH RIGHT-OF-WAY LINE OF THE PROPOSED OLD COPPERAS COVE ROAD (80' WIDE R.O.W.), MARKING THE MOST SOUTHERLY SOUTHEAST CORNER OF THE HEREIN DESCRIBED TRACT;

THENCE WITH THE NORTH RIGHT-OF-WAY LINE OF THE PROPOSED OLD COPPERAS COVE ROAD (80' WIDE R.O.W.) THE FOLLOWING 4 CALLS:

1) **N 81°05'22" W – 850.59'** TO A 1/2" IRON ROD WITH CAP STAMPED "G.E. WALKER" SET MARKING THE POINT OF CURVATURE OF A CURVE TO THE RIGHT,
2) **AN ARC DISTANCE OF 131.62'** WITH SAID CURVE TO THE RIGHT HAVING A RADIUS OF 125.00' AND A CHORD WHICH BEARS N 50°55'32" W – 125.62' TO A 1/2" IRON WITH CAP STAMPED "G.E. WALKER" SET MARKING A POINT OF TANGENCY,
3) **N 20°45'41" W – 89.60'** TO A 1/2" IRON ROD WITH CAP STAMPED "G.E. WALKER" SET MARKING THE POINT OF CURVATURE OF A CURVE TO THE LEFT,
4) **AN ARC DISTANCE OF 113.83'** WITH SAID CURVE TO THE LEFT HAVING A RADIUS OF 150.00' AND A CHORD WHICH BEARS N 42°30'04" W – 111.12' TO A 1/2" IRON ROD WITH CAP STAMPED "G.E. WALKER" SET IN THE EAST RIGHT-OF-WAY LINE OF CONSTITUTION DRIVE (80' WIDE R.O.W. – NO FORMAL DEDICATION FOUND OF RECORD), MARKING THE SOUTHWEST CORNER OF THE HEREIN DESCRIBED TRACT;

THENCE WITH THE EAST RIGHT-OF-WAY LINE OF CONSTITUTION DRIVE (A PORTION OF SAID RIGHT-OF-WAY DEDICATED BY C.C.C.D. 169878 OF THE O.P.R.C.C.T.) THE FOLLOWING 3 CALLS:

1) **AN ARC DISTANCE OF 91.83'** WITH A CURVE TO THE LEFT HAVING A RADIUS OF 574.23' AND A CHORD WHICH BEARS N 15°07'12" E – 91.74' TO A 1/2" IRON ROD WITH CAP STAMPED "G.E. WALKER" SET MARKING A POINT OF TANGENCY,
2) **N 10°32'18" E – 451.98'** TO A 1/2" IRON ROD WITH CAP STAMPED "G.E. WALKER" SET MARKING THE POINT OF CURVATURE OF A CURVE TO THE RIGHT,
3) **AN ARC DISTANCE OF 50.81'** WITH SAID CURVE TO THE RIGHT HAVING A RADIUS OF 2925.66' AND A CHORD WHICH BEARS N 10°56'16" E – 50.81' TO A POINT AT THE SOUTH CORNER OF A PORTION OF THE REMAINDER OF A CALLED 92.780 ACRE TRACT DESCRIBED IN A DEED TO COPPERAS COVE INDUSTRIAL FOUNDATION, INC. RECORDED IN VOLUME 460, PAGE 752 OF THE DEED RECORDS OF CORYELL COUNTY, TEXAS, SAME BEING A CORNER A PORTION OF THE SAID REMAINDER OF THE 87.21 ACRE COPPERAS COVE ECONOMIC DEVELOPMENT CORPORATION TRACT;

THENCE WITH THE COMMON LINE OF THE 92.780 AND 87.21 ACRE TRACTS THE FOLLOWING 3 CALLS:

1) **N 33°13'01" E – 594.42'** TO A POINT OF CURVATURE,
2) **AN ARC DISTANCE OF 305.23'** WITH A CURVE TO THE RIGHT HAVING A RADIUS OF 1916.30' AND A CHORD WHICH BEARS N 37°46'48" E – 304.91' TO A 3/8" IRON ROD FOUND MARKING A POINT OF TANGENCY,
3) **N 42°20'34" E – 231.24'** TO A 1/2" IRON ROD WITH CAP STAMPED "G.E. WALKER" SET IN THE SOUTH RIGHT-OF-WAY LINE OF MARTIN LUTHER KING, JR. BOULEVARD, MARKING THE NORTHEAST CORNER OF THE SAID REMAINDER OF THE 92.780 ACRE TRACT;

THENCE N 42°20'34" E – 60.00' ALONG THE COMMON LINE OF THE EAST RIGHT-OF-WAY LINE OF MARTIN LUTHER KING, JR. BOULEVARD AND THE SAID REMAINDER OF THE 87.21 ACRE TRACT TO A 1/2" IRON ROD WITH CAP STAMPED "G.E. WALKER" FOUND MARKING A CORNER OF MARTIN LUTHER KING, JR. BOULEVARD RIGHT-OF-WAY, ALSO MARKING THE SOUTH CORNER OF LOT 2B, BLOCK 1, COPPERAS COVE 190 BUSINESS & INDUSTRIAL PARK ADDITION, PHASE TWO, RECORDED IN CABINET "B" SLIDE 640 OF THE P.R.C.C.T.;

THENCE N 42°20'34" E – 1273.49' WITH THE EAST LINE OF THE SAID BLOCK 1, COPPERAS COVE 190 BUSINESS & INDUSTRIAL PARK ADDITION, PHASE TWO, RECORDED IN CABINET "A" SLIDE 369 OF THE P.R.C.C.T. TO A POINT OF CURVATURE;

THENCE AN ARC DISTANCE OF 817.11' CONTINUING WITH THE SAID LINE OF BLOCK 1 AND A CURVE TO THE LEFT HAVING A RADIUS OF 404.40' AND A CHORD WHICH BEARS N 15°34'36" W – 685.03' TO A POINT FOR THE NORTHEAST CORNER OF LOT 1C OF THE SAID BLOCK 1, COPPERAS COVE 190 BUSINESS & INDUSTRIAL PARK ADDITION, PHASE TWO;

THENCE AN ARC DISTANCE OF 1.97' WITH THE NORTH LINE OF SAID LOT 1C AND A CURVE TO THE LEFT HAVING A RADIUS OF 404.40' AND A CHORD WHICH BEARS N 73°36'03" W – 1.97' TO THE POINT OF BEGINNING.

THIS DESCRIPTION IS BASED UPON THE SURVEY AND PLAT, ATTACHED HERETO, PREPARED BY KEVIN R. HESSEL, REGISTERED PROFESSIONAL LAND SURVEYOR NO. 5344, ON THE 9TH DAY OF MAY, 2008.

COMPILED FROM RECORDS: FEBRUARY 13, 2010
RELEASED: AUGUST 13, 2010

KEVIN R. HESSEL, R.P.L.S. 5344

PROJ NO. 1-01737
PLAT NO. REF: B1-0179
FIELD NOTE NO. 1-01737-FN-01
MAP CHECKED BY KRH

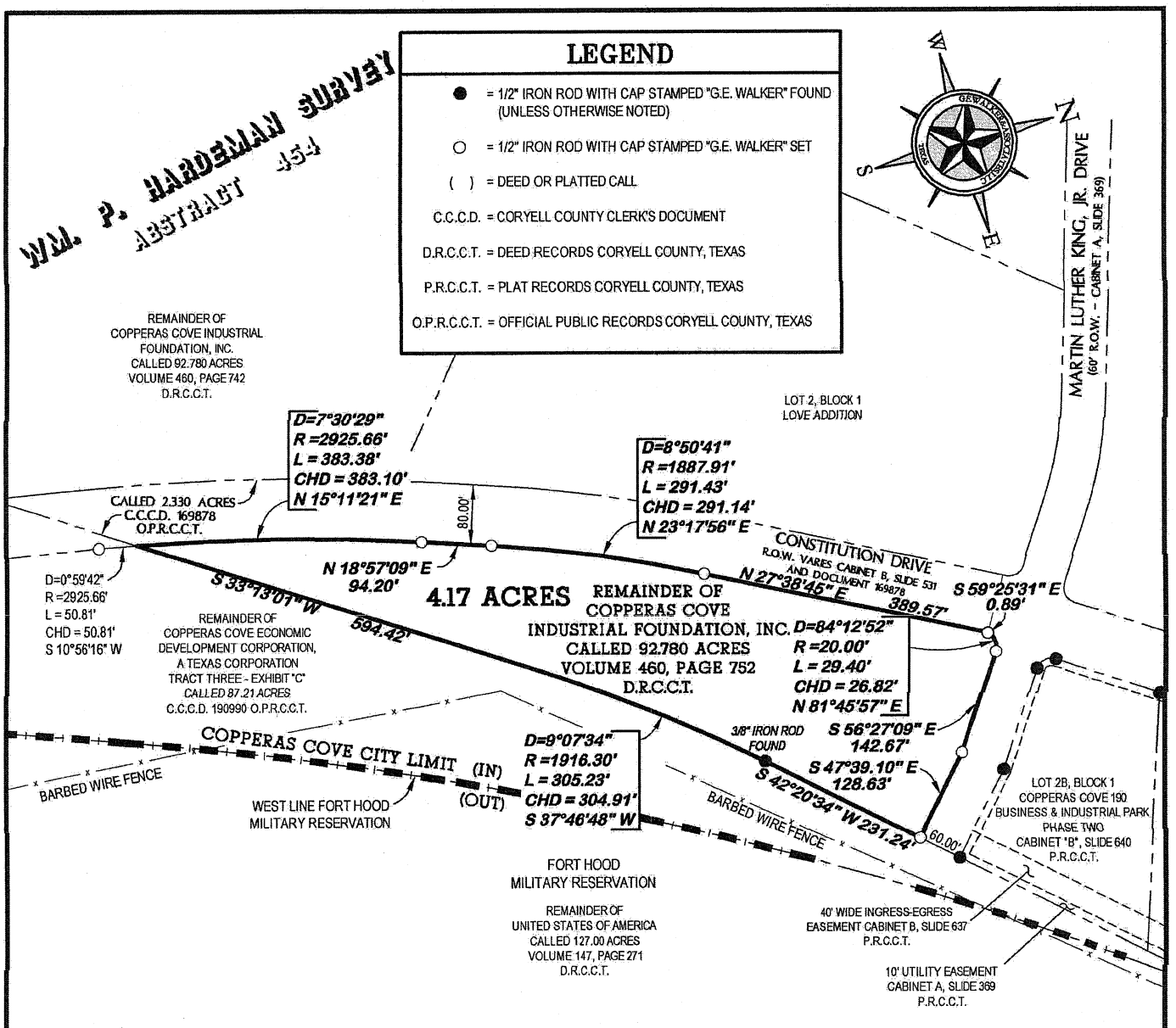


EXHIBIT SHOWING
A 4.17 ACRE TRACT OF LAND

LOCATED IN THE WM. P. HARDEMAN SURVEY, ABSTRACT 454 IN THE CITY OF COPPERAS COVE, CORYELL COUNTY, TEXAS AND BEING A REMAINDER OF A CALLED 92.780 ACRE TRACT DESCRIBED IN A DEED TO COPPERAS COVE INDUSTRIAL FOUNDATION, INC. RECORDED IN VOLUME 460, PAGE 752 OF THE DEED RECORDS OF CORYELL COUNTY, TEXAS,

G.E. WALKER & ASSOCIATES DID NOT ABSTRACT THE SUBJECT TRACT. THIS EXHIBIT DRAWING WAS PREPARED WITHOUT THE BENEFIT OF A TITLE COMMITMENT. G.E. WALKER & ASSOCIATES DOES NOT GUARANTEE THAT ALL OF THE EASEMENTS, RESTRICTIONS OR OTHER RIGHTS (EITHER OF RECORD OR NOT OF RECORD) WHICH MAY EFFECT THE SUBJECT TRACT ARE SHOWN HEREON.

G. E. WALKER & ASSOCIATES, L.L.C.
ENGINEERS ★ SURVEYORS
TEXAS
600 AUSTIN AVENUE, SUITE 20 • WACO, TEXAS 76701 • PHONE: 1-254-714-1402

0 100 200 400
GRAPHIC SCALE IN FEET

REVISIONS

PLAT NO. A1-0238 DRAFT DATE 06-11-08 FB/PG 1-72/20
PROJ. NO. 2-01317 TAB NO. NA FIELD NOTE NO. 02
DWG. NAME 2-01317EXHIBIT 4.17 AC DRAWN BY KRH

4.17 ACRES
LOCATED IN THE WM. P. HARDEMAN SURVEY, ABSTRACT 454
IN THE CITY OF COPPERAS COVE, CORYELL COUNTY, TEXAS

FIELD NOTES FOR A 4.17 ACRE TRACT OF LAND LOCATED IN THE WM. P. HARDEMAN SURVEY, ABSTRACT 454, IN THE CITY OF COPPERAS COVE, CORYELL COUNTY, TEXAS, BEING A PORTION OF A REMAINDER OF A CALLED 92.780 ACRE TRACT DESCRIBED IN A DEED TO COPPERAS COVE INDUSTRIAL FOUNDATION, INC. RECORDED IN VOLUME 460, PAGE 752 OF THE DEED RECORDS OF CORYELL COUNTY, TEXAS (D.R.C.C.T.). SAID 4.17 ACRES BEING MORE PARTICULARLY DESCRIBED BY METES AND BOUNDS AS FOLLOWS:

BEGINNING AT A 1/2" IRON ROD WITH CAP STAMPED "G.E. WALKER" SET IN THE SOUTH RIGHT-OF-WAY LINE OF MARTIN LUTHER KING, JR. DRIVE (60' WIDE R.O.W. DEDICATED BY PLAT RECORDED IN CABINET "A", SLIDE 369 OF THE PLAT RECORDS OF CORYELL COUNTY, TEXAS), SAID IRON ROD BEING IN THE WEST LINE OF THE REMAINDER OF A CALLED 87.21 ACRE TRACT DESCRIBED AS TRACT THREE – EXHIBIT "C" IN A DEED TO COPPERAS COVE ECONOMIC DEVELOPMENT CORPORATION RECORDED UNDER CORYELL COUNTY CLERK'S DOCUMENT 190990 OF THE OFFICIAL PUBLIC RECORDS OF CORYELL COUNTY, TEXAS, MARKING THE NORTHEAST CORNER OF THE HEREIN DESCRIBED TRACT;

THENCE S 42°20'34" W – 231.24' LEAVING SAID LINE OF MARTIN LUTHER KING, JR. DRIVE WITH THE COMMON LINE OF THE REMAINDER OF THE 87.21 ACRE TRACT AND THE ABOVE-MENTIONED REMAINDER OF THE 92.780 ACRE TRACT TO A 3/8" IRON ROD FOUND MARKING A POINT OF CURVATURE;

THENCE AN ARC DISTANCE OF 305.23' CONTINUING WITH SAID COMMON LINE AND A CURVE TO THE LEFT HAVING A RADIUS OF 1916.30' AND A CHORD WHICH BEARS S 37°46'48" W – 304.91' TO A POINT OF TANGENCY;

THENCE S 33°13'01" W – 594.42' CONTINUING WITH SAID COMMON LINE TO A POINT IN A CURVE IN THE EAST RIGHT-OF-WAY LINE OF CONSTITUTION DRIVE (80' WIDE R.O.W. DEDICATED BY CORYELL COUNTY CLERK'S DOCUMENT 169878 OF THE OFFICIAL PUBLIC RECORDS OF CORYELL COUNTY, TEXAS) FOR THE MOST SOUTHERLY CORNER OF THE HEREIN DESCRIBED TRACT;

THENCE WITH THE SAID EAST RIGHT-OF-WAY LINE OF CONSTITUTION DRIVE THE FOLLOWING 6 CALLS:

1) **AN ARC DISTANCE OF 383.38'** WITH A CURVE TO THE RIGHT HAVING A RADIUS OF 2925.66' AND A CHORD WHICH BEARS N 15°11'21" E – 383.10' TO A 1/2" IRON ROD WITH CAP STAMPED "G.E. WALKER" SET,
2) **N 18°57'09" E – 94.20'** TO A 1/2" IRON ROD WITH CAP STAMPED "G.E. WALKER" SET MARKING THE POINT OF CURVATURE OF A CURVE TO THE RIGHT,
3) **AN ARC DISTANCE OF 291.43'** WITH SAID CURVE TO THE RIGHT HAVING A RADIUS OF 1887.91' AND A CHORD WHICH BEARS N 23°17'56" E – 291.14' TO A 1/2" IRON ROD WITH CAP STAMPED "G.E. WALKER" SET,
4) **N 27°38'45" E – 389.57'** TO A 1/2" IRON ROD WITH CAP STAMPED "G.E. WALKER" SET IN THE SOUTH RIGHT-OF-WAY LINE OF MARTIN LUTHER KING, JR. DRIVE (60' WIDE R.O.W. – CABINET "A", SLIDE 369);

THENCE WITH SAID SOUTH RIGHT-OF-WAY LINE OF MARTIN LUTHER KING, JR. DRIVE THE FOLLOWING 4 CALLS:

1) **S 59°25'31" E – 0.89'** TO A 1/2" IRON ROD WITH CAP STAMPED "G.E. WALKER" SET MARKING THE POINT OF CURVATURE OF A CURVE TO THE RIGHT,
2) **AN ARC DISTANCE OF 29.40'** WITH SAID CURVE TO THE RIGHT HAVING A RADIUS OF 20.00' AND A CHORD WHICH BEARS N 81°45'57" E – 26.82' TO A 1/2" IRON ROD WITH CAP STAMPED "G.E. WALKER" SET MARKING A POINT OF TANGENCY,
3) **S 56°27'09" E – 142.67'** TO A 1/2" IRON ROD WITH CAP STAMPED "G.E. WALKER" SET MARKING THE AN ANGLE POINT,
4) **S 47°39'10" E – 128.63'** TO THE POINT OF BEGINNING.

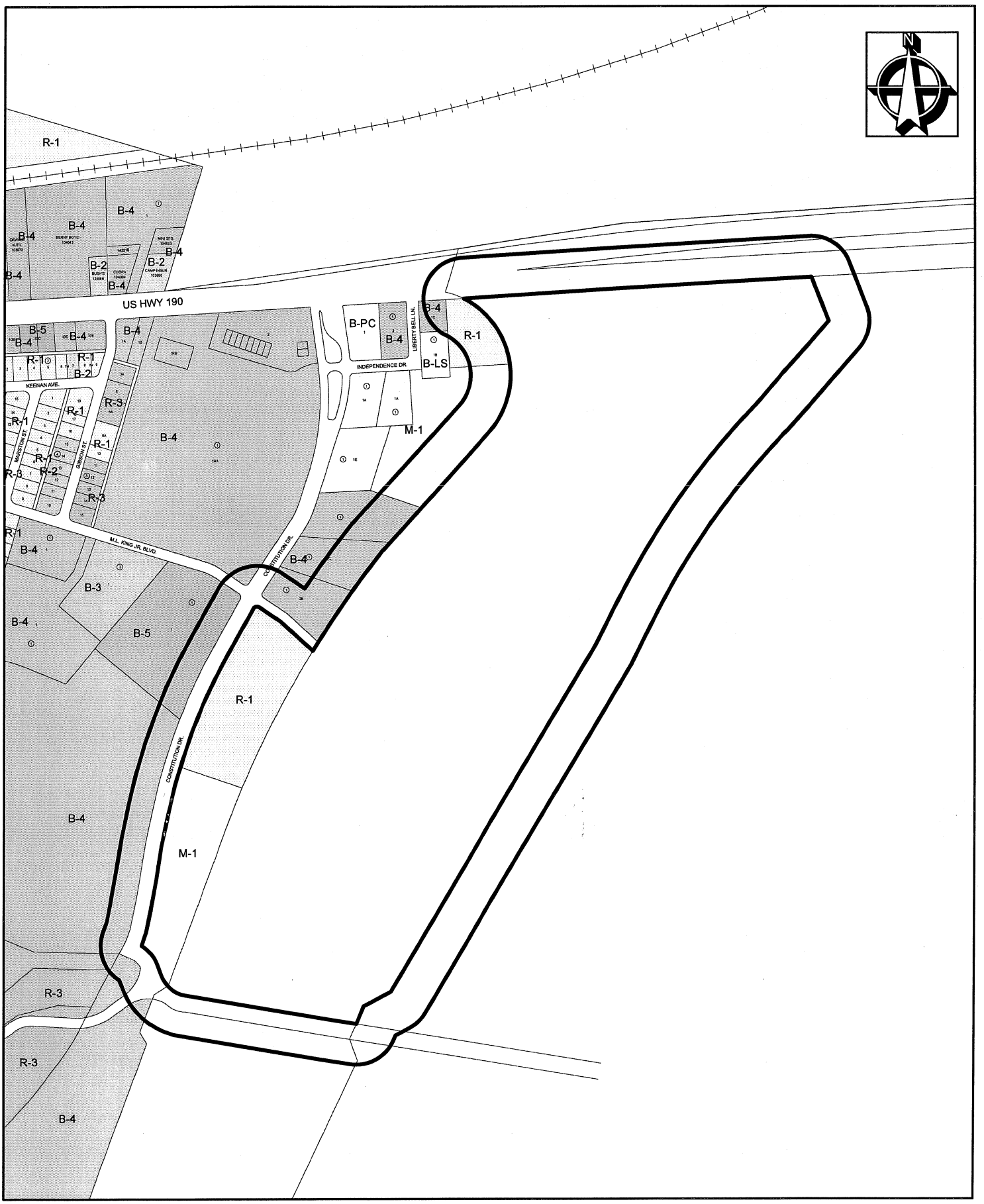
SURVEYED: MAY 8, 2008

RELEASED: JUNE 9, 2008

STATE OF TEXAS
REGISTERED
KEVIN R. HESSEL
5344
PROFESSIONAL
LAND SURVEYOR

KEVIN R. HESSEL, R.P.L.S. 5344

PROJ NO. 2-01317
PLAT NO. REF: D1-0119
FIELD NOTE NO. 2-01317-FN-02
MAP CHECKED BY KRH



EDC PROPETY
200' REZONE RADIUS

City Council Regular **Item #: H. 2.**

Date: 09/21/2010

Contact: Wesley Wright, Projects Director/City Engineer, Engineering

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Information

SUBJECT

Public hearing, consideration and action on an ordinance for a drainage easement abandonment at 1505 Vista Circle. ***Wesley Wright, P.E., City Engineer***

BACKGROUND/HISTORY

Joshua Hernandez, owner of 1505 Vista Circle, submitted an application requesting abandonment of an existing 10' drainage easement on the east side of the property.

FINDINGS/CURRENT ACTIVITY

Current city ordinance prohibits fences and structures in any drainage easement. The applicant is requesting the easement abandonment to prevent being required to relocate a privacy fence and storage shed.

The applicant has stated that water does not drain through the easement. Recent rain events support the property owner's claim.

Over the past several years staff has dealt with a property owner regarding drainage on Vista Circle. Should any property owner in the area modify lot drainage, the possibility that subsequent problems could arise within the City maintained right-of-way exists. The easement in question is the only location that City forces could legally utilize exclusively for drainage improvements.

The two existing drainage easements on 1504 and 1505 Vista Circle provide 20' of drainage easement exclusively to the City of Copperas Cove, and are wide enough to accommodate most construction equipment. The two easements together also provide a reasonable width to accommodate possible future underground or above ground drainage improvements.

Furthermore, the original civil engineering design drawings show storm water runoff designed to discharge through the easement and another 10' easement directly adjacent on 1504 Vista Circle (20' total).

A 10' utility easement west of 1505 Vista Circle on 1503 Vista Circle currently exists. The utility easement could be used for drainage purposes. However, the City does not have exclusive rights to the easement. Any franchise utility has permission to occupy utility easements. Additionally, 10' is not necessarily wide enough to provide adequate space to install permanent improvements.

ACTION OPTIONS/RECOMMENDATION

City staff recommends that the City Council conduct a public hearing and deny the request to abandon the 10' drainage easement on 1505 Vista Circle.

However, on September 8, 2010, the Planning and Zoning Commission conducted a public hearing and unanimously recommended that the City Council approve the easement abandonment request.

Attachments

Link: Abandonment ordinance

Link: 1505 Vista Circle DE Abandonment Exhibit A

Link: Vista Circle Letter, Plat & Plans

ORDINANCE NO. 2010-44

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF COPPERAS COVE, TEXAS ABANDONING A TEN (10) FOOT DRAINAGE EASEMENT LOCATED ON LOT 8, BOULDER RUN ADDITION, LOCALLY KNOWN AS 1505 VISTA CIRCLE AND SHOWN IN EXHIBIT A.

WHEREAS, the hereinabove described property owner petitioned for abandonment of subject easement; and

WHEREAS, the City Council has determined that the subject drainage easement is not required to provide proper drainage to the surrounding areas; and

WHEREAS, the City Council has determined that the subject drainage easement will not be needed in the future; and

WHEREAS, all required public notices and property owner notifications have been made; and

WHEREAS, the Planning and Zoning Commission of the City of Copperas Cove held a public hearing on September 8, 2010, and voted unanimously to recommend approval of the requested abandonment to the City Council of the City of Copperas Cove; and

WHEREAS, the City Council of the City of Copperas Cove held the required public hearing concerning the requested abandonment on September 21, 2010, and approved the request.

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

SECTION 1.

That the ten (10) foot drainage easement noted as "10.0 D.E." on Exhibit A located on Lot 8, Boulder Run Addition, Copperas Cove, Coryell County, Texas, locally known as 1505 Vista Circle is hereby abandoned.

SECTION 2.

That should any section, clause, or provision of this ordinance be declared by a court of competent jurisdiction to be invalid, the same shall not affect the validity of this ordinance or any other ordinance of the City as a whole or any part thereof, other ordinance of the City as a whole or any part thereof, other than the part so declared to be invalid.

SECTION 3.

That this ordinance shall go into effect upon passage.

PASSED, APPROVED AND ADOPTED this 21st day of September 2010, at a regular meeting of the City Council of the City of Copperas Cove, Texas, which meeting was held in compliance with the Open Meetings Act, *Tex. Gov't. Code* §551.001, et.seq., at which meeting a quorum was present and voting.

_____
John Hull, Mayor

ATTEST:

_____
Jane Lees, City Secretary

APPROVED AS TO FORM:

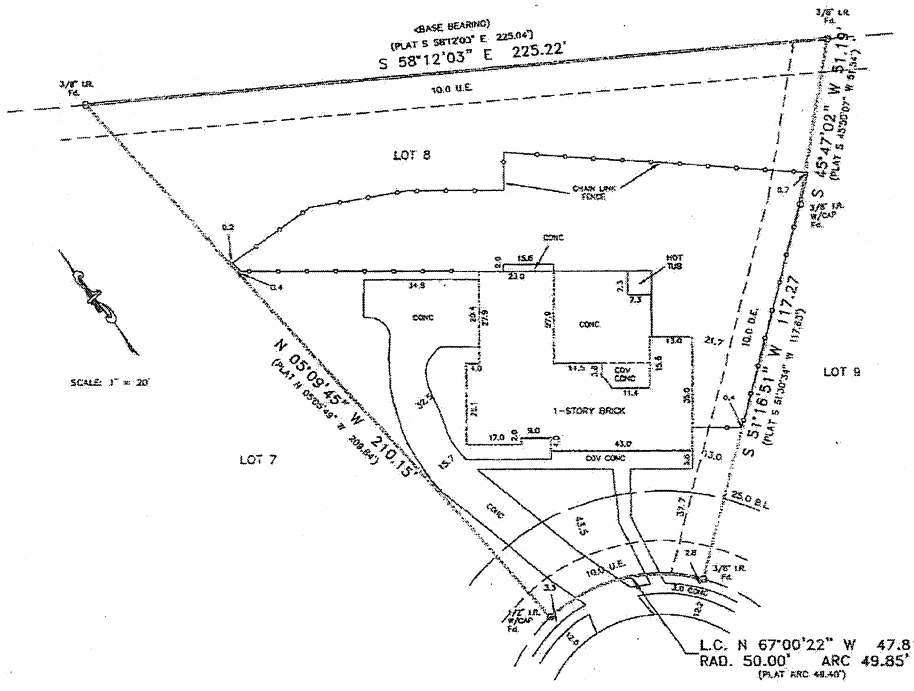
_____
Denton, Navarro, Rocha
& Bernal, P.C., City Attorney

EXHIBIT A

29257 blm ID No. 1572 ERA COLONIAL <SERVER\CERTS\1505VISTA.DWG> GWM 1495/21

M & A

MITCHELL & ASSOCIATES, INC.
ENGINEERING & SURVEYING
102 N.COLLEGE ST., KILLEEN, TEXAS (254) 634-5541



1505 VISTA CIRCLE

LOT 8, BOULDER RUN ADDITION, COPPERAS COVE, CORYELL COUNTY, TEXAS.
RECORDED IN CABINET A, SLIDE 355, PLAT RECORDS OF CORYELL COUNTY, TEXAS.

STATE OF TEXAS
COUNTY OF BELL

KNOW ALL MEN BY THESE PRESENTS, That I, Gary W. Mitchell, Registered Professional Land Surveyor, do hereby certify that I did cause to be surveyed on the ground the above described tract of land.

IN WITNESS THEREOF, My hand and seal this the 19th day of April, 2006.

Gary W. Mitchell
Registered Professional
Land Surveyor, No. 4982

STATE OF TEXAS REGISTERED GARY W. MITCHELL 4982 PROFESSIONAL LAND SURVEYOR

DRAWING NO. 06-203-B

REQUEST FOR ABANDONMENT

Hernandez, Joshua
1505 Vista Circle
Copperas Cove, TX 76522
(254)258-0152
Joshua.hernandez11b@yahoo.com

To Whom It May Concern:

I Joshua Hernandez am requesting an Abandonment of drainage easement on my property at 1505 Vista Circle.

The reason for my request is as follows.

1: Water/rain does not stand on my property. There are NEVER any puddles on my property, even after a heavy rain. Neighbors Mr. and Mrs. Koch and city officials Wesley Wright and Mike Morton can also verify this fact. My property sits higher than all other properties in my cul-de-sac so therefore water will ALWAYS run away from my property. Water/rain does not drain through so called easement; it drains on the other side of my property the North West side of my property

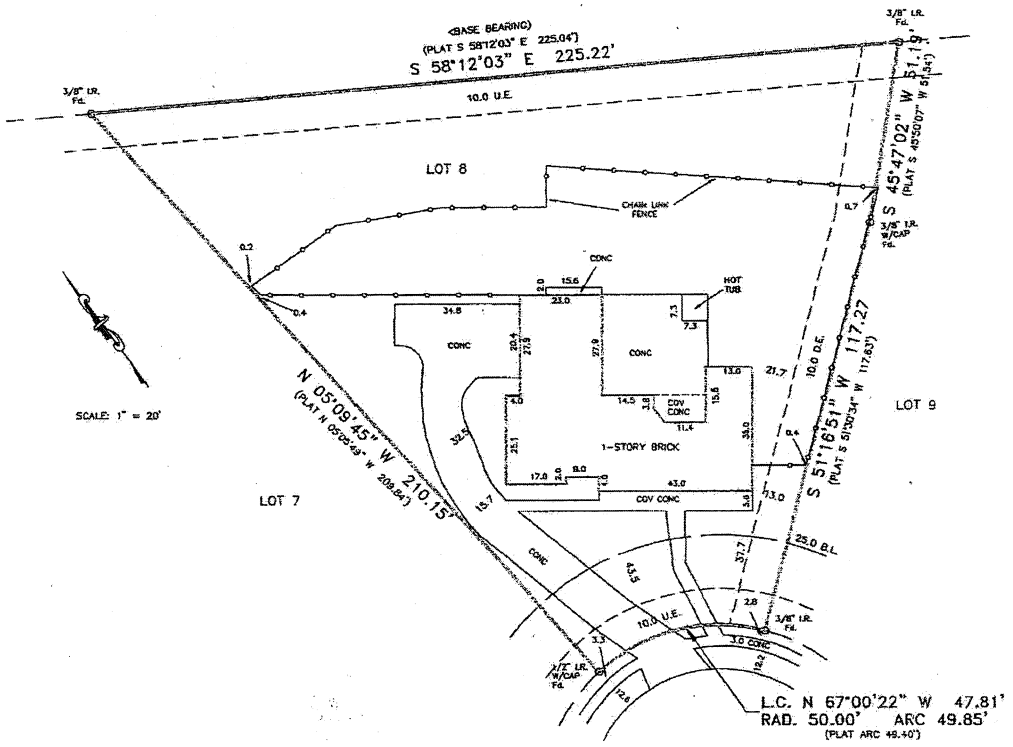
2: There has always been a fence in the "easement". Therefore that means that when property was built in 1996 the Inspector overlooked it and did not see a problem with its location. Furthermore even if water did drain through easement a fence would not hinder the flow of water/rain. Also the sprinkler system has always been in its current location and the City Inspector also did not see an issue with it back in 1996.

3: Requiring Mr. Koch (neighbor) and I to relocate fence and sheds will cost both of our families Thousands of unnecessary dollars. Seeing as how water/rain does not drain through easement as it is, relocating our sheds and fence will not make water/rain drain through easement. Furthermore my shed is on the edge of hill and sits on stilts so it definitely will not hinder flow of water/rain, if in fact water/rain did flow through easement.

Finally in closing, seeing as how water/rain already drains from the cul-de-sac in a completely different location, I see no reason to continue with the zoning of drainage easement on my property, and granting my request for abandonment.

M & A

MITCHELL & ASSOCIATES, INC.
ENGINEERING & SURVEYING
102 N.COLLEGE ST., KILLEEN, TEXAS (254) 634-5541



1505 VISTA CIRCLE

LOT 8, BOULDER RUN ADDITION, COPPERAS COVE, CORYELL COUNTY, TEXAS.
RECORDED IN CABINET A, SLIDE 355, PLAT RECORDS OF CORYELL COUNTY, TEXAS.

STATE OF TEXAS
COUNTY OF BELL

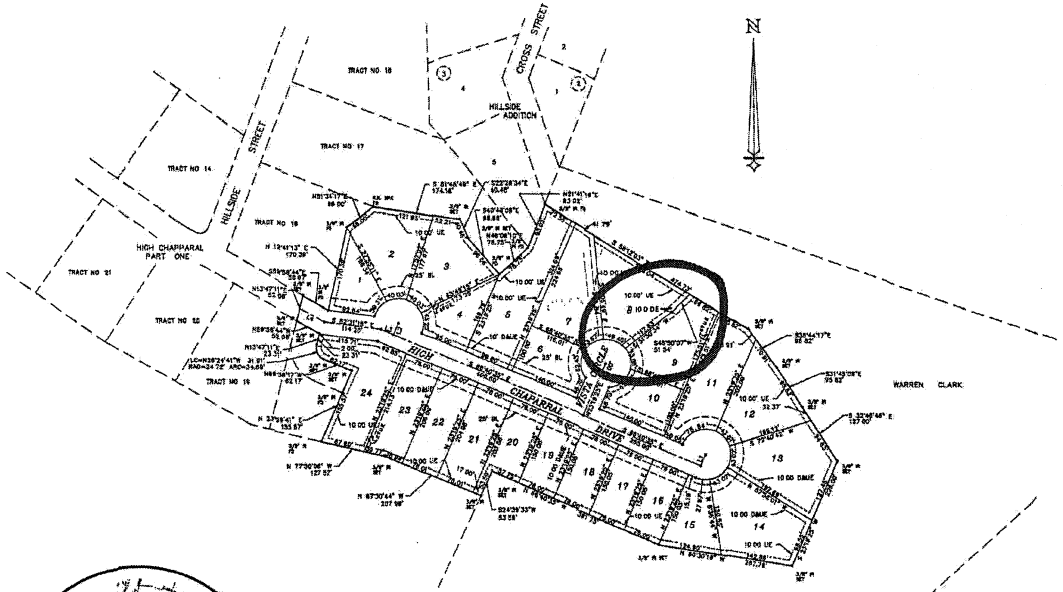
KNOW ALL MEN BY THESE PRESENTS, That I, Gary W. Mitchell, Registered Professional Land Surveyor, do hereby certify that I did cause to be surveyed on the ground the above described tract of land.

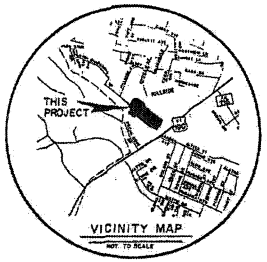
IN WITNESS THEREOF, My hand and seal this the 19th day of April, 2006.

Gary W. Mitchell
Registered Professional
Land Surveyor, No. 4982

STATE OF TEXAS REGISTERED GARY W. MITCHELL PROFESSIONAL LAND SURVEYOR

DRAWING NO. 06-203-B





VICINITY MAP
(1"=2M.)

LINE TABLE:

LINE	DIRECTION	DISTANCE
L1	N31°19'25"W	23.00'
L2	S32°47'15"W	23.00'
L3	S89°40'30"E	29.91'
L4	N59°58'47"W	54.25'

NOTE: 1. ALL UTILITY EASEMENTS MAY BE USED FOR DRAINAGE PURPOSES.

2. THE DEVELOPER IS RESPONSIBLE FOR SILT CONTROL AND THE MAINTENANCE OF DRAINAGE WAY UNTIL GRASS COVER IS ESTABLISHED.

24 LOTS
10.897 ACRES

KNOW ALL MEN BY THESE PRESENTS, that WARREN CLARK, whose address is P. O. Box 727, Copperas Cove, Texas 76522, being the sole owner of that certain 10.897 acre tract of land in Coryell County, Texas, part of the J. N. Clements Survey, Abstract No. 1315, which is more fully described in the dedication of BOULDER RUN ADDITION as shown by the plat hereof, attached hereto, and made a part hereon, and approved by the City Council of the City of Copperas Cove, Coryell County, Texas, and WARREN CLARK does hereby adopt said BOULDER RUN ADDITION, as an addition to the City of Copperas Cove, Coryell County, Texas, and hereby dedicates to said city all streets, avenues, roads, drives and alleys shown on said plat, the same to be used as public thoroughfares and for the installation and maintenance of public utilities when and as authorized by the City of Copperas Cove. The utility easements shown on said plat are dedicated to said city for the installation and maintenance of any and all public utilities, which the city may install or permit to be installed or maintained.

WARREN CLARK, OWNER

BEFORE ME, the undersigned, a Notary Public in and for said County and State, on this day personally appeared WARREN CLARK, known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that the same was the act of said WARREN CLARK, and that they executed the same for the purpose and consideration therein expressed.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, this 5th day of August, 1994 A.D.

NOTARY PUBLIC STATE OF TEXAS

APPROVED this the 13th day of June, 1994, by the Planning & Zoning Commission of the City of Copperas Cove, Coryell County, Texas.

CHAIRMAN, PLANNING COMMISSION — SECRETARY, PLANNING COMMISSION

APPROVED this the 21st day of June, 1994, by the City Council of the City of Copperas Cove, Coryell County, Texas.

MAYOR, CITY OF COPPERAS COVE — ATTEST: CITY SECRETARY

FILED FOR RECORD this 19th day of August, 1994 A.D., in Cabinet E, Slide 322, Plat Records of Coryell County, Texas.

KNOW ALL MEN BY THESE PRESENTS,

That I, Gale E. Mitchell, Registered Professional Land Surveyor, do hereby certify that I did prepare this plat from an actual and accurate survey of the land, that the corner monuments shown thereon were properly placed under my personal supervision in accordance with the subdivision regulations of the City of Copperas Cove, Texas.

Gale E. Mitchell
Registered Professional
Land Surveyor, No. 1602

LARGE BOULDERS OF A SIZE, SHAPE, POSITION AND LOCATION THAT THEY MAY REASONABLY BE EXPECTED TO MOVE DOWN THE SLOPE MUST BE REMOVED FROM THE SITE, RELOCATED OR REPOSITIONED SO THAT THEY WILL NOT REASONABLY BE EXPECTED TO BECOME DISLODGED OR OTHERWISE MOVE DOWNSLOPE, ALL TO THE CITY ENGINEER'S SATISFACTION.

CRACKS IN THE BUILDABLE AREA CREATED BY THE BOULDER/FILL EXTENSION ON THE TOP OF THE DEVELOPMENT MUST BE FILLED AND COMPACTED (LOTS 9 THROUGH 13). SAID LOTS MUST ALSO BE CERTIFIED BY AN ACCEPTABLE SOILS LABORATORY FOR RESIDENTIAL CONSTRUCTION.

Filed For Record
AT 9:20 O'CLOCK M
AUG 19 1994
County Clerk, Coryell Co., Texas

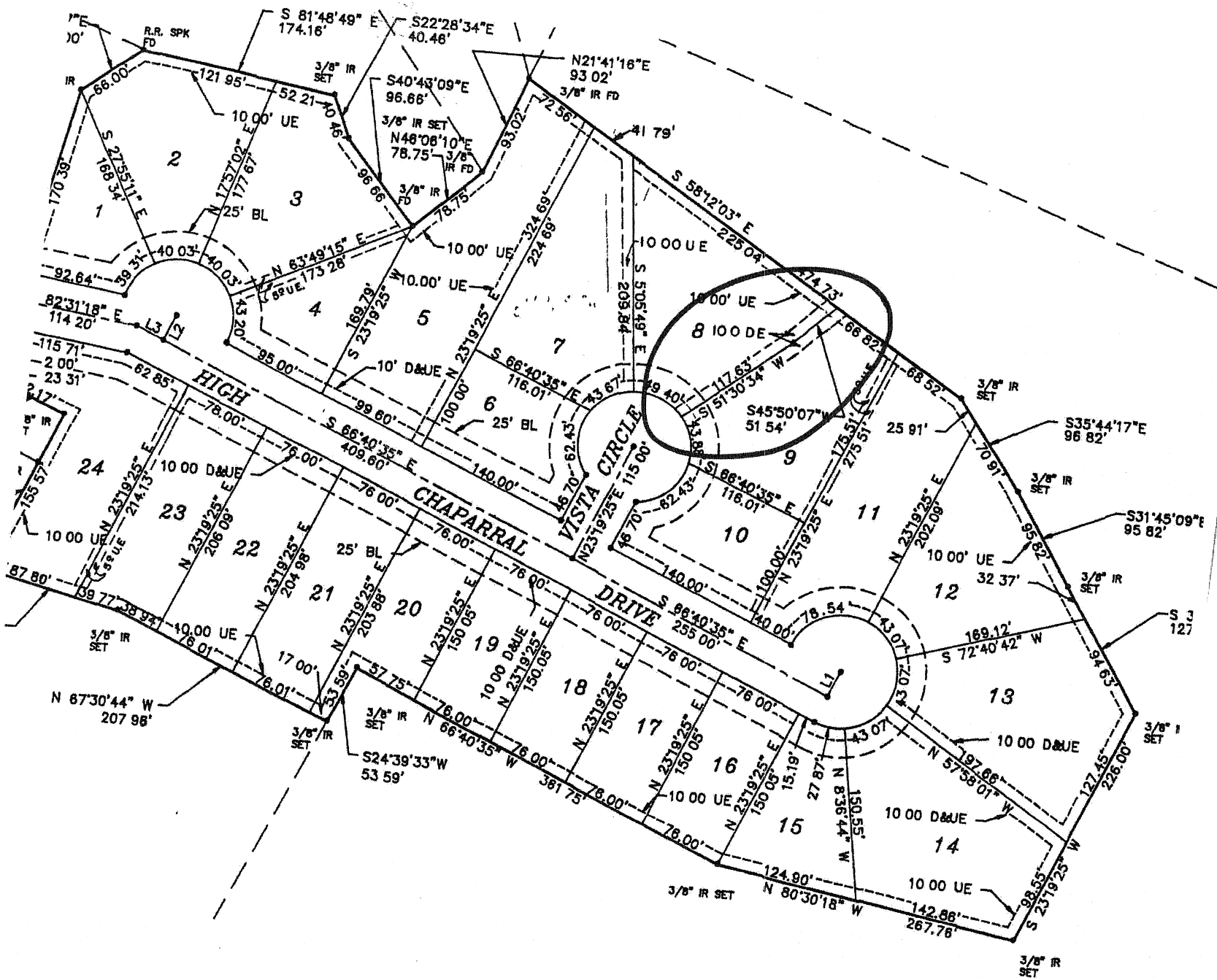
THE STATE OF TEXAS
COUNTY OF CORYELL
I, [illegible], County Clerk in and for the County and State aforesaid, do hereby certify that the foregoing instrument of writing and its certificate of authentication was filed for record in my office on the [illegible] day of [illegible] A.D. 19[illegible] at [illegible] o'clock [illegible] M. and duly recorded on the [illegible] day of [illegible] A.D. 19[illegible] at [illegible] o'clock [illegible] M. in the [illegible] of the [illegible] Records of said County.
WITNESS MY HAND AND SEAL OF OFFICE, the date last aforesaid.
[illegible], COUNTY CLERK
COUNTY, TEXAS

M & A — MITCHELL & ASSOCIATES — KILLEEN, TEXAS

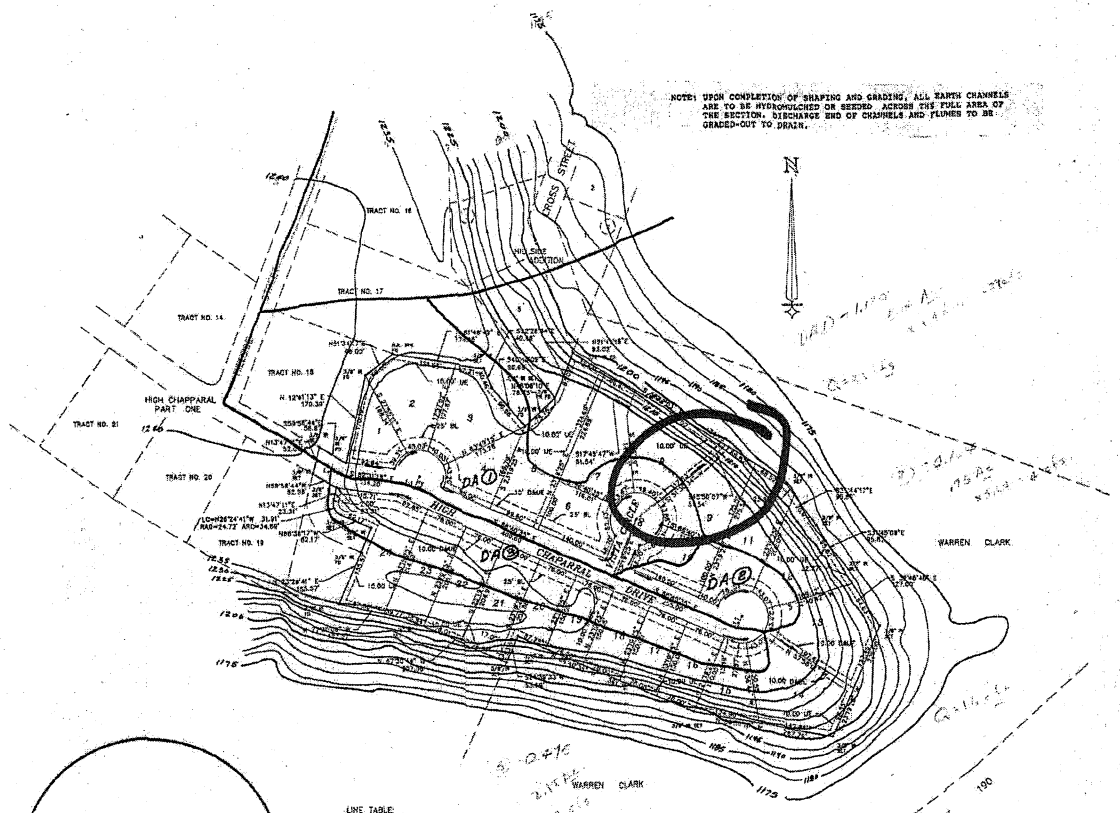
FINAL PLAT OF
BOULDER RUN ADDITION
COPPERAS COVE, CORYELL COUNTY, TEXAS

DGN BY: C.B.
DATE: 04/22/94
SCALE: 1"=100'

DRAWING NO.
10349-D


HIGH CHAPARRAL DRIVE
VISTA CIRCLE
S 81°48'49" E 174.16'
S22°28'34"E 40.46'
N21°41'16"E 93 02'
S40°43'09"E 96.66'
N48°06'10"E 78.75'
S 58°12'03" E 225 04'
S 66°40'35" E 409.60'
S 66°40'35" E 255 00'
N 67°30'44" W 207 98'
S24°39'33"W 53 59'
N 80°30'18" W 267.76'
S35°44'17"E 96 82'
S31°45'09"E 95 82'
S45°50'07"W 51 54'
S 72°40'42" W
N 57°58'01" W
10 00' UE
10 00' D&UE
25' BL
3/8" IR SET
3/8" IR FD
R.R. SPK FD

NOTE: UPON COMPLETION OF SHAPING AND GRADING, ALL EARTH CHANNELS ARE TO BE HYDROMULCHED OR SEEDED ACROSS THE FULL AREA OF THE SECTION. DISCHARGE END OF CHANNELS AND FLUMES TO BE GRADED-OUT TO DRAIN.



LINE TABLE:

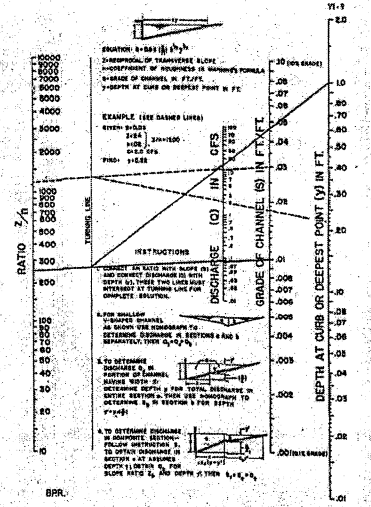
LINE	DIRECTION	DISTANCE
L1	N23°15'25"E	25.00'
L2	S23°19'25"W	25.00'
L3	S86°40'35"E	25.92'
L4	N59°56'44"W	59.36'

SPECIAL NOTE TO CONTRACTOR:
STREET CONSTRUCTION MUST INSURE THAT STORM WATER BE DIRECTED AS SHOWN AND THAT DRAINAGE AREAS REMAIN AS INDICATED.

10.887 ACRES

VICINITY MAP
(N.T.S.)

NOTE:
ALL ELEVATIONS SHOWN ARE U.S. COAST & GEODETIC SURVEY DATUM.



NOMOGRAPH FOR FLOW IN TRIANGULAR CHANNELS

Figure 1

BOULDER RUN

DRAINAGE SUMMARY

DA	ACRES	CL	Q_{25}	Qcum
1	5.14	5.64	29	29
2	0.75	5.64	4	-
3	2.18	5.64	12	16

MIN DITCH GRADE	=	1.0 %
SIDE SLOPES	=	1 : 10
RECIPROCAL	=	10
N	=	0.040
Z/N	=	250
DEPTH	=	1.0
Q	=	15
Q_T	=	30

MAX. LOAD = 29 cfs
CAPACITY = 30 cfs

V = 2.9 f/s
Use Grass Swale

NOTE: PROPOSED STREET SECTION IS 27' FT. WIDE H.M.A.C. WITH 11.5 FT. PARKWAY. SWALE DRAINAGE TO BE HANDLED IN PARKWAY/EASEMENT COMBINED.

STATE OF TEXAS
LESTER D. PEAK
REGISTERED PROFESSIONAL ENGINEER

Copperas Cove Consulting Engineers
APPROVED FOR CONSTRUCTION

DRAINAGE & TOPOGRAPHY

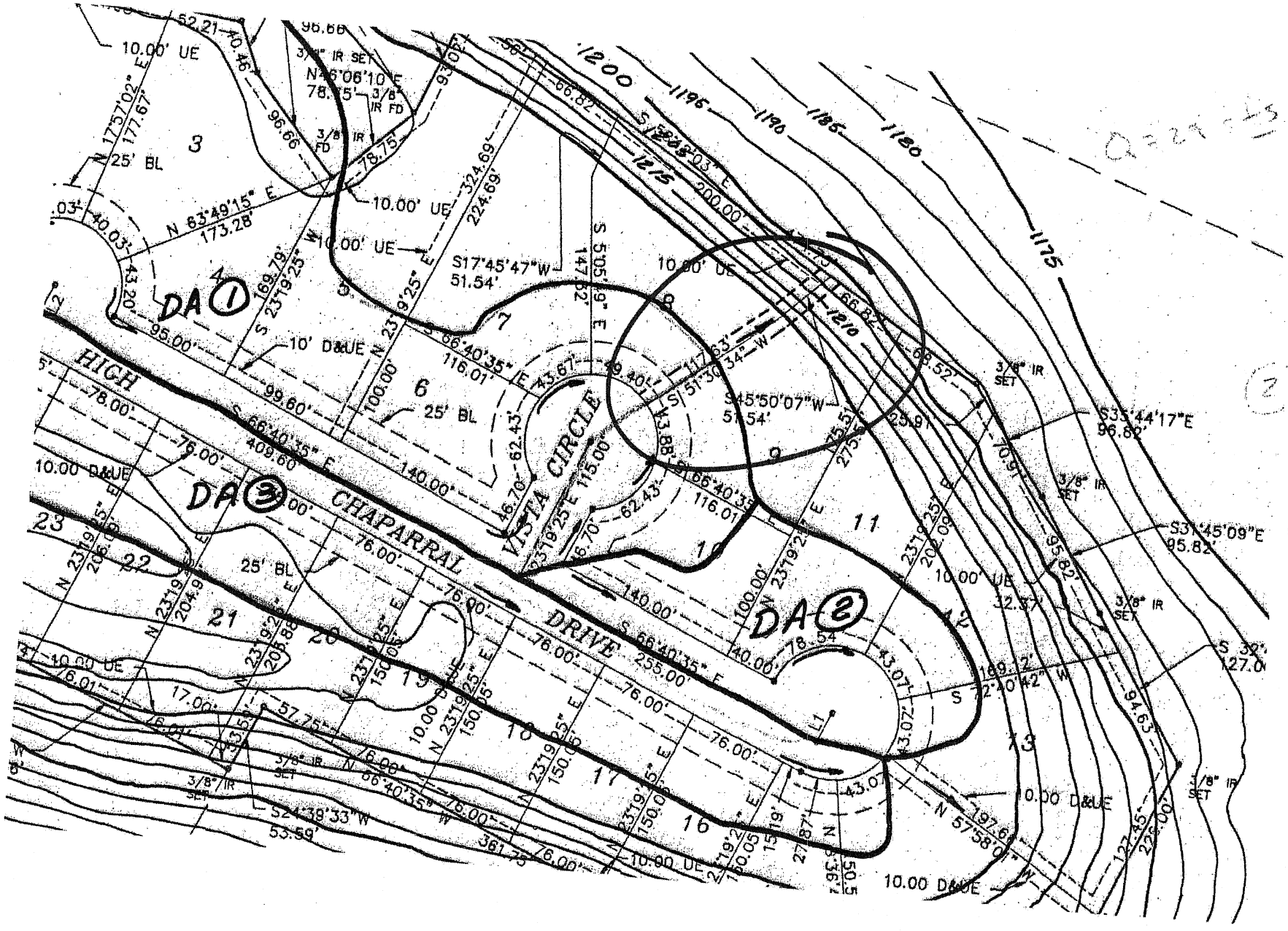
MITCHELL & ASSOCIATES
KILLEEN, TEXAS

M & A

BOULDER RUN ADDITION
COPPERAS COVE, CORYELL COUNTY, TEXAS

DGN BY C.B.
DATE: 04/22/94
SCALE 1"=100'

DRAWING NO.
10849-D



DA 1
DA 2
DA 3
HIGH CHAPARRAL DRIVE
VISTA CIRCLE
10.00' UE
10' D&UE
25' BL
N 63°49'15" E
173.28'
S17°45'47"W
51.54'
S45°50'07"W
51.54'
S35°44'17"E
96.82'
S31°45'09"E
95.82'
S24°39'33"W
53.59'
S 66°40'35" E
255.00'
S 72°40'42" W
N 57°58'01" W
1200
1195
1190
1185
1180
1175
1215
1210

City Council Regular **Item #: H. 3.**

Date: 09/21/2010

Contact: Imelda Rodriguez, Director of Finance, Finance

Information

SUBJECT

Public hearing, consideration and action on an ordinance amending the 2009-10 fiscal year budget for the City of Copperas Cove. ***Imelda Rodriguez, Director of Financial Services***

BACKGROUND/HISTORY

The 2009-10 budget was adopted on September 15, 2009 with budget amendments approved on October 13, 2009, November 3, 2009, March 2, 2010 and June 15, 2010. According to Section 6.16(b)(1) of the Copperas Cove City Charter, in order for the City Council to amend the 2009-10 budget it must first hold a public hearing on the proposed amendments. The Charter also provides a requirement that when fund balance is not to be used that only one public hearing be held. The proposed budget amendment will not require the use of fund balance. Thus, one public hearing will be required.

FINDINGS/CURRENT ACTIVITY

The General Fund requires a redistribution of $27,626 in expenditure appropriations.

In order to adequately fund the expenditures for the following departmental budgets, a budget amendment is required:

- Public Information $8,321
- Non-Departmental ($8,321)

The redistribution of appropriations includes the following:

- The Non-departmental Contingency (HOP) account is being depleted to cover expenses for the Hill Country Transit District for the provision of public transit services.
- The Non-departmental arbitrage rebate account requires an increase of $19,305 in expenditure appropriations. Each year an arbitrage analysis report is done on various bond issuances as required by the IRS. The City is permitted to cover the expenses associated with arbitrage calculations to a consultant and/or arbitrage fees due the IRS from remaining bond proceeds or from operating funds. The Non-departmental consulting fees and professional services accounts will be decreased by $5,236 and $14,069 respectfully. On June 15,2010, City Council approved a budget amendment to appropriate $4,819 in expenditures for a Health Consultant in the Non-departmental professional services account. The funds will not be used to pay for a Health Consultant and City staff recommends the appropriation of the funds to cover the remaining portion of the arbitrage calculation fees.

The Hotel Occupancy Tax Fund requires an increase of $16,000 in expenditure appropriations. The fund was reviewed and concluded that based on year to date revenues and revenues to be collected prior to year end, the revenue appropriation increases will offset the expenditure appropriations. Therefore, the Copperas Cove Chamber of Commerce can request additional funds.

ACTION OPTIONS/RECOMMENDATION

City staff recommends that the City Council hold a public hearing and take action on Ordinance No. 2010-45, amending the fiscal year 2009-10 Budget.

Attachments

Link: Ord Budget Amend

Link: Budget Amend by Fund-Dept

Link: Budget Amend Pub Notice

ORDINANCE NO. 2010-45

AN ORDINANCE APPROVING AND ADOPTING AN AMENDMENT TO THE BUDGET FOR OPERATING THE MUNICIPAL GOVERNMENT OF THE CITY OF COPPERAS COVE FOR THE FISCAL YEAR BEGINNING OCTOBER 1, 2009, AND ENDING ON SEPTEMBER 30, 2010; REPEALING ALL ORDINANCES AND APPROPRIATIONS IN CONFLICT WITH THE PROVISIONS OF THIS ORDINANCE; AND ESTABLISHING A SAVINGS CLAUSE AND AN EFFECTIVE DATE.

WHEREAS, the City Council desires to amend the operating budget of the municipal government of the City of Copperas Cove for the fiscal year October 1, 2009 to September 30, 2010; and

WHEREAS, said budget amendments have been submitted to the City Council by the City Manager in accordance with the City Charter; and

WHEREAS, public notices of public hearings upon this budget have been duly and legally made as required by City Charter and law.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF COPPERAS COVE:

SECTION I.

That the City Council of the City of Copperas Cove ratify, approve and adopt the amendments to the budget considered for the fiscal year of October 1, 2009 to September 30, 2010, as identified in "Attachment A" of this ordinance.

SECTION II.

That all ordinances for which provision has heretofore been made are hereby expressly repealed if in conflict with the provisions of this ordinance.

SECTION III.

That should any part, portion, or section of this ordinance be declared invalid or inoperative or void for any reason by a court of competent jurisdiction, such decision, opinion or judgment shall in no way affect the remaining portions, parts, or sections or parts of section of this ordinance, which provisions shall be, remain and continue to be in full force and effect.

SECTION IV.

That this ordinance shall take effect and be in full force and effect from and after its passage and publication according to law.

PASSED, APPROVED AND ADOPTED this 21st day of September 2010, at a regular called meeting of the City Council of the City of Copperas Cove, Texas, which meeting was held in compliance with the Open Meetings Act, *Tex. Gov't Code* 551.001, et.seq., at which meeting a quorum was present and voting.

_____
John Hull, Mayor

ATTEST:

_____
Jane Lees, City Secretary

APPROVED AS TO FORM:

_____
Denton, Navarro, Rocha
& Bernal, P.C., City Attorney

CITY OF COPPERAS COVE, TEXAS
FISCAL YEAR 2009-10 BUDGET
GENERAL FUND
SUMMARY OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE

Description	Actual FY 2008-09	Adopted FY 2009-10	Proposed Amendment	Amended Budget FY 2009-10
BEGINNING FUND BALANCE:				
Unreserved, Undesignated	$ 3,259,675	$ 3,292,395	$ -	$ 3,292,395
Prior Yr Enc Voided in Current Yr	125	-	-	-
Prior Period Adjustment	76,952	-	-	-
Unreserved, Designated	1,000,000	1,000,000	-	1,000,000
TOTAL BEGINNING FUND BALANCE	$ 4,336,752	$ 4,292,395	$ -	$ 4,292,395
REVENUES:				
Taxes	$ 10,689,885	$ 10,879,365	$ -	$ 10,879,365
Permits & Licenses	171,361	180,870	-	180,870
Charges for Services	887,869	898,510	-	898,510
Fines	868,420	919,398	-	919,398
Administrative Reimbursements	1,260,441	1,250,500	-	1,250,500
Miscellaneous Revenue	401,419	367,882	-	367,882
TOTAL REVENUES	$ 14,279,395	$ 14,496,525	$ -	$ 14,496,525
TOTAL FUNDS AVAILABLE	$ 18,616,147	$ 18,788,920	$ -	$ 18,788,920
EXPENDITURES:				
City Council (21)	$ 24,177	$ 41,399	$ -	$ 41,399
City Manager (22)	256,939	288,542		288,542
City Secretary (23)	165,440	173,712		173,712
City Attorney (24)	218,056	92,922		92,922
Finance (31)	621,029	715,340		715,340
Human Resources (34)	236,631	311,666		311,666
Public Affairs Office (4250)	108,657	113,942	8,321	122,263
Information Systems (35)	238,778	247,899		247,899
Municipal Court (41)	320,035	442,634		442,634
Police (42)	4,279,761	4,807,019	-	4,807,019
Animal Control (43)	205,542	234,331	-	234,331
Fire/EMS (44)	3,103,956	3,302,101	-	3,302,101
Emergency Management (4420)	3,526	7,359	-	7,359
Engineering (51)	147,911	191,554		191,554
Streets (53)	682,797	881,387	-	881,387
Fleet Services (55)	245,785	255,003	-	255,003
Facility Maintenance (57)	101,294	105,730	-	105,730
Planning (61)	164,239	102,717	-	102,717
Building Development (52)	237,846	244,748		244,748
Code & Health (72)	186,836	218,150	-	218,150
Parks and Recreation (54)	984,070	1,077,549	-	1,077,549
Library (71)	478,059	557,032	-	557,032
Non-Departmental (75)	567,356	673,961	(8,321)	665,640
TOTAL EXPENDITURES	$ 13,578,724	$ 15,086,697	$ -	$ 15,086,697
OTHER EXPENDITURES:				
Capital Outlay	$ -	$ 27,200	$ -	$ 27,200
TOTAL OTHER EXPENDITURES	$ -	$ 27,200	$ -	$ 27,200
TOTAL EXPENDITURES	$ 13,578,724	$ 15,113,897	$ -	$ 15,113,897
ENDING FUND BALANCE:				
Unreserved, Undesignated	$ 4,037,423	$ 2,675,023	$ -	$ 2,675,023
Unreserved, Designated	1,000,000	1,000,000	-	1,000,000
TOTAL ENDING FUND BALANCE	$ 5,037,423	$ 3,675,023	$ -	$ 3,675,023
IDEAL FUND BALANCE	$ 3,394,681	$ 3,771,674	$ -	$ 3,771,674
OVER (UNDER) IDEAL FUND BALANCE	$ 1,642,741	$ (96,651)	$ -	$ (96,651)

*The budget reflects 2009-10 budget amendments that were approved by City Council on 10/13/09, 11/3/09, 03/02/10 and 06/15/10.

NOTICE OF PUBLIC HEARING

On September 21, 2010, during a Regular City Council Meeting, the City Council of the City of Copperas Cove will hold a public hearing on the ordinance to amend the FY 2009-10 Budget for the City of Copperas Cove. The September 21, 2010 City Council Meeting will begin at 7:00 pm and will be held in the City Council Chambers at City Hall, 507 South Main Street, Copperas Cove, Texas 76522.

The proposed amendments to the FY 2009-10 Annual Budget are as follows:

General Fund	**Increase (Decrease)**
Expenditure Appropriations-HOP	$8,321
Expenditure Appropriations- Contingency	($8,321)
Expenditure Appropriations-Arbitrage	$19,305
Expenditure Appropriations-Professional Services	($14,069)
Expenditure Appropriations-Consulting Fees	($5,236)
Hotel Motel	
Revenue Appropriations	$16,000
Expenditure Appropriations	$16,000

City Council Regular **Item #: I. 1.**

Date: 09/21/2010

Contact: Polo Enriquez, CCEDC Executive Director

Information

SUBJECT

Consideration and action on appointments to the Copperas Cove Economic Development Corporation (CCEDC) Board of Directors positions 1 and 5. ***Polo Enriquez, Executive Director CCEDC***

BACKGROUND/HISTORY

Copperas Cove Economic Development Corporation was founded on August 7, 1990. The fiscal year for the Corporation is from October 1 through September 30. CCEDC Board Members are appointed to three year terms by the City Council, as per the Economic Development Act of 1979.

FINDINGS/CURRENT ACTIVITY

The CCEDC Board is made up of five members whose appointed terms are filled on a staggered basis. Positions One and Five, currently held by Mr. Tom Boren and Mr. Jimmy Clark, run through September 30, 2010. Attached to this agenda report you will find a letter requesting the reappointment of both of these members to the CCEDC Board.

Positions Three and Four expire on September 30, 2012. These positions are currently held by Mr. Fred Chavez, Treasurer, and Mr. Dan Yancey, Chairman.

Position Five is currently held by Mr. Ray Don Clayton, and expires September 30, 2011.

The City has recently received applications from seven interested individuals seeking appointment to the CCEDC Board of Directors. Those applications are attached for your consideration and include the following:

- Josefina 'Fina' Castillo
- John F. Gallen
- Michael A.McDonnell
- Roger 'ODie' O'Dwyer
- Mark Peterson
- Sandor Vegh
- Chuck Downard

ACTION OPTIONS/RECOMMENDATION

City staff recommends action on appointments to the Copperas Cove Economic Development Corporation (CCEDC) Board of Directors positions 1 and 5.

Attachments

Link: EDC applicants

Copperas Cove
Economic Development Corporation

September 13, 2010

Andrea Gardner
City Manager
City of Copperas Cove
P.O. Drawer 1449
Copperas Cove, TX 76522

To the Members of the Copperas Cove City Council
Re: Reappointment to the Copperas Cove EDC Board of Directors

Greetings:

As you know, the current Board of Directors for the Copperas Cove Economic Development Corporation consists of:

Dan Yancey– Chairman	Position 4	Term Expires September 30, 2012
Jimmy Clark – Vice Chairman	Position 5	Term Expires September 30, 2010
Fred Chavez – Treasurer	Position 3	Term Expires September 30, 2012
Ray Don Clayton - Secretary	Position 2	Term Expires September 30, 2011
Tom Boren – Director	Position 1	Term Expires September 30, 2010

I need to inform you that the terms of Jimmy Clark and Tom Boren will expire on September 30, 2010. I would like to recommend that the City Council consider re-appointing these directors to another three-year term. I feel that this request is important at this time because of the many projects and critical negotiations that are underway.

The great volunteers that serve on the Board of Directors have diverse backgrounds and their individual expertise is of great value, not just to the CCEDC but to all of Copperas Cove.

Enclosed are Mr. Clark's and Mr. Boren's letters expressing their desire to be reappointed and ability to serve. Feel free to contact me if you have any questions regarding this re-appointment at 254-554-4334.

Sincerely,

Dan D. Yancey

Dan D. Yancey, Chairman
Copperas Cove EDC Board of Directors

WESTERN INSURANCE AGENCY

P.O. Box 748 • 2128 East U.S. Hwy. 190 • Copperas Cove, Texas 76522-0748

September 13, 2010

Dan Yancey, Chairman
Copperas Cove Economic Development Corporation Board of Directors
Copperas Cove, Tx 76522

Dear Dan :
We have made great economic strides over the past several years for Copperas Cove. Having served the past five years as a Director on the Copperas Cove Economic Development Corporation Board of Directors, I have become more keenly aware of the complexity and time-consuming nature of the process of bringing new businesses to our great city. I feel that my experience as a local business owner is valuable to the corporation. I have learned a great deal about economic development and would very much like to be re-appointed to the Board of Directors.

I am excited about several projects the Corporation is currently undertaking and very proud of the work our organization has accomplished and is planning. Communication with Ft. Hood concerning mutually beneficial agreements, retail projects along 190 ongoing negotiations with several industrial prospects are all projects that have taken months and years of planning. The results of these projects will bring in new business that will add jobs and contribute to the overall prosperity of our city.

I appreciate your attention on this matter. I can be reached at 254-547-2626 if you have any questions.

Sincerely,

Tom Boren
Director, CCEDC Board of Directors.

Phone: (254) 547-2626 • Fax: (254) 547-0110
www.insuranceforTexas.com

CAA Combined Agents of America, LLC

Trusted Choice®

J. Clark Homes

September 14, 2010

Dan Yancey, Chairman
Copperas Cove Economic Development Corporation Board of Directors
Copperas Cove EDC
210 South First Street
Copperas Cove, TX 76522

Dear Dan:

It has been a pleasure for me to be part of the Copperas Cove Economic Development Board of Directors. I would like to request that I be reappointed for another term.

The CCEDC has many projects in the works that will benefit Copperas Cove, and I would like the opportunity of having an active part in their success. I feel that I am an asset to the Board with my experience and background, as well as all I have learned about the economic development process during the past several years.

I appreciate your attention on this matter. I can be reached at 254-547-3821 if you have any questions.

Sincerely,

James "Jimmy" W. Clark
Vice Chairman, CCEDC Board of Directors

1406 S. FM 116, SUITE C COPPERAS COVE, TEXAS 76522 254-547-3821

Candidate Application for City Council-Appointed Boards & Commissions

8-25-10

Applications will be reviewed as vacancies arise. Information disclosed on this application or any other attached document may be disclosed in public meetings. Please print clearly.

Please attach your resume (optional).

Board Preference 1: Economic Development Corporation

Board Preference 2: Hospital Authority

Name: Josefina 'Fina' Castillo

Street Address: 1002 Blea Spur

City Resident: 30 years Personal E-Mail: finafc@earthlink.net

Primary Phone: 254-547-9256 Home Fax: _____

Profession: Government Contracting Officer (Retired)

Business Name: _____

Business Address: _____

City: _____ State _____ Zip: _____

Business Phone: _____ Business Fax: _____

Business E-Mail: _____

Experience or special knowledge applicable to City board or commission function:

Twenty seven (27) years experience with Civil Service in finance + Accounting + Contracting

Civic Activities/Professional Affiliations National Contract Management Association, Former AUSA, Ft. Hood EED council

I verify that the information I have provided in this application to be true and correct. I also understand that this information may be made available to the public.

Josefina Castillo 25 Aug 2010

Signature Date

Please return completed application and resume to:
City Secretary's Office, City Hall
507 S. Main Street, Copperas Cove, Texas 76522
Phone: (254) 547-4221

City of Copperas Cove
"The City Built for Family Living"

Candidate Application for City Council-Appointed Boards & Commissions

A City Council subcommittee will conduct interviews of applicants interested in serving on a City board and/or commission. The interviews will be open to the public. Information disclosed on this application or any other attached document may be disclosed in public meetings. Please print clearly.

Please attach your resume.

received 5/28/09 (Jlees) logged

Board Preference 1: EDC

Board Preference 2: P&Z

Name: John F. Galles

Street Address: 2401 Veterans Avenue

City Resident: 21 years Personal E-Mail: jgalles@hot.rr.com

Home Phone: 542-2107 Home Fax: _____

Profession: High School Teacher

Business Name: _____

Business Address: _____

City: _____ State _____ Zip: _____

Business Phone: _____ Business Fax: _____

Business E-Mail: _____

Experience or Special Knowledge applicable to City board or commission function:

8+ years P&Z, 4 Bd of Adj 6+ years city councilman

Civic Activities/Professional Affiliations Friends of the Library, professional education orgns

I verify that the information I have provided in this application to be true and correct. I also understand that this information may be made available to the public.

John F Galles 5/28/09

Signature Date

Please return completed application and resume to:
City Secretary's Office, City Hall
507 S. Main Street, Copperas Cove, Texas
Phone: (254) 547-4221

City of Copperas Cove
"The City Built for Family Living"

Candidate Application for City Council-Appointed Boards & Commissions

Applications will be reviewed as vacancies arise. Information disclosed on this application or any other attached document may be disclosed in public meetings. Please print clearly.

*5/24/10 Per conversation w/J.Lees at Volunteer Recruitment Reception

received 6/22/09 J.Lees logged

Please attach your resume (optional).

Board Preference 1: BOARD OF ADJUSTMENT

*Economic Development Board (EDC)

Board Preference 2: PLANNING AND ZONING COMMISSION

Code Review (JCC) - per conversation w/Chief Baker 9/10/09

Name: MICHAEL A. MCDONNELL, CPP, CFE

Street Address: 701 KIM AVENUE

City Resident: 25 years Personal E-Mail: SPHINX@HOT.COM

Primary Phone: 254 542 4346 Home Fax: 254 547 4718

Profession: INVESTIGATOR (RETIRED)

Business Name: N/A

Business Address: N/A

City: N/A State N/A Zip: N/A

Business Phone: N/A Business Fax: N/A

Business E-Mail: INVESTIGATOR@MICHAELAMCDONNELL.COM

Experience or Special Knowledge applicable to City board or commission function:

THROUGHOUT 40 YEARS OF PROFESSIONAL ENDEAVORS REQUIRED TO DISCERN FACTS AND MAKE DECISIONS BASED ON FACTUAL INFORMATION TENDERED.

Civic Activities/Professional Affiliations KNIGHTS OF COLUMBUS; ASIS; ACFE; ACBI

I verify that the information I have provided in this application to be true and correct. I also understand that this information may be made available to the public.

Michael A. McDonnell 16 JUN 2009

Signature Date

Please return completed application and resume to:
City Secretary's Office, City Hall
507 S. Main Street, Copperas Cove, Texas
Phone: (254) 547-4221

City of Copperas Cove
"The City Built for Family Living"

MICHAEL A. McDONNELL & ASSOCIATES

101 Oak Street, Suite A, PMB 295, Copperas Cove, TX 76522

Office: (254) 542-4346 Fax: (254) 547-4718 Cell: (254) 681-9300

Website: www.michaelamcdonnell.com Email: investigator@michaelamcdonnell.com

SUMMARY

In 40 years of specialized experience both in the Federal Government (U. S. Army Military Intelligence), State Government (Texas) and in civilian industry, have:

- Contracted to conduct Personnel Security Investigations (SSBI; BI; PR; NACLC; SPIN) as a Special Investigator (Contract Investigator) for Federal Government Agencies;
- Investigated fraud and other criminal acts and managed the protection of materiel and personnel assets;
- Supervised the conduct of investigations of terrorist threats, other criminal acts and violations including discovery of fraud using computer forensic techniques;
- Liaisoned with foreign and domestic Law Enforcement and Intelligence Agencies;
- Designed, published and supervised Loss Prevention programs;
- Directly supervised employees, contract personnel, Federal and State civilian employees and military personnel:
  - Providing physical and electronic security to National Guard armories, campuses, retail outlets, hospitals, housing projects, airfields, and Federal secure sites, identified potential breaches of security and recommended changes and corrections;
  - Inspected secure sites, government and commercial information storage facilities and commercial plants and offices to evaluate vulnerability and compliance with security and safety regulations;
  - Instructed, and supervised the instruction of Military Intelligence and other students as Agents, Analysts, Interrogators, Image Interpreters and Security Managers.

EDUCATION

US, UK and NATO Intelligence Schools - Force Protection; Surveillance; Photography
DA Schools - Investigation, Interrogation; Imagery Interpretation. DAME; DASE
Association of Certified Fraud Examiners - Fraud Investigation and Control
American Society for Industrial Security - Design/Installation of Secure Systems
John Reid and Associates - Interrogation/Interviewing
Central Texas COG - Hazardous Materials Emergencies
University of Houston - Instructor, Firearms and Private Security
Southwest Texas State University - Crime Prevention Systems and Design

LICENSES and CERTIFICATIONS

Private Investigator
Workers Compensation Investigator
Certified Protection Professional - ASIS
Certified Fraud Examiner - ACFE

AFFILIATIONS

American Society for Industrial Security
Association of Certified Fraud Examiners
Association of Certified Background Investigators
Texas Association of Licensed Investigators

EXPERTISE

1. PRIVATE INVESTIGATOR

Since 1982 I have been licensed and self-employed as a Private Investigator conducting investigations and surveillances for private industry, government agencies, government contractors, and private persons as well as attorneys and insurance companies, in cases involving fraud, other criminal activities, civil wrongdoing, and background investigations. In the conduct of these investigations I have supervised covert and overt investigation teams, located witnesses, missing persons and assets, interviewed suspects, witnesses, plaintiffs and defendants and gathered other evidentiary information to be used in a court of law or before an administrative board. Prior to 1982 I performed Military Intelligence duties world wide and within the former Warsaw Pact, and trained DoD Intelligence Analysts, Interrogators, Imagery Interpreters and Special Agents at the US Army Intelligence Command and School.

2. SPECIAL INVESTIGATOR

Since 1990 I have been credentialed as a Special Investigator to conduct Background Investigations of applicants and employees of the Federal Government. I am informed that my current level of Clearance is TOP SECRET.

3. ASSET PROTECTION MANAGEMENT

I have fifteen years experience designing and supervising the installation and trouble-shooting of intrusion detection equipment, CCTV surveillance equipment, fire detection and access control systems by military, contractor and indigenous personnel to more than 300 Federal, State and commercial sites. In performance of these duties have:

- Published security policies and guidelines utilizing a total facility, site-based security management approach for State, Federal and industrial sites;
- Written conceptual design descriptions, drawn master wiring diagrams, published equipment specifications and installation/maintenance manuals for state employee and civilian contractor use;
- Maintained professional liaison with private security and law enforcement agencies;
- Trained personnel to install low-voltage anti-intrusion equipment and armed and unarmed officers for the protection of military, civilian and residential sites;
- Assessed the security and safety vulnerabilities of government and commercial clients;
- Utilized total facility management programs, analyzed security requirements and recommended efficient and economical solutions to asset security problems.

4. CONTRACT ADMINISTRATION

- As a private contractor writing proposals and answering solicitations for bid, negotiating the settlement of changes, and management of contract personnel I:
- Liaison with law enforcement and municipal officials to mediate conflicts between contractors and government officials;
- Managed total contract administration including the preparation of Bid Solicitation, wrote contract specifications, published solicitation advertising, coordinated the opening and awarding of contracts, the negotiation of changes, settlements and/or suspension of claims, and ensured the timely completion of contracts, and the termination of contracts for default and at the convenience of the government;
- As a Consultant hired by the State advised State and Federal agencies on intrusion, fire and information access systems during Request For Proposal conferences and contract disputes.

Candidate Application for City Council-Appointed Boards & Commissions

Applications will be reviewed as vacancies arise. Information disclosed on this application or any other attached document may be disclosed in public meetings. Please print clearly.

received 7/29/09

Please attach your resume ~~(optional)~~. 25 INCLUDED

Board Preference 1: COPPERAS COVE ECONOMICAL DEVELOPMENT CORP.

Board Preference 2: _____

Name: ROGER "ODie" O'DWYER

Street Address: 1703 HIGHLAND DRIVE

City Resident: 37 years Personal E-Mail: RODWYER@HOT.RR.COM

Primary Phone: 254-547-7354 Home Fax: 254-547-4906

Profession: RETIRED AEROSPACE MANAGER

Business Name: _____

Business Address: _____

City: _____ State _____ Zip: _____

~~Business~~ CELL Phone: 254-394-0339 Business Fax: _____

Business E-Mail: _____

Experience or Special Knowledge applicable to City board or commission function:

MAYOR, COUNCIL MEMBER, NEW BUSINESS DEVELOPMENT COURSE (LADP) WON 2 CONTRACTS ($$M) RANGE

Civic Activities/Professional Affiliations SEE RESUME

I verify that the information I have provided in this application to be true and correct. I also understand that this information may be made available to the public.

[signature] 7/29/09

Signature Date

Please return completed application and resume to:
City Secretary's Office, City Hall
507 S. Main Street, Copperas Cove, Texas
Phone: (254) 547-4221

City of Copperas Cove
"The City Built for Family Living"

Resume/Biographical Facts

July 29, 2009

Name: Roger "ODie" O'Dwyer

Married to: Carole a retired CCISD Chemistry teacher, 5 children, 10+ grandchildren
Retired US Army (LTC); and, Lockheed Advanced Development Company
Education: BS ElecEngr, MS ElecEngr, MBA in City Management

Previous:

- Council 83-86
- CCISD Board 3 years
- P&Z 13 years mixed (3 yrs Chairman)
- Board of Adjustment 5 years mixed (3 years Chairman)
- CTCOG 06 - 08
- Mayor 06–08

Civic Service:
Big Brothers 2 years; Boy Scout Leader 14 years (3 years as Institutional Rep)
CERT 3 years; CCCPAAA 4 years; Comprehensive City Plan 93-96; Cove House Board 5 years
Exchange Clubs (Outstanding President 96 CCExC); District (State) President 98
Hunting Safety Educator 18 years; Little League Baseball Coach 4 years; Meals on Wheels 6 years
Oktober Fest Committee 8 years; PTSD Coordinator 2 years; Pop Warner Football Coach 6 years
Rabbit Fest (co-originator 1 of 5) 6 years on Committee; Weekly reader (6 hours) at Halstead School 17 years

Life Member of:
82nd ABN Div Assn.; American Legion; Disabled American Veterans; KofC; MOAA; NRA
NTFA/TTFHA; Texas Hunter Education Assn.; Veterans of Foreign Wars (Youth Chair 9 year's local, 3 years District)

Member of:
AARP Chapter 1359 (Currently President); AUSA; Chambers of Commerce Cove and Killeen
LINN (Living in the New Normal); NAACP; Quarterback Club; USO

Awards/Recognition
Military:
Legion of Merit; Bronze Star (1OLC); Air Medal; Joint Services Commendation Medal; Army Commendation Medal (1OLC); Good Conduct Medal; Vietnamese Cross of Gallantry with Palm Medalha do Pacificador (Brasil)

Civilian:
Hunter Education Hall of Fame
Outstanding Fellow of Univ. of Alabama (Electrical Engineer)
Noon Exchange Citizen of the Year

Published in MBA Journal: "How Fort Hood Came to Be" (Paper used in MBA requirements)

Candidate Application for City Council-Appointed Boards & Commissions

Applications will be reviewed as vacancies arise. Information disclosed on this application or any other attached document may be disclosed in public meetings. Please print clearly.

received 7/29/09 logged

Please attach your resume (optional).

Board Preference 1: HOTEL/MOTEL TAX COMMITTEE

Board Preference 2: EDC BOARD

Name: MARK PETERSON

Street Address: 3008 SUNDOWN LN.

City Resident: 9 years Personal E-Mail: MPETERSON@CBUNITED.COM

Primary Phone: 254-371-9649 Home Fax: _____

Profession: RETIRED MILITARY

Business Name: _____

Business Address: _____

City: _____ State _____ Zip: _____

Business Phone: _____ Business Fax: _____

Business E-Mail: _____

Experience or Special Knowledge applicable to City board or commission function:

SERVED ON CITY COUNCIL FOR 15 MONTH AND GREAT KNOWLEDGE OF HOW THESE BOARDS WORK

Civic Activities/Professional Affiliations BOARD OF DIRECTOR FOR CHAMBER OF COMMERCE, EXCHAUGE CLUB, CCISD FESABILITY COMMITTE

I verify that the information I have provided in this application to be true and correct. I also understand that this information may be made available to the public.

M E. Peterson 29 JUL 09

Signature Date

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507 S. Main Street, Copperas Cove, Texas
Phone: (254) 547-4221

City of Copperas Cove
"The City Built for Family Living"

Candidate Application for City Council-Appointed Boards & Commissions

Applications will be reviewed as vacancies arise. Information disclosed on this application or any other attached document may be disclosed in public meetings. Please print clearly.

RECEIVED BY [illegible] DATE 8-5-09 logged

Please attach your resume (optional).

Board Preference 1: CHARTER REVIEW COMMITTEE

Board Preference 2: ECONAMIC DEVELOPMENT CORPORATION

Name: SANDOR VEGH

Street Address: 1407 EAGLE TRAIL

City Resident: 15 years Personal E-Mail: SVEGH36@MNS.COM

Primary Phone: 254-542-2300 Home Fax: _____

Profession: RETIRED

Business Name: _____

Business Address: _____

City: _____ State _____ Zip: _____

Business Phone: _____ Business Fax: _____

Business E-Mail: _____

Experience or Special Knowledge applicable to City board or commission function:

P & Z

Civic Activities/Professional Affiliations OPTIMIST CLUB, POLICE ALUMNI FIRE & SAFETY

I verify that the information I have provided in this application to be true and correct. I also understand that this information may be made available to the public.

Sandor Vegh 7/30/09
Signature Date

Please return completed application and resume to:
City Secretary's Office, City Hall
507 S. Main Street, Copperas Cove, Texas
Phone: (254) 547-4221

City of Copperas Cove
"The City Built for Family Living"

Candidate Application for City Council-Appointed Boards & Commissions

Applications will be reviewed as vacancies arise. Information disclosed on this application or any other attached document may be disclosed in public meetings. Please print clearly.

received 9/16/10 fles

Please attach your resume (optional).

Board Preference 1: EDC BOAD of DIRECTOLS

Board Preference 2: ———

Name: CHUCK DOWNARD

Street Address: 208 RIDGE ST

City Resident: 38 years Personal E-Mail: CDOWNARD@HOT.RR.COM

Primary Phone: (254) 547-8816 Home Fax: _____

Profession: "RETIRED"

Business Name: _____

Business Address: _____

City: _____ State _____ Zip: _____

Business Phone: _____ Business Fax: _____

Business E-Mail: _____

Experience or special knowledge applicable to City board or commission function:

PREVIOUS APPOINTED COUNCIL LIAISION TO EDC & PREVIOUS CITY COUNCIL MEMBER POSITION #3

Civic Activities/Professional Affiliations USO VOLUNTEER, VFW 8577, DAV & 1ST CAV ASSOCIATION. TEEX BEDC COMPLETION ATTACHED.

I verify that the information I have provided in this application to be true and correct. I also understand that this information may be made available to the public.

Chuck Downard 9-16-10

Signature Date

Please return completed application and resume to:
City Secretary's Office, City Hall
507 S. Main Street, Copperas Cove, Texas 76522
Phone: (254) 547-4221

City of Copperas Cove
"The City Built for Family Living"

ERVE ▪ RESPOND

OMIC DEVELOPMENT COUNCIL

TEXAS ENGINEERING EXTENSION SERVICE

The Texas A&M University System

Chuck Downard

has successfully completed

Basic Economic Development Course

Continuing Education Units Earned 2.40

September 28 - October 1, 2009

Gary F. Sera, Director
Texas Engineering Extension Service

Carlton Schwab, President/CEO
Texas Economic Development Council

City Council Regular **Item #: I. 2.**

Date: 09/21/2010

Contact: Silvia Rhoads, Executive Director,
Keep Copperas Cove Beautiful

Information

SUBJECT

Consideration and action on the appointment of members to the Keep Copperas Cove Beautiful Commission. ***Silvia Rhoads, Executive Director, Keep Copperas Cove Beautiful***

BACKGROUND/HISTORY

During a Regular Council Meeting on September 17, 2002, Ordinance 2002-20 was approved allowing the formation of the Keep Copperas Cove Beautiful Commission. The commission allows for 15 members to be approved by the City Council. According to KCCB by-laws, the term of each Commission member shall be two (2) years.

FINDINGS/CURRENT ACTIVITY

During the Regular City Council Meeting on June 15, 2010, one (1) member was appointed by the City Council bringing the total on the commission to 10. Since that date, one member resigned and one (1) new member has applied to be on the commission. With Council approval on the appointment, the number of vacant seats on the commission will be five (5).

The following individual is seeking appointment to the Keep Copperas Cove Beautiful Commission:

Mr. Bob Hill

Keep Copperas Cove Beautiful will continue to seek new members to fill the remaining five (5) positions.

ACTION OPTIONS/RECOMMENDATION

City staff recommends that the City Council appoint Bob Hill to the Keep Copperas Cove Beautiful Commission.

Fiscal Impact

FINANCIAL IMPACT:

None

Attachments

Link: KCCB APPLICATION

Candidate Application for City Council-Appointed Boards & Commissions

Applications will be reviewed as vacancies arise. Information disclosed on this application or any other attached document may be disclosed in public meetings. Please print clearly.

Please attach your resume (optional).

Board Preference 1: Keep Copperas Cove Beautiful

Board Preference 2: _____

Name: Robert L Hill

Street Address: 3090 Sikes Dr Kempner TX 76539

City Resident: 20 years Personal E-Mail: bob.hill@global5.net

Primary Phone: 254-216-2580 Home Fax: _____

Profession: Ofc Manager / Truck Driver / Ret Military

Business Name: Z Car Incorporated

Business Address: 108 Wolfe Rd

City: Copperas Cove State TX Zip: 76522

Business Phone: 254-547-1613 Business Fax: 254-547-3371

Business E-Mail: bhill@zcarbodyshop.com

Experience or special knowledge applicable to City board or commission function:

21 Years military - Copperas Cove CERT - Police + Fire Civilian Academies in Copperas Cove

Civic Activities/Professional Affiliations Ham Radio Operator - Weather Spotter

I verify that the information I have provided in this application to be true and correct. I also understand that this information may be made available to the public.

Signature 9-7-10 Date

Please return completed application and resume to:
City Secretary's Office, City Hall
507 S. Main Street, Copperas Cove, Texas 76522
Phone: (254) 547-4221

City of Copperas Cove
"The City Built for Family Living"

City Council Regular **Item #: I. 3.**
Date: 09/21/2010

Information

SUBJECT

Consideration and action on the Mayor's Council Member recommendations and nominations to various ad hoc committees and outside agencies, committees, task forces, boards and commissions. ***John Hull, Mayor***

BACKGROUND/HISTORY

The City's Code of Ordinances states in Section 2-55.1, "Ad hoc committees are formed on an 'as needed' basis with a clearly defined purpose and term, as well as reporting requirements. Ad hoc committees may consist of up to two (2) council members recommended by the mayor with concurrence through a motion of the majority of city council members."

Section 2-55.2 states, "The mayor nominates and the city council confirms council member appointments to outside agencies, committees, task forces, boards and commissions."

FINDINGS/CURRENT ACTIVITY

As a result of the City's General Election in May 2010 and the Special Election in July 2010, there are several vacancies to be filled on various committees. Other Council Members may be reassigned as well through a nomination by the Mayor. Concurrence through the motion of the majority of city council members is required for the appointments.

ACTION OPTIONS/RECOMMENDATION

City staff recommends that the Mayor make recommendations and nominations that the majority of city council members concur with for various ad hoc committees and outside agencies, committees, task forces, boards and commissions.

Attachments

Link: Council Committee Assignments

COUNCIL COMMITTEE ASSIGNMENTS

(A) = Alternate

AS OF: July 7, 2010

Committee	Mayor John Hull	1 Cheryl Meredith	2 Charlie D. Youngs	3 Gary L. Kent	4 Danny Palmer	5 Kenn Smith	6 Jim Schmitz	7 Frank Seffrood	City Manager Andrea M. Gardner	City Engr. Wesley Wright
Adopt-A-Fort Hood-Unit		X								
Central Texas Council of Governments Executive Committee	X							X (A)		
Central Texas Deployment Task Force										
Charter Committee 2009		X						X		
Deer Committee			X		X					
Downtown Zoning Committee			X					X		
Economic Development Corporation (Council Liaison)					X					
Hill Country Transit District Board of Directors	X								X (A)	
Housing Authority										
Joint Image Campaign	X								X (A)	
KT MPO Policy Board	X								X (A1)	X (A2)
Ministerial Alliance Representative										
Oil & Gas Committee					X					
Ordinance Review Committee					X					
Parks & Recreation Advisory Board										
Sex Offender Ordinance Committee		X								
Strategic Planning Committee								X		
Records Management Committee		X								
Transportation Committee								X		
Land Disturbance Ordinance & Drainage Criteria Manual Review Committee			X							

City Council Regular **Item #: I. 4.**

Date: 09/21/2010

Contact: Imelda Rodriguez, Director of Finance, Finance

Information

SUBJECT

Consideration and action on a resolution amending the Purchasing Policy for the City of Copperas Cove. **Imelda Rodriguez, Director of Financial Services.**

BACKGROUND/HISTORY

The City of Copperas Cove currently has in effect a Purchasing Policy as approved by resolution on November 3, 2008 by the City Council. Occasionally, City staff makes recommendations to change the various policies. Thus, the Purchasing Policy with proposed changes is attached for Council review and consideration. In cases where changes are made to the Purchasing Policy, City Council's approval is required.

FINDINGS/CURRENT ACTIVITY

Staff recommends amending the following:

- IV Guidelines, C. Purchases of $1,500 and up to $2,999.99

Current Language: Purchasing of these items may be done at the discretion of the Director as necessary where the City Council has appropriated funds for intended purpose in the current budget.

Proposed Language: Purchasing of these items may be done at the discretion of the Director or the Director's designee.

- IV Guidelines, D. Purchases of $3,000 but less than $24,999.99

Current Language: These purchases require that the department contact at least two (2) historically underutilized businesses, on a rotating basis, based on information provided by the General Services Commission (Texas
Local Government Code § 252.0215). If the list fails to identify a historically underutilized business in the county in which the municipality is situated, the department may comment as such on the requisition. Three written quotes are
required, even if there are no HUBs available, for purchases of $3,000.00 up to the amount which, under State law, triggers the competitive procurement process, unless waived by the City Manager upon written request from the department. All quotes must be kept on file by the department and should be included on the requisition for
Purchasing to process and for future audit. These purchase order requests must be signed by the Director.

Proposed Language: These purchases require that the department contact at least two (2) historically underutilized businesses, on a rotating basis, based on information provided by the General Services Commission (Texas
Local Government Code § 252.0215). If the list fails to identify a historically underutilized business in the county in which the municipality is situated, the department may comment as such on the requisition. Three written quotes are
required, even if there are no HUBs available, for purchases of $3,000.00 up to the amount which, under State law, triggers the competitive procurement process, unless waived by the City Manager upon written request from the department. All quotes must be kept on file by the department and should be included on the requisition for
Purchasing to process and for future audit. These purchase order requests must be signed by the Director or the Director's designee.

ACTION OPTIONS/RECOMMENDATION

City staff recommends that the City Council approve Resolution No. 2010-34 amending the Purchasing Policy of the City of Copperas Cove.

Attachments

Link: Purchasing Policy Resolution

Link: Purchasing Policy

RESOLUTION NO. 2010-34

A RESOLUTION ADOPTING THE PURCHASING POLICY FOR THE CITY OF COPPERAS COVE, TEXAS.

WHEREAS, Chapter 252 of the Texas Local Government Code, known as the "Purchasing and Contracting Authority of Municipalities," requires the City to follow specific state laws regarding the procurement of goods and services; and

WHEREAS, this Purchasing Policy complies with the requirements established in Chapter 252 of the Texas Local Government Code; and

WHEREAS, the attached Purchasing Policy sets procedures and authorizes approval limits relating to the purchase of goods and services while in compliance with the Texas Local Government Code.

NOW, THEREFORE, BE IT RESOLVED AND ORDERED BY THE CITY COUNCIL OF THE CITY OF COPPERAS COVE, TEXAS:

Section 1.

That the City of Copperas Cove has complied with the requirements of Chapter 252 of the Texas Local Government Code, and the Purchasing Policy attached hereto as "Exhibit A," is hereby adopted as the Purchasing Policy of the City Effective September 21, 2010.

PASSED, APPROVED, AND ADOPTED on this 21st day of September 2010 at a regular meeting of the City Council of the City of Copperas Cove, Texas which meeting was held in compliance with the Open Meetings Act, *Tex. Gov't Code*, §551.001, et.seq. at which meeting a quorum was present and voting.

_____
John Hull, Mayor

ATTEST:

_____
Jane Lees, City Secretary

APPROVED AS TO FORM:

_____
Denton, Navarro, Rocha
& Bernal, P.C., City Attorney

City of Copperas Cove

Purchasing Policy

CITY OF COPPERAS COVE, TEXAS

September 2010

PURCHASING POLICY
CITY OF COPPERAS COVE, TEXAS

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PURCHASING POLICY

CITY OF COPPERAS COVE, TEXAS

I. INTRODUCTION

It is the policy of the City of Copperas Cove that the highest quality goods and services will be acquired for the lowest possible price. Purchasing operates in the Finance Department, and is charged with establishing procedures and controls in the purchasing process to comply with all applicable laws and regulations. Furthermore, it is the policy of the City to allow the City Council to make final award on any expenditure exceeding the dollar amount governed by the State competitive bid law, whether the item is subject to bid or not with the exception to the following items that are a part of the Texas Local Government Code, § 252.022:

1. a procurement made because of a public calamity that requires the immediate appropriation of money to relieve the necessity of the municipality's residents or to preserve the property of the municipality (*Texas Local Government Code*, § 252.022 (1));

2. a procurement necessary to preserve or protect the public health or safety of the municipality's residents (*Texas Local Government Code*, § 252.022 (2));

3. a procurement necessary because of unforeseen damage to public machinery, equipment, or other property (*Texas Local Government Code*, § 252.022 (3));

4. a procurement of items that are available from only one source, such as gas, water, other utility services (*Texas Local Government Code*, § 252.022(7)(C)); All other sole source/proprietary purchases exceeding the amount which, under State law, triggers the competitive procurement process must be approved by Council.

The basic methods for obtaining goods and services are briefly outlined below.

A. Purchasing Card (P-Card) – The P-Card is used to procure low-value maintenance, repair, and operational expense items. The P-Card can be used with all vendors, local and out of town. The P-Card is not recommended for any vendors that provide services (i.e. professional services, and repair and maintenance services) since these vendors require a 1099 at calendar year end.

B. Purchase Order – The purchase order is required for all purchases of three thousand dollars ($3000.00) and up. There are exemptions for the purchase order requirement. Exemptions include utilities, payroll liabilities, travel and training, advertising, subscriptions, and membership dues. The purchase order is a legal contract and gives the vendor authorization to ship the materials, as specified. It

is designed to expedite and control buying for the City. **Purchase orders are not required for payroll liabilities.**

C. Contract – Contracts are executed for items such as construction projects and professional services. Purchase orders are issued for these types of contracts to encumber funds for the work. All contracts should be reviewed by the City Attorney and the Department Head and reviewed and signed by the City Manager.

D. Annual Contract – Annual contracts protect pricing for a period of one-year, or more, and are awarded to vendors for supplies, equipment and services routinely required by one or more departments. User departments should issue an annual purchase order to place orders directly with suppliers, eliminating multiple requisitions and processing time.

E. Maintenance Agreements – The City maintains service agreements with manufacturers and authorized service centers/representatives for items such as air conditioning equipment, copiers, high technology and diagnostic equipment, etc. The procurement of maintenance agreements should function the same as annual contracts in that an annual purchase order should be entered by the user department and payments should be processed against the purchase order using the check request form. All contracts should be reviewed and signed by the City Manager.

F. Emergency Purchase– At times, circumstances will occur that require obtaining goods or services without following normal purchasing procedures. Under these circumstances, the user department should follow applicable procedures to issue a purchase order the next business day to include supporting documentation of the emergency.

G. Petty Cash – Any item bought with petty cash cannot exceed $20.00. User departments make these non-routine, below-minimum purchases directly with the vendor and are reimbursed provided the proper form and receipts are presented to Accounting.

II. AREAS OF RESPONSIBILITY

A. Director (of a Functional Area) – A Director is over one or multiple Departments. "Director" level for this policy includes: City Manager, Police Chief, Fire Chief, Director of Financial Services, Director of Public Works, Director of Human Resources, Director of Community Services, City Secretary, Project Director/City Engineer, Director of Development Services.

B. Department Head – Over one or multiple divisions and report to the Functional Area Director. "Department Head" level for this policy includes: Director of Information Systems, Court Supervisor, Utilities Supervisor, Solid Waste Superintendent, Library Director, Golf Course General Manager, Assistant Director of Public Works, Water Distribution Superintendent, Sewer Collection Superintendent, Chief Building Official.

III. LEGAL REQUIREMENTS

The following statutes affect the acquisition of goods and services:

A. Where required by Statute, purchases must be advertised in accordance with the competitive bid process and awarded by the City Council. (*Texas Local Government Code*, § 252.021) The Texas Local Government Code, § 252.041 states, "if the competitive sealed bidding requirement applies to the contract, notice of the time and place at which the bids will be publicly opened and read aloud must be published at least once a week for two consecutive weeks in a newspaper published in the municipality. The date of the first publication must be before the 14th day before the date set to publicly open the bids and read them aloud. If no newspaper is published in the municipality, the notice must be posted at the city hall for 14 days before the date set to publicly open the bids and read them aloud."

B. In making an expenditure of $3,000 or more, the City shall contact at least two (2) historically underutilized businesses on a rotating basis, based upon a list furnished by the State of Texas General Services Commission. (*Texas Local Government Code*, § 252.0215) The list can be obtained at www.window.state.tx.us/procurement/ for your reference.

C. "Component," "Separate," or "Sequential" purchases to avoid the competitive bid process are prohibited. (*Texas Local Government Code*, § 252.062)

- "Component purchases" means purchases of the component parts of an item that in normal purchasing practices would be purchased in one purchase. (*Texas Local Government Code*, § 252.001(2))

- "Separate purchases" means purchases, made separately, of items that in normal purchasing practices would be purchased in one purchase. (*Texas Local Government Code*, § 252.001(6))

- "Sequential purchases" means purchases, made over a period, of items that in normal purchasing practices would be purchased in one purchase. (*Texas Local Government Code*, § 252.001(7))

IV. GUIDELINES

The following policies are to be adhered to when purchasing goods and services for the City. These policies also apply to the leasing of equipment. Purchase Orders are not required for City payroll liability payments.

A. *Petty Cash $20.00 or less* - Minor items which cost twenty dollars ($20) or less may be obtained directly from the vendor and the cost reimbursed from petty cash upon presentation of the paid invoices/receipts. With special permission from the Director of Financial Services or City Manager this limit may be increased to handle a particular transaction. In all cases properly detailed and signed petty cash purchase vouchers must be completed and attached to the invoice/receipt for reimbursement. Separating purchases in order to bypass the twenty ($20) dollar limit or to avoid obtaining a purchase order is strictly prohibited. Departments are encouraged to obtain purchases with P-Card accounts or vendor charge accounts whenever possible.

B. *Purchases $1499.99 or less* - Purchasing of these items may be done at the discretion of the Department Head as necessary where the City Council has appropriated funds for the intended purpose in the current budget. These items will be paid for by processing a check request signed by the Department Head or the designated authority.

C. *Purchases of $1500.00 and up to $2,999.99* – Purchasing of these items may be done at the discretion of the Director as necessary where the City Council has appropriated funds for the intended purpose in the current budget. These items will be paid for by processing a check request that must be signed by the Director or the designated authority.

D. *Purchases of $3,000.00 but less than $24,999.99* - These purchases require that the department contact at least two (2) historically underutilized businesses, on a rotating basis, based on information provided by the General Services Commission (Texas Local Government Code § 252.0215). If the list fails to identify a historically underutilized business in the county in which the municipality is situated, the department may comment as such on the requisition. Three written quotes are required, even if there are no HUBs available, for purchases of $3,000.00 up to the amount which, under State law, triggers the competitive procurement process, unless waived by the City Manager upon written request from the department. All quotes must be kept on file by the department and should be included on the requisition for Purchasing to process and for future audit. These purchase order requests must be signed by the Director or the designated authority.

E. *Purchases of $25,000.00 but less than $49,999.99* - These purchases require that the department contact at least two (2) historically underutilized businesses, on a rotating basis, based on information provided by the General Services Commission (Texas Local Government Code § 252.0215). If the list fails to identify a historically underutilized business in the county in which the municipality is situated, the department may comment as such on the requisition. Three written quotes are required, even if there are no HUBs available, for purchases of $3,000.00 up to the amount which, under State law, triggers the competitive procurement process, unless waived by the City Manager upon written request from the department. All quotes must be kept on file by the department and should be included on the requisition for Purchasing to process and for future audit. These purchase order requests must be signed by the Director and the City Manager.

Examples of items that MAY be excluded from the three quote requirement if no HUBs are available and the City Manager approves are:

Sole source good or service
Emergency purchase to preserve or protect the resident's health or safety
Utility payments
Procurement card payments
Travel and/or training expenses

F. *Purchases of $50,000.00 or more* – These purchases require the item to be advertised for sealed bids or competitive sealed proposals as provided herein, or purchased through a purchasing cooperative (see Purchases through cooperatives). After bids are received, opened and tabulated, they will be presented to the City Council for approval.

V. EXEMPTIONS

Exemptions – general exemptions from the competitive bid/proposal process are referenced in the *Texas Local Government Code* § 252.022. The exemptions include:

A. Purchases through cooperatives. The City is a member of several purchasing cooperatives such as the Texas Comptroller of Public Accounts, the Central Texas Purchasing Cooperative, the Houston-Galveston Area Council of Governments (H-GAC) Purchasing Program, and the Texas Buy Board. The Texas Local Government Code establishes that a purchase (including high technology) under an interlocal contract for cooperative purchasing administered by a commission established such as these satisfies the City's legal requirement to competitively bid the purchase. The City of Copperas Cove will still require at least two quotes when ever possible to compare cooperative pricing. City Council approval must be obtained to make expenditures for which the amount, under State law, triggers the competitive procurement process unless the item maybe purchased through a cooperative and the specific item was approved in the annual budget. The item must be within the approved quantity and amount authorized in the annual budget.

B. Sole source procurements. Sole source procurements are exceptions to normal purchasing procedures and are permitted only when the required item or service is available from a single supplier. A requirement for a particular proprietary item does not justify a sole source procurement if there is more than one potential bidder for that item. "Sole Source" applies where it can be substantiated that a requirement involves a commodity or service provided by only one vendor or contractor which has exclusive rights (patent or copyrights, proprietary interest or secret processes) to the manufacturing of the product or service. Sole Source requirements must withstand the questions of (1) whether the commodity or service is the only one of its kind which can fully satisfy the

requirement, and (2) the commodity is available from one, and only one, source. In this context, "sole" means "the only one."

C. Emergency purchases. These purchases are further explained in Section VI.

D. Professional Services.

E. Library Materials.

F. Purchases from other governmental entities.

G. Exceptions. If the purchase exceeds the amount which, under State law, triggers the competitive procurement process, City Council authorization must be obtained prior to purchasing the item. The only exceptions to this are as follows:

1. a procurement made because of a public calamity that requires the immediate appropriation of money to relieve the necessity of the municipality's residents or to preserve the property of the municipality (lgc 252.022.1);

2. a procurement necessary to preserve or protect the public health or safety of the municipality's residents (lgc 252.022.2);

3. a procurement necessary because of unforeseen damage to public machinery, equipment, or other property (lgc 252.022.3);

4. a procurement of items that are available from only one source, such as gas, water, other utility services (lgc 252.022.7(C)). All other sole source/proprietary purchases exceeding the amount which, under State law, triggers the competitive procurement process must be approved by Council.

5. Payment of monthly payroll liabilities such as health, life, dental, flexible spending and retirement pension.

6. Payment of monthly procurement card statements.

7. Renewal of contracts or agreements already in place per bid or proposal award.

The above referenced exemptions are just a few of the exemptions referenced by State law. For additional assistance, please contact Purchasing.

VI. EMERGENCY PURCHASES

A. Purchases, which exceed the amount which, under State law, triggers the competitive procurement process and are needed on an emergency basis, must meet one of the qualifications for exempt purchases in the *Texas Local Government Code* § 252.022. However, the three (3) true emergency exemptions, as listed in the above referenced statute are listed below:

- There is a case of public calamity and the prompt purchase of the item(s) is required to provide for the needs of the public or to preserve the property of the City.
- The item(s) is necessary to preserve or protect the public health or safety of the residents of the city.
- The item is made necessary by unforeseen damage to public property.

Purchasing must be contacted about the need for the emergency purchase. If approved, a purchase order will be issued. The user department must prepare proper documentation explaining the need for the purchase and forward to Purchasing the next working day.

B. After normal working hours or on holidays or weekends, emergency purchases may be made by issuing a purchase order the next business day.

VII. FIXED ASSET GUIDELINES

Capital items not approved in the budget may not be purchased without prior approval from the City Manager either through a budget transfer or memorandum.

A. What is an asset?

According to the City of Copperas Cove Capital Asset Guide, capital assets are real or personal property that have a value equal to or greater than the capitalization threshold for the particular classification of the asset and have an estimated life of greater than one year.

The City has invested in a broad range of capital assets that are used in the City's operations, which include:

- Land and land improvements
- Buildings and building improvements
- Improvements other than buildings
- Infrastructure
- Construction in progress
- Leasehold improvements

- Personal property
  - Furniture and equipment
  - Vehicles, boats and aircraft
  - Other assets
    1) Works of art and historical treasures
    2) Library books and materials
    3) Intangible assets

Purchasing is tasked with monitoring and tracking all asset purchases. All assets valued at $5,000.00 or greater should be budgeted and purchased out of an 8XXX capital account. Asset sheets should accompany the PO and invoice for these items.

All components of a vehicle such as light bars, graphics, tool boxes, etc. should be budgeted and purchased out of a 8XXX capital account in order to properly account for the asset (vehicle, for example) in its entirety. Asset sheets should accompany the PO and invoice for these items identifying the fleet unit number.

Information

SUBJECT

Consideration and action on a resolution authorizing the City Manager to submit an application for funding with the Texas Department of Rural Community Affairs (TDRA) under the Texas Community Development Program (TCDP) 2011/2012 funding cycle for water system improvements in an amount of $275,000 and committing local matching funds in the amount of $55,000. ***Andrea M. Gardner, City Manager***

BACKGROUND/HISTORY

Every two years, the Texas Department of Rural Affairs (formerly the Office of Rural Community Affairs or ORCA) provides funding opportunities for small, rural cities with populations less than 50,000, and to counties that are not eligible for direct funding from HUD. The funding cycle deadline is anticipated to be October 8, 2010 with funding to be announced in May 2011. The grant maximum award for the region is $275,000.

The rural-focused program serves approximately 1,017 eligible rural communities, 245 rural counties, and provides services to over 375,000 low- to moderate-income beneficiaries each year. Of the 1,017 cities eligible for CDBG funds, 740 have a population of less than 3,000 and 424 have a population of less than 1,000. The demographics and rural characteristics of Texas have shaped a program that focuses on providing basic human needs and sanitary infrastructure to small rural communities in outlying areas.

The CDBG program is governed by of Title I of the Housing and Community Development Act of 1974 (the Act) and Federal regulations at 24 CFR 570, Subpart I . The introduction of the CDBG program in 1974 signaled a move away from individual categorized federal development assistance programs towards the block grant model, which gives communities broad latitude in using funds for a variety of development activities. The Omnibus Budget Reconciliation Act of 1981 authorized states to administer the CDBG programs.

TDRA administers the CDBG programs according to the following goals:

- Improve public facilities to meet basic human needs, principally for low- and moderate-income persons.
- Improve housing conditions, principally for persons of low- and moderate-income.
- Expand economic opportunities by creating or retaining jobs, principally for low- and moderate-income persons.
- Provide assistance and public facilities to eliminate conditions hazardous to the public health and of an emergency nature.

On September 7, 2010 Council authorized Grant Development Services to develop the application under a Letter of Agreement in the amount of $2,450.

The required public hearing notice was published on August 31, 2010 in the local newspaper. The public hearing was held on September 3, 2010 at City Council Chambers. Positive public response was received at the hearing.

FINDINGS/CURRENT ACTIVITY

Grant Development Services, Inc. has worked with the engineering firm of Hearn Engineering to prepare all documents required to file an application for funding under the 2011/20112 CDBG Cycle. The application to be filed is for the replacement of water pipeline within two targeted areas of the City. The proposed project will include improvements, which are contained in the City's FY 2010 -2014 Capital Improvements Plan.

As part of the application process, TDRA requires the applicant to approve a resolution authorizing the following actions:
(1) authorizes submission of an Application for funding in the amount of $ 275,000,
(2) names the City Manager as the authorized signatory
(3) identifies the project type as a water improvements project
(4) commits the local matching funds in the amount of $55,000.

A copy of the proposed resolution and project map is attached for your review.

If funded, the City will contract with a Project Administrator, and Project Engineer to provide the necessary grant management and engineering services to implement the grant and to design the construction improvements. The construction will be let through a bid contract process as required by City ordinance and grant regulations.

ACTION OPTIONS/RECOMMENDATION

City staff recommends that the City Council approve Resolution No. 2010-35, authorizing the City Manager to place on file an application for funding with the Texas Department of Rural Community Affairs (TDRA) under the Texas Community Development Program (TCDP) 2011/2012 Funding Cycle for water system improvements in an amount of $275,000, and committing local matching funds in the amount $ 55,000.

Attachments

Link: TDCP CDBG Res. 2012

RESOLUTION NO. 2010-35

A RESOLUTION OF THE CITY COUNCIL OF COPPERAS COVE, TEXAS, AUTHORIZING THE SUBMISSION OF A TEXAS COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM APPLICATION TO THE TEXAS DEPARTMENT OF RURAL AFFAIRS FOR THE COMMUNITY DEVELOPMENT FUND; AND AUTHORIZING THE CITY MANAGER TO ACT AS THE CITY'S EXECUTIVE OFFICER AND AUTHORIZED REPRESENTATIVE IN ALL MATTERS PERTAINING TO THE CITY'S PARTICIPATION IN THE TEXAS COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM.

WHEREAS, the City Council of Copperas Cove desires to develop a viable urban community, including decent housing and a suitable living environment and expanding economic opportunities, principally for persons of low-to-moderate income; and

WHEREAS, certain conditions exist which represent a threat to the public health and safety; and

WHEREAS, it is necessary and in the best interests of the City of Copperas Cove to apply for funding under the Texas Community Development Block Grant Program;

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

1. That a Texas Community Development Block Grant Program application for the Community Development Fund is hereby authorized to be filed on behalf of the City with the Texas Department of Rural Affairs.

2. That the City's application be placed in competition for funding under the Community Development Fund.

3. That the application be for $275,000 of grant funds to provide water system improvements.

4. That the City Council directs and designates the 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 Texas Community Development Block Grant Program.

5. That it further be stated that the City of Copperas Cove is committing $55,000 from its' General Fund as a cash contribution toward the administration and engineering activities of this water system improvements project.

PASSED, APPROVED, AND ADOPTED on this 3rd day of August 2010, at a regular meeting of the City Council of the City of Copperas Cove, Texas which meeting was held in compliance with the Open Meetings Act, *Tex. Gov't Code*, §551.001, et.seq. at which meeting a quorum was present and voting.

_____
John Hull, Mayor

ATTEST:

_____
Jane Lees, City Secretary

APPROVED AS TO FORM:

_____
Denton, Navarro, Rocha
& Bernal, P.C., City Attorney

City Council Regular **Item #: I. 6.**
Date: 09/21/2010

Information

SUBJECT

Consideration and action on evaluating the services of City Attorney and Municipal Court Prosecutor.
Andrea M. Gardner, City Manager

BACKGROUND/HISTORY

The City of Copperas Cove appointed Denton, Navarro, Rocha & Bernal, P.C. on October 21, 2008 to perform the services of City Attorney and Municipal Court Prosecutor for the City.

City Charter Section 5.01 requires the Mayor and City Council to evaluate the City Attorney and Municipal Court Prosecutor annually. As such, an evaluation form is attached if desired for use by the governing body.

FINDINGS/CURRENT ACTIVITY

On August 17, 2010, the City Council postponed action on the review of the City Attorney and Municipal Court Prosecutor due to the absence of the City Attorney and Municipal Court Prosecutor as a result of unforeseen circumstances.

ACTION OPTIONS/RECOMMENDATION

City staff recommends that the governing body evaluate the City Attorney and Municipal Court Prosecutor as required by Section 5.01 of the City Charter.

Attachments

Link: Evaluation Form

City of Copperas Cove

Evaluation of Independent Contractor

The City of Copperas Cove Charter, Sec. 5.01 states the City Council and the Mayor shall evaluate the City Attorney annually, and each Council Member and the Mayor shall sign the evaluation.

Name and Title: Denton, Navarro, Rocha & Bernal, P.C., City Attorney and Municipal Court Prosecutor

Functional areas as outlined by the Copperas Cove City Charter Section 5.01:

A. Appear, in any court, on behalf of the City.

B. Represent the City in all litigation.

C. Serve as the legal advisor, counsel for the City and counsel for the departments of the City.

D. Review any and all ordinances considered suspect for change or deletion and cause said ordinance to be brought before the City Council with his/her recommendations.

Comments for evaluation:

Mayor	Council member/Mayor Pro Tem
Council member	Council member
Council member	Council member
Council member	Council member
Charles E. Zech Denton, Navarro, Rocha & Bernal, P.C.	Date
Acknowledgement of City Secretary for Filing	Date

City Council Regular **Item #: I. 7.**
Date: 09/21/2010

Information

SUBJECT

Consideration and action authorizing the Mayor to cast a ballot in accordance with the will of the majority of the governing body of Copperas Cove for Places 6, 7, 8 and 9 for the Texas Municipal League Intergovernmental Risk Pool Board of Trustees Election. ***Andrea M. Gardner, City Manager***

BACKGROUND/HISTORY

On June 28, 2010, the City Manager received notice of the following Board of Trustees term expirations:

- Place 6 held by Mary Gauer
- Place 7 held by Kevin Caddell
- Place 8 held by Larry Melton
- Place 9 held by Andres Garza

The five trustees' terms expire on October 1, 2010. Place 10 is held by Donald Henderson with a term expiration of October 1, 2010, but the position is an appointed position and not an elected position.

FINDINGS/CURRENT ACTIVITY

On August 3, 2010, the Mayor nominated Frank Seffrood as a candidate to serve on the Texas Municipal League Intergovernmental Risk Pool Board of Trustees and the Council approved the submission of the Mayor's nomination to TML.

On August 18, 2010, the City Manager received an official ballot to be cast by the City for Places 6, 7, 8, and 9. Place 6 candidates include Peter Canney, Mary Gauer, Sheyi Ipaye, Michael Nyren and Frank Seffrood. Place 7 includes Kevin Caddell, Kevin Carruth, John Mitchiner, Lawanna Williams. Place 8 includes Larry Melton and Gilbert Perales. Place 9 includes Andres Garza. The ballot must reach the office of David Reagan, Secretary of the Board, no later than September 30, 2010. The ballot must be properly signed. The names of the officials listed on this ballot have been nominated to serve a six-year term on the TML Intergovernmental Risk Pool (Worker's Compensation, Property and Liability) Board of Trustees. Each member of the Pool is entitled to vote for Board of Trustee members; however, each member can only vote for one candidate for each place. A copy of the Official Ballot is attached for Council review and consideration.

ACTION OPTIONS/RECOMMENDATION

City staff recommends that the City Council authorize the Mayor to cast the Official Ballot in accordance with the will of the majority of the governing body for Places 6, 7, 8 and 9 for the Texas Municipal League Intergovernmental
Risk Pool Board of Trustees Election.

Attachments

Link: TML Risk Pool Ballot

PLACE 6

☐ **Peter Canney.** Mayor pro tem for Navasota (Region 14). Mr. Canney is serving his second term as a Councilmember and Mayor Pro Tem. He is a board member of the Grimes County Crimestoppers and the Board Treasurer of The Arts Council of Brazos Valley. He attended undergraduate school at Colorado State University to become a biologist and graduate school at Cornell University. After working as a scientist and a biotechnology recruiter, he formed his own recruiting and human resources consulting firm.

☐ **Mary Gauer.** (Incumbent). Ms. Gauer has served on the TML Intergovernmental Risk Pool Board of Trustees since 1998. She served as a member of the Harker Heights City Council from 1991 to 1998, and Mayor from 1998 to 2004. Ms. Gauer serves as an elected citizen member of the Executive Committee of the Central Texas COG. She is Past-President of the TML Association of Mayors, Councilmembers, and Commissioners, and of the Small Cities Advisory Council.

☐ **Sheyi I. Ipaye.** City Manager for the City of Forest Hill (Region 8). He formerly served as City Manager for Palestine, City Manager for Glenn Heights, Community Services Officer for Iberia Bank in New Orleans, and Community Development Officer and Manager for Community Investment for the Federal Home Loan Bank of Dallas. Mr. Spaye has a Bachelor's Degree in Government and Business and a Master's Degree in Urban Planning and Development.

☐ **Michael S. Nyren.** Risk Manager for Capital Metropolitan Transportation Authority in Austin for 15 years (Region 10). Mr. Nyren has 28 years of experience in insurance, safety, and risk management, and currently holds an All Lines Texas Adjuster's License. He has earned the Insurance Institute of America's designation of Associate in Risk Management (ARM) and Associate in Risk Management for Public Entities (ARM-P). Mr. Nyren serves on the board of the Risk and Insurance Management Society, Central Texas Chapter.

☐ **Frank Seffrood.** Councilmember for City of Copperas Cove (Region 9). Mr. Seffrood has served as a Copperas Cove councilmember since July, 2008, and was elected Mayor Pro Tem in July, 2009. He retired from the U.S. Army in 1979 with 22 years of service. He holds a B.S. degree in Information Systems and taught in the Computer Science Department of Central Texas College for five years. He recently retired from the U.S. Postal Service where he was employed since 1986.

WRITE IN CANDIDATE:

_____

PLACE 7

☐ **Kevin Caddell.** (Incumbent). Mayor for the City of Dalhart (Region 2). Mr. Caddell served as a Dalhart City Councilmember for 10 years, and as Mayor since 2005. Served on the Panhandle Regional Planning Commission Board. Past President of TML Region 2 and incoming Regional Director for TML Region 2. Graduate of Texas Tech University. Owns and operates Furniture Fashions, a retail furniture and appliance outlet in Dalhart, and has other real estate and farming interests in the Dalhart area.

☐ **Kevin Carruth.** City Manager for Paris (Region 15). Mr. Carruth has 20 years of experience in local government and has served as City Manager for Brownwood, Daingerfield, Hillsboro, and Prosper. He also served as Senior Program Analyst and Emergency Management Coordinator for Harris County Housing and Community Development Agency and as an elected official on the Board of Directors for Fort Bend M.U.D. #41. He is an ICMA Credentialed Manager and active in the Texas City Management Association.

☐ **John Mitchiner.** Board of Directors of Galveston County W.C.I.D. #1 (Region 14) since 2004. Mr. Mitchiner served as Mayor for Dickinson from 1994 to 1999, as President for the Galveston County Mayors and Councilmen Assoc., as a Director for the North Galveston County Chamber of Commerce, and as President of the Mainland Association of Life Underwriters. He is a member of the Association of Water Board Directors – Texas, a member of Texas EquuSearch, and a Board Member of the Bay Area Harbour Playhouse.

☐ **Lawanna Williams.** Assistant Finance Director for Kilgore (Region 15). Ms. Williams has been employed by Kilgore since September of 1987. Prior to 1987, Ms. Williams worked six years in the banking industry. Member of the East Texas Municipal Clerks Association, the Government Finance Officers Association of Texas, and the East Texas City Management Association. Serves as secretary/treasurer of the Outreach Community Development Corp. and is a member and past President of the Kilgore Oilpatch Kiwanis Club.

WRITE IN CANDIDATE:

_____

PLACE 8

☐ **Larry Melton** (Incumbent). Mayor for Odessa (Region 4) since 2001. Mr. Melton also served three years as a councilmember. He is the Chief Executive Officer of a regional public accounting firm, Johnson, Miller and Company, where he is responsible for all administrative and human resources areas of the firm. Previously, Mr. Melton was in the banking business for approximately 30 years. He is active in the United Way of Odessa and Odessa Chamber of Commerce. In 1993, he was honored as Odessa's outstanding citizen.

☐ **Gilbert Perales**. Deputy City Manager for the City of Arlington (Region 8). From 1978 to 1980, Mr. Perales worked in the San Antonio City Manager's Office and in the Department of Economic Development. From 1980 to 1985, he served as City Manager for the City of Carrizo Springs. From 1985 to 2001, Mr. Perales worked for the City of Dallas as Assistant to the City Manager and, later, as Assistant Director in the Department of Convention and Events Services. From 2001 to 2007, he was Assistant City Manager for Irving.

WRITE IN CANDIDATE:

_____

PLACE 9

☐ **Andres Garza.** (Incumbent). City Manager for the City of Wharton (Region 14). Mr. Garza has served on the TML Intergovernmental Risk Pool Board of Trustees since 1984, serving as chairman from 1994-1996. He has served as Wharton City Manager since 1994. Mr. Garza has been in public service for over 33 years of which 30 have been as a City Manager. He serves on the TML Small City's Advisory Council, has a BBA degree from Southwest Texas State University, and is a member of TCMA and ICMA.

WRITE IN CANDIDATE:

_____

Information

SUBJECT

Consideration and action on a resolution of the City Council of the City of Copperas Cove, Texas, ("City") approving a change in the tariffs of Atmos Energy Corporation, Mid-Tex Division ("Atmos"), as a result of a settlement between Atmos and the Atmos Texas Municipalities ("ATM"); finding the rates set by the attached tariffs to be just and reasonable; finding that the additional cost for replacing steel service lines is appropriate and is approved subject to a prudence review; finding that the continuation of the rate review mechanism ("RRM"), as amended, for two years is reasonable. ***Andrea M. Gardner, City Manager***

BACKGROUND/HISTORY

For the last three years ATM Cities have worked to resolve rate cases brought by Atmos Energy Corp. ("Atmos") under a regime known as the Rate Review Mechanism ("RRM"). The mechanism operated under a February 2008 settlement agreement where a number of items that can be very contentious under traditional rate making, like the rate of return on equity and the capital structure of the utility, were stipulated. The RRM was both forward looking and backward looking. The forward looking component was based upon the books and records for the most recent historic calendar year. The books and records were used to set rates for the next year. The backward looking component consisted of making up ("truing up") any shortfall in achieving the stipulated rate of return of 9.6% for the recent calendar year. Significant disputes occured about how to calculate the achieved return. ATM has always been concerned that truing up the return took away some of the incentive for the utility to operate prudently and efficiently. The RRM for 2010 was filed in mid-April. At about the same time the Railroad Commission was starting a rulemaking aimed at requiring Atmos to replace steel service lines. The steel service lines are the lines which go from the main in the street to the meter at the house or business. The issue was on the Commission's front-burner because of three recent explosions involving steel service lines. At one point in time the Commission appeared to be considering replacing all service lines on a very rapid schedule which would have resulted in very substantial rate increases. It would also have necessitated the expenditure of substantial resources by cities to assist in the monitoring and routing of the lines when many cities were experiencing downsizing and other belt-tightening measures. Finally, the RRM was instituted as a three year experiment. Thus, also at issue during the three months of negotiations with Atmos was whether the RRM experiment should continue.

FINDINGS/CURRENT ACTIVITY

The components of the settlement include the following:

SIXTY-ONE PERCENT (61%) REDUCTION IN RATE REQUEST
Atmos requested, in connection with this year's RRM, an increase in rates of approximately $70 million with about half it coming from the retroactive piece—the rate of return true-up. The settlement calls for an increase of $27 million. For a typical residential bill the increase is $1.25 per month. This amount is 61% less than what was requested by Atmos. Our rate experts, who are located just outside Kansas City, were very thorough in their analysis of the Company's books and records.

STEEL PIPE REPLACEMENT—100,000 IN NEXT TWO YEARS
Over the past few years there have been a number of explosions involving steel service lines. The worst of these lines need to be replaced rapidly. Some of the lines have been in the ground since the '50s. Atmos did a risk assessment which attempted to target the lines most likely to have problems. The most

Atmos did a risk assessment which attempted to target the lines most likely to have problems. The most at-risk lines are those which are located at or near lines with a recent leak history. Several member cities of ATM, like San Angelo, Corsicana, Copperas Cove and Denton, have thousands of at-risk lines. Other ATM cities like Mexia, Bryan, Greenville, Gatesville, Hillsboro and Commerce will have hundreds of lines replaced in the next two years. The steel pipe replacement program will result in an increase in the residential customer charge of 15 cents per month this year and somewhere in the neighborhood of 40 cents per month next year. Even with the increases in the customer charge, the customer charge for Atmos customers in the Mid-Tex region are among the lowest in Texas.

RRM IS CHANGED BUT WILL CONTINUE FOR 2 YEARS
As part of the settlement negotiations the RRM was continued for two years but it was substantially altered. Remember that the retroactive rate of return true-up component of RRM has been very controversial. Continuation of RRM for two years was conditioned on eliminating the true-up. So, next year and the year after there will be no true-up feature in the RRM filing. Hopefully, the result will mean the annual amounts requested will be much less and the filing should be easier to analyze.

FUTURE GENERAL RATE CASE
As part of the settlement, Atmos is to file a general rate case before each city and the Railroad Commission on or before June 1, 2013. The last rate case was filed in 2007. Periodically it is important to have a general rate case in order to review all costs and expenses at the same time and to review the manner and method that costs are allocated and rates are designed for each rate class.

EFFECTIVE DATE OF SETTLEMENT
The settlement is effective on October 1, 2010. The total increase for the typical residential customer is $1.40 per month and for the typical commercial customer the increase is $3.82 per month which includes both the settlement of the RRM filing for this year and the steel pipe replacement issue.

Counsel for ATM Cities recommends that the settlement be adopted. On balance the settlement is a fair one. The settlement of this year's RRM proceeding is generally consistent with the adjustments made to Atmos' filing by ATM's experts at Utilitech. Further, Counsel can recommend the extension of the RRM for two years with the elimination of the rate of return true-up. Finally, Counsel recommends the adoption of the settlement on the replacement of steel service lines most at-risk of explosion. It is very important that the safety of the lines most in need of replacement be assured. On balance, when the settlement is looked at as a whole, it is worth adopting for all the foregoing reasons. If a city should choose not to approve the settlement it is likely that the decision will be appealed to the Railroad Commission by Atmos. An appeal of the sort could cost over $1 million, including the rate case expenses of Atmos and the city. An appeal of the sort will be difficult to pursue if most of the cities located in the Mid-Tex Division have adopted the settlement.

ACTION OPTIONS/RECOMMENDATION

City staff recommends the City Council adopt Resolution No. 2010-36, approving a change in the tariffs of Atmos Energy Corporation, Mid-Tex Division ("Atmos"), as a result of a settlement between Atmos and the Atmos Texas Municipalities ("ATM"); finding the rates set by the attached tariffs to be just and reasonable; finding that the additional cost for replacing steel service lines is appropriate and is approved subject to a prudence review; finding that the continuation of the rate review mechanism (RRM"), as amended, for two years is reasonable.

Fiscal Impact

Funds available Y/N?: N

FINANCIAL IMPACT:

If the City should choose not to approve the settlement it is likely that the decision will be appealed to the Railroad Commission by Atmos. An appeal of the sort could cost over $1 million, including the rate case expenses of Atmos and the City.

Attachments

Link: Atmos Resolution

Link: 2010 ATM Rate Case Attach A, B & C

RESOLUTION NO. 2010-36

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COPPERAS COVE, TEXAS, ("CITY") APPROVING A CHANGE IN THE TARIFFS OF ATMOS ENERGY CORPORATION, MID-TEX DIVISION ("ATMOS"), AS A RESULT OF A SETTLEMENT BETWEEN ATMOS AND THE ATMOS TEXAS MUNICIPALITIES ("ATM"); FINDING THE RATES SET BY THE ATTACHED TARIFFS TO BE JUST AND REASONABLE; FINDING THAT THE ADDITIONAL COST FOR REPLACING STEEL SERVICE LINES IS APPROPRIATE AND IS APPROVED SUBJECT TO A PRUDENCE REVIEW: FINDING THAT THE CONTINUATION OF THE RATE REVIEW MECHANISM ("RRM"), AS AMENDED, FOR TWO YEARS IS REASONABLE; REQUIRING DELIVERY OF THE RESOLUTION TO THE COMPANY AND LEGAL COUNSEL; DETERMINING THAT THE MEETING AT WHICH THIS RESOLUTION WAS APPROVED COMPLIED WITH THE OPEN MEETINGS ACT; MAKING OTHER FINDINGS AND PROVISIONS RELATED TO THE SUBJECT; AND DECLARING AN EFFECTIVE DATE.

WHEREAS, the City is a regulatory authority under the Gas Utility Regulatory Act ("GURA") and under §103.001 of GURA has exclusive original jurisdiction over Atmos Energy Corporation – Mid-Tex Division ("Atmos") rates, operations, and services as a gas utility within the municipality; and

WHEREAS, the City has participated in prior cases regarding Atmos as part of a coalition of cities known as the Atmos Texas Municipalities ("ATM"); and

WHEREAS, on or about April 15, 2010 Atmos filed for an increase in rates, pursuant to the Rate Review Mechanism ("RRM"), of approximately $70 million; and

WHEREAS, almost one-half of the increase for RRM this year is the result of the rate of return true-up component of RRM; and

WHEREAS, the rate of return true-up component of RRM has been controversial and difficult to apply; and

WHEREAS, over the past few years there have been explosions of Atmos' steel service lines in the Mid-Tex Division which have caused serious property damage and loss of life; and

WHEREAS, the most at-risk steel service lines need to be replaced over the next two years; and

WHEREAS, after months of negotiations and after months of reviewing Atmos' books and records by ATM's experts , a settlement was agreed to by Counsel for ATM, acting on behalf of ATM's Executive Committee, with Atmos, which provides for: (1) the replacement of the most at-risk steel service lines, to be paid for with a small increase in the customer charge for residential and commercial customers; (2) a reduction of 61% of Atmos' requested increase in rates for 2010; (3) the continuation of RRM for two more years but without the rate of return true-up and (4) the filing of a general rate case by Atmos on or before June 1, 2013; and

WHEREAS, the Executive Committee of ATM and its lawyers recommend that Council approve the attached settlement as set forth in Attachment A along with the attached tariffs which are set forth as Attachment B.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF COPPERAS COVE, TEXAS THAT:

Section 1. That the findings set out in the preamble to this resolution are hereby in all things approved and adopted.

Section 2. That the settlement agreement, Attachment A, on balance is in the public interest and is approved.

Section 3. The rates contained in the attached tariffs, Attachment B, are just and reasonable and are hereby approved subject to a prudence review of the steel pipe replacement expenditures in the next general rate proceeding.

Section 4. That a copy of this Resolution shall be sent to Mr. David Park, Vice President for Rates and Regulation, Mid-Tex Division, Atmos Energy Corporation, 5420 LBJ Freeway, Suite 1800, Dallas, Texas 75204, and to Jim Boyle, Counsel for ATM, at Herrera & Boyle, PLLC, 816 Congress Avenue, Suite 1250, Austin, TX 78701.

Section 6. 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 7. That this resolution shall become effective immediately from and after its passage.

PASSED, APPROVED, AND ADOPTED on this 21st day of September 2010, at a regular meeting of the City Council of the City of Copperas Cove, Texas which meeting was held in compliance with the Open Meetings Act, *Tex. Gov't Code*, §551.001, et.seq. at which meeting a quorum was present and voting.

_____
John Hull, Mayor

ATTEST:

_____
Jane Lees, City Secretary

APPROVED AS TO FORM:

_____
Denton, Navarro, Rocha
& Bernal, P.C., City Attorney

ATTACHMENT A

SETTLEMENT AGREEMENT

SETTLEMENT AGREEMENT BETWEEN ATMOS ENERGY CORP., MID-TEX DIVISION AND ATMOS TEXAS MUNICIPALITIES

WHEREAS, this settlement agreement is entered into by Atmos Energy Corp's Mid-Tex Division and Atmos Texas Municipalities ("ATM") whose members include the Cities of Austin, Balch Springs, Bandera, Bartlett, Belton, Blooming Grove, Bryan, Cameron, Cedar Park, Clifton, Commerce, Copperas Cove, Corsicana, Denton, Electra, Fredericksburg, Gatesville, Georgetown, Goldthwaite, Granbury, Greenville, Groesbeck, Hamilton, Heath, Henrietta, Hickory Creek, Hico, Hillsboro, Hutto, Kerens, Lampasas, Leander, Lometa, Longview, Mart, Mexia, Olney, Pflugerville, Point, Ranger, Rice, Riesel, Rockdale, Rockport, Rogers, Round Rock, San Angelo, Sanger, Somerville, Star Harbor, Trinidad, Trophy Club, and Whitney; and

WHEREAS, on March 15, 2010, Atmos filed with the ATM Cities an application, hereafter referred to as the 2010 RRM filing, to adjust rates pursuant to Rider RRM - Rate Review Mechanism; and

WHEREAS, ATM has hired experts and lawyers to analyze the rates proposed by Atmos Energy Corp.'s, Mid-Tex Division ("Atmos" or "Company") in its 2010 RRM filing; and

WHEREAS, the Settlement Agreement resolves all issues between Atmos and ATM ("the Signatories") regarding the 2010 RRM filing, which is currently pending before the ATM Cities, in a manner that the Signatories believe is consistent with the public interest, and the Signatories represent diverse interests; and

WHEREAS, the Signatories believe that the resolution of the issues raised in the 2010 RRM filing can best be accomplished by each ATM City approving this Settlement Agreement and the rates, terms and conditions reflected in the tariffs attached to this Settlement Agreement as Exhibit A;

NOW, THEREFORE, in consideration of the mutual agreements and covenants established herein, the Signatories, through their undersigned representatives, agree to the following Settlement Terms as a means of fully resolving all issues between the ATM Cities and Atmos involving the 2010 RRM filing:

Settlement Terms

1. Upon the execution of this Settlement Agreement, Atmos and the counsel for the ATM cities will recommend that an ordinance or resolution be adopted to approve this Settlement Agreement and implement the rates, terms and conditions reflected in the tariffs attached to this Settlement Agreement as Exhibit A. (Attachment A to the Ordinance ratifying this Agreement). Said tariffs should allow Atmos an additional, prospective $27 million in annual revenue by implementation of rates shown in the proof of revenues attached as Exhibit B. (Attachment B to the Ordinance ratifying this Agreement). The uniform implementation of gas rates, terms and conditions established by this Settlement Agreement shall be effective for bills rendered on or after October 1, 2010.

2. In an effort to streamline the regulatory review process, Atmos and ATM have agreed to renew the Rate Review Mechanism ("Rider RRM") for a period commencing with the Company's April 1, 2011 filing under this mechanism for the calendar year 2010, effective August 15, 2011, and concluding upon the implementation of new, final rates established pursuant to the general rate case that Atmos will file on or before June 1, 2013. Rider RRM provides for an annual rate adjustment to reflect changes in billing determinants, operating and maintenance expense, depreciation expense, other taxes expense, and revenues as well as changes in capital investment and associated changes in gross revenue related taxes. The revised RRM tariff is included in Exhibit A.

3. Notwithstanding the RRM rate adjustments that will occur pursuant to paragraph 2 of this Settlement Agreement, Atmos and ATM agree that on or before June 1, 2013, Atmos shall file a general, system-wide rate case for the Mid-Tex Division. During the pendency of the general rate case, Atmos and ATM agree that rate adjustments associated with the RRM filing for calendar year 2011 shall be implemented on August 15, 2012, and shall remain in effect until the earlier of either the issuance of a final order by the Railroad Commission of Texas in the general rate case to be filed on or before June 1, 2013, or the entry of an agreed upon order resolving all issues involved in the general rate case. The adjustments made or requested in the 5th year RRM shall not be considered precedent during the general rate case.

4. Atmos and ATM further agree that for the period commencing March 1, 2010 through September 30, 2012, Atmos will expand its existing steel service line replacement program to complete the replacement of 100,000 steel service lines within its Mid-Tex Division during this period. Atmos and ATM agree that a risk-based approach should be adopted to allow replacement of the highest priority steel service lines within this time period. Atmos agrees to provide the ATM cities with quarterly reports providing the number and location of the lines replaced during the quarter. Atmos agrees to coordinate with ATM member cities to minimize disruption to cities' rights of way without compromising the safety of residents of the cities.

5. Atmos and ATM agree that costs incurred to replace steel service lines prior to October 1, 2010 shall be included in the RRM rate adjustment calculation for the 2010 calendar year, and shall not be subject to or included in the rate cap limitations set forth in subsection IV (a)-(b) of the Rider RRM tariff.

6. Atmos and ATM agree that the projected incremental direct costs incurred to replace steel service lines on or after October 1, 2010 shall be separately identified and shall not be subject to or included in the rate cap limitations set forth in subsection IV (a)-(b) of the Rider RRM tariff. Atmos and ATM further agree that such projected direct incremental costs incurred to replace steel service lines after October 1, 2010, shall be separately calculated and recovered as a discrete component of customer charges in the Company's annual RRM filings as set forth below:

   a. Atmos and ATM agree that Atmos shall be entitled to separately adjust rates for the Rate Effective Period as defined in the Rider RRM tariff to allow recovery of the projected annual revenue requirement associated with direct incremental costs to be incurred in connection with a steel service line replacement program, that are not otherwise included within the RRM cost of service, including a return on equity of 9.0% within the overall weighted cost of capital applied to net

investment (net plant additions, less accumulated depreciation and accumulated deferred income taxes), depreciation expense and applicable taxes;

b. Atmos and ATM further agree that the capital structure used to calculate the steel service line replacement rate adjustment will be the actual Evaluation Period (as defined in the Rider RRM tariff) ratio of long-term debt and equity, with an equity percentage not to exceed 50%;

c. Rate recovery associated with a steel service line replacement program shall occur through an adjustment to the Residential and Commercial customer charges. Current year recovery factors as of October 1, 2010 shall be $0.15 for residential customers and $0.41 for commercial customers. The rates will be adjusted annually, however, Atmos and ATM agree that in no case will the per customer monthly cost recovery factors attributable to a steel service line replacement program exceed $0.44 for residential customers or $1.22 for commercial customers, either prior to or during the pendency of the general rate case Atmos will file on or before June 1, 2013.

d. Atmos and ATM further agree that any per customer amount attributable to cost recovery for a steel service line replacement program shall be subject to review by the regulatory authority in a subsequent Evaluation Period as defined in the Rider RRM tariff and all incremental costs associated with a steel service line replacement program shall be subject to a prudence/reasonableness review in the general rate case to be filed by Atmos on or before June 1, 2013.

7. With respect to the Company's annual RRM filings, Atmos agrees to pay all reasonable and necessary expenses of each entity having original jurisdiction that are incurred to review the Company's annual RRM filings. Atmos further agrees that in calculating the proposed rate for any Rate Effective Period, the Company shall not include: (1) any external legal, expert, or consultant costs to prepare and/or provide supportive information related to its filing; or (2) reimbursements to original jurisdiction entities.

8. Notwithstanding paragraph 7 of this Settlement Agreement, Atmos and ATM agree that in the event of an appeal of an original jurisdiction entity's decision regarding a proposed RRM adjustment, recovery of rate case expenses shall be determined according to Chapters 103 and 104, TEX. UTIL. CODE ANN. Further, in the event of such appeal(s), Atmos shall recover any reimbursement made to the original jurisdiction entity through a surcharge to all customer rates that are subject to the Commission's jurisdiction in that proceeding or proceedings that might be joined therewith, regardless of whether such reimbursements are made during the initial review period or appeal period.

9. The ATM Cities agree that they will not challenge the legal basis of the rates, terms, and conditions reflected in Exhibit A, or any annual RRM adjustment that is implemented pursuant to Rider RRM.

10. Atmos and the ATM Cities further agree that the express terms of the Rider RRM are supplemental to the filing, notice, regulatory review, or appellate procedural process of the ratemaking provisions of Chapter 104 of the Texas Utilities Code. If the statute

requires a mandatory action on behalf of the municipal regulatory authority or Atmos, the parties will follow the provisions of such statute. If the statute allows discretion on behalf of the municipal regulatory authority, the ATM Cities agree that they shall exercise such discretion in such a way as to implement the provisions of the RRM tariff. If Atmos appeals an action or inaction of an ATM City regarding an RRM filing to the Railroad Commission, the ATM Cities agree that they will not oppose the implementation of interim rates or advocate the imposition of a bond by Atmos consistent with the RRM tariff. Atmos agrees that it will make no filings on behalf of its Mid-Tex division under the provisions of TEX. UTIL. CODE ANN. § 104.301 while the Rider RRM is in place. In the event that a regulatory authority fails to act or enters an adverse decision regarding the proposed annual RRM adjustment, the Railroad Commission of Texas shall, pursuant to the provisions of the Texas Utilities Code, have exclusive appellate jurisdiction to review the action or inaction of the regulatory authority exercising exclusive original jurisdiction over the RRM request. In addition, the Signatories agree that this Settlement Agreement shall not be construed as a waiver of the ATM Cities' right to initiate a show cause proceeding or the Company's right to file a Statement of Intent under the provisions of the Texas Utilities Code.

11. Atmos and ATM further agree that the ordinance or resolution adopting this Settlement Agreement shall include a provision authorizing Atmos to establish regulatory asset account(s) for costs related to working gas in storage. Atmos and ATM further agree that the language authorizing these regulatory asset account(s) shall be the same as that set forth in the 4th Ordering Paragraph (Page 10 of 11) of the Final Order Nunc Pro Tunc issued by Railroad Commission of Texas in GUD No. 9869 on February 23, 2010. This language states as follows:

> IT IS FURTHER ORDERED that Atmos shall be allowed to establish a regulatory asset for the ad valorem taxes related to working gas in storage. In addition, Atmos shall be allowed to establish a regulatory asset for (1) the costs associated with Accumulated Deferred Income Tax for UNICAP Section 263A, (2) the WACOG to FIFO change, and (3) an amount equal to the rate of return approved in this RRM Proceeding for the Accumulated Deferred Income Tax items related to working gas in storage. Atmos shall record these amounts in Other Regulatory Assets (Account 182.3). These deferred items shall be considered, along with the investment in working gas, for consideration and possible inclusion in rates for Atmos Pipeline-Texas in that entity's next filed rate case. If the Commission determines that such deferred items are not properly included in the rates of Atmos Pipeline – Texas, the items shall be further deferred until the next Atmos Mid-Tex rate case filed after the final decision in the Atmos Pipeline-Texas rate case for inclusion with the working gas investment in the Atmos Mid-Tex rates.

12. Atmos and ATM agree that each ATM city should approve this Settlement Agreement and adopt an ordinance or resolution to implement for the ATM Cities the rates, terms, and conditions reflected in the tariffs attached to this Settlement Agreement as Exhibit A, as well as the regulatory asset authorization language discussed in paragraph 12 of this Settlement Agreement.

13. The Signatories agree that the terms of the Settlement Agreement are interdependent and indivisible, and that if any ATM city enters an order that is inconsistent with this Settlement Agreement, then any Signatory may withdraw without being deemed to have waived any procedural right or to have taken any substantive position on any fact or issue by virtue of that Signatory's entry into the Settlement Agreement or its subsequent withdrawal. If any ATM city rejects this Settlement Agreement, then this Settlement Agreement shall be void *ab initio* and counsel for the ATM Cities shall thereafter only take such actions as are in accordance with the Texas Disciplinary Rules of Professional Conduct.

14. The Signatories agree that all negotiations, discussions and conferences related to the Settlement Agreement are privileged, inadmissible, and not relevant to prove any issues associated with Atmos' 2010 RRM filing.

15. The Signatories agree that neither this Settlement Agreement nor any oral or written statements made during the course of settlement negotiations may be used for any purpose other than as necessary to support the entry by the ATM Cities of an ordinance or resolution implementing this Settlement Agreement.

16. The Signatories agree that this Settlement Agreement is binding on each Signatory only for the purpose of settling the issues set forth herein and for no other purposes, and, except to the extent the Settlement Agreement governs a Signatory's rights and obligations for future periods, this Settlement Agreement shall not be binding or precedential upon a Signatory outside this proceeding.

17. The Signatories agree that this Settlement Agreement may be executed in multiple counterparts and may be filed with facsimile signatures.

Agreed to this 23rd day of August 2010.

ATTORNEY FOR ATMOS TEXAS MUNICIPALITIES, WHOSE MEMBERS INCLUDE THE CITIES OF AUSTIN, BALCH SPRINGS, BANDERA, BARTLETT, BELTON, BLOOMING GROVE, BRYAN, CAMERON, CEDAR PARK, CLIFTON, COMMERCE, COPPERAS COVE, CORSICANA, DENTON, ELECTRA, FREDERICKSBURG, GATESVILLE, GEORGETOWN, GOLDTHWAITE, GRANBURY, GREENVILLE, GROESBECK, HAMILTON, HEATH, HENRIETTA, HICKORY CREEK, HICO, HILLSBORO, HUTTO, KERENS, LAMPASAS, LEANDER, LOMETA, LONGVIEW, MART, MEXIA, OLNEY, PFLUGERVILLE, POINT, RANGER, RICE, RIESEL, ROCKDALE, ROCKPORT, ROGERS, ROUND ROCK, SAN ANGELO, SANGER, SOMERVILLE, STAR HARBOR, TRINIDAD, TROPHY CLUB, AND WHITNEY

By: _____
Jim Boyle *

* Subject to approval by ATM City Councils

Agreed to this 23 day of August, 2010.

ATMOS ENERGY CORP., MID-TEX DIVISION

By: _____
John A. Paris
President, Mid-Tex Division

ATTACHMENT B

TARIFFS

ATMOS ENERGY CORPORATION
MID-TEX DIVISION

RATE SCHEDULE:	**R – RESIDENTIAL SALES**	
APPLICABLE TO:	**All Cities except the City of Dallas and all unincorporated areas**	
EFFECTIVE DATE:	**Bills Rendered on or after 10/01/2010**	

Application
Applicable to Residential Customers for all natural gas provided at one Point of Delivery and measured through one meter.

Type of Service
Where service of the type desired by Customer is not already available at the Point of Delivery, additional charges and special contract arrangements between Company and Customer may be required prior to service being furnished.

Monthly Rate
Customer's monthly bill will be calculated by adding the following Customer and Mcf charges to the amounts due under the riders listed below:

Charge	Amount
Customer Charge per Bill	$ 7.15 per month
Commodity Charge – All Mcf	$2.5246 per Mcf

Gas Cost Recovery: Plus an amount for gas costs and upstream transportation costs calculated in accordance with Part (a) and Part (b), respectively, of Rider GCR.

Weather Normalization Adjustment: Plus or Minus an amount for weather normalization calculated in accordance with Rider WNA.

Rate Review Mechanism: Plus or Minus an amount for rates as calculated in accordance with Rider RRM.

Franchise Fee Adjustment: Plus an amount for franchise fees calculated in accordance with Rider FF. Rider FF is only applicable to customers inside the corporate limits of any incorporated municipality.

Tax Adjustment: Plus an amount for tax calculated in accordance with Rider TAX.

Surcharges: Plus an amount for surcharges calculated in accordance with the applicable rider(s).

Agreement
An Agreement for Gas Service may be required.

Notice
Service hereunder and the rates for services provided are subject to the orders of regulatory bodies having jurisdiction and to the Company's Tariff for Gas Service.

ATMOS ENERGY CORPORATION
MID-TEX DIVISION

RATE SCHEDULE:	**C – COMMERCIAL SALES**	
APPLICABLE TO:	**All Cities except the City of Dallas and all unincorporated areas**	
EFFECTIVE DATE:	**Bills Rendered on or after 10/01/2010**	

Application
Applicable to Commercial Customers for all natural gas provided at one Point of Delivery and measured through one meter and to Industrial Customers with an average annual usage of less than 3,000 Mcf.

Type of Service
Where service of the type desired by Customer is not already available at the Point of Delivery, additional charges and special contract arrangements between Company and Customer may be required prior to service being furnished.

Monthly Rate
Customer's monthly bill will be calculated by adding the following Customer and Mcf charges to the amounts due under the riders listed below:

Charge	Amount
Customer Charge per Bill	$ 13.91 per month
Commodity Charge - All Mcf	$ 1.0796 per Mcf

Gas Cost Recovery: Plus an amount for gas costs and upstream transportation costs calculated in accordance with Part (a) and Part (b), respectively, of Rider GCR.

Weather Normalization Adjustment: Plus or Minus an amount for weather normalization calculated in accordance with Rider WNA.

Rate Review Mechanism: Plus or Minus an amount for rates as calculated in accordance with Rider RRM.

Franchise Fee Adjustment: Plus an amount for franchise fees calculated in accordance with Rider FF. Rider FF is only applicable to customers inside the corporate limits of any incorporated municipality.

Tax Adjustment: Plus an amount for tax calculated in accordance with Rider TAX.

Surcharges: Plus an amount for surcharges calculated in accordance with the applicable rider(s).

Agreement
An Agreement for Gas Service may be required.

Notice
Service hereunder and the rates for services provided are subject to the orders of regulatory bodies having jurisdiction and to the Company's Tariff for Gas Service.

ATMOS ENERGY CORPORATION
MID-TEX DIVISION

RATE SCHEDULE:	**I – INDUSTRIAL SALES**	
APPLICABLE TO:	**All Cities except the City of Dallas and all unincorporated areas**	
EFFECTIVE DATE:	**Bills Rendered on or after 10/01/2010**	

Application
Applicable to Industrial Customers with a maximum daily usage (MDU) of less than 3,500 MMBtu per day for all natural gas provided at one Point of Delivery and measured through one meter. Service for Industrial Customers with an MDU equal to or greater than 3,500 MMBtu per day will be provided at Company's sole option and will require special contract arrangements between Company and Customer.

Type of Service
Where service of the type desired by Customer is not already available at the Point of Delivery, additional charges and special contract arrangements between Company and Customer may be required prior to service being furnished.

Monthly Rate
Customer's monthly bill will be calculated by adding the following Customer and MMBtu charges to the amounts due under the riders listed below:

Charge	Amount
Customer Charge per Meter	$ 450.00 per month
First 0 MMBtu to 1,500 MMBtu	$ 0.2750 per MMBtu
Next 3,500 MMBtu	$ 0.2015 per MMBtu
All MMBtu over 5,000 MMBtu	$ 0.0433 per MMBtu

Gas Cost Recovery: Plus an amount for gas costs and upstream transportation costs calculated in accordance with Part (a) and Part (b), respectively, of Rider GCR.

Rate Review Mechanism: Plus or Minus an amount for rates as calculated in accordance with Rider RRM.

Franchise Fee Adjustment: Plus an amount for franchise fees calculated in accordance with Rider FF. Rider FF is only applicable to customers inside the corporate limits of any incorporated municipality.

Tax Adjustment: Plus an amount for tax calculated in accordance with Rider TAX.

Surcharges: Plus an amount for surcharges calculated in accordance with the applicable rider(s).

Curtailment Overpull Fee
Upon notification by Company of an event of curtailment or interruption of Customer's deliveries, Customer will, for each MMBtu delivered in excess of the stated level of curtailment or interruption, pay Company 200% of the midpoint price for the Katy point listed in *Platts Gas Daily* published for the applicable Gas Day in the table entitled "Daily Price Survey."

ATMOS ENERGY CORPORATION
MID-TEX DIVISION

RATE SCHEDULE:	**I – INDUSTRIAL SALES**	
APPLICABLE TO:	**All Cities except the City of Dallas and all unincorporated areas**	
EFFECTIVE DATE:	**Bills Rendered on or after 10/01/2010**	

Replacement Index
In the event the "midpoint" or "common" price for the Katy point listed in *Platts Gas Daily* in the table entitled "Daily Price Survey" is no longer published, Company will calculate the applicable imbalance fees utilizing a daily price index recognized as authoritative by the natural gas industry and most closely approximating the applicable index.

Agreement
An Agreement for Gas Service may be required.

Notice
Service hereunder and the rates for services provided are subject to the orders of regulatory bodies having jurisdiction and to the Company's Tariff for Gas Service.

Special Conditions
In order to receive service under Rate I, Customer must have the type of meter required by Company. Customer must pay Company all costs associated with the acquisition and installation of the meter.

ATMOS ENERGY CORPORATION
MID-TEX DIVISION

RATE SCHEDULE:	**T – TRANSPORTATION**	
APPLICABLE TO:	**All Cities except the City of Dallas and all unincorporated areas**	
EFFECTIVE DATE:	**Bills Rendered on or after 10/01/2010**	

Application
Applicable, in the event that Company has entered into a Transportation Agreement, to a customer directly connected to the Atmos Energy Corp., Mid-Tex Division Distribution System (Customer) for the transportation of all natural gas supplied by Customer or Customer's agent at one Point of Delivery for use in Customer's facility.

Type of Service
Where service of the type desired by Customer is not already available at the Point of Delivery, additional charges and special contract arrangements between Company and Customer may be required prior to service being furnished.

Monthly Rate
Customer's bill will be calculated by adding the following Customer and MMBtu charges to the amounts and quantities due under the riders listed below:

Charge	Amount
Customer Charge per Meter	$ 450.00 per month
First 0 MMBtu to 1,500 MMBtu	$ 0.2750 per MMBtu
Next 3,500 MMBtu	$ 0.2015 per MMBtu
All MMBtu over 5,000 MMBtu	$ 0.0433 per MMBtu

Upstream Transportation Cost Recovery: Plus an amount for upstream transportation costs in accordance with Part (b) of Rider GCR.

Rate Review Mechanism: Plus or Minus an amount for rates as calculated in accordance with Rider RRM.

Retention Adjustment: Plus a quantity of gas as calculated in accordance with Rider RA.

Franchise Fee Adjustment: Plus an amount for franchise fees calculated in accordance with Rider FF. Rider FF is only applicable to customers inside the corporate limits of any incorporated municipality.

Tax Adjustment: Plus an amount for tax calculated in accordance with Rider TAX.

Surcharges: Plus an amount for surcharges calculated in accordance with the applicable rider(s).

Imbalance Fees
All fees charged to Customer under this Rate Schedule will be charged based on the quantities determined under the applicable Transportation Agreement and quantities will not be aggregated for any Customer with multiple Transportation Agreements for the purposes of such fees.

ATMOS ENERGY CORPORATION
MID-TEX DIVISION

RATE SCHEDULE:	**T – TRANSPORTATION**	
APPLICABLE TO:	**All Cities except the City of Dallas and all unincorporated areas**	
EFFECTIVE DATE:	**Bills Rendered on or after 10/01/2010**	

Monthly Imbalance Fees
Customer shall pay Company the greater of (i) $0.10 per MMBtu, or (ii) 150% of the difference per MMBtu between the highest and lowest "midpoint" price for the Katy point listed in *Platts Gas Daily* in the table entitled "Daily Price Survey" during such month, for the MMBtu of Customer's monthly Cumulative Imbalance, as defined in the applicable Transportation Agreement, at the end of each month that exceeds 10% of Customer's receipt quantities for the month.

Curtailment Overpull Fee
Upon notification by Company of an event of curtailment or interruption of Customer's deliveries, Customer will, for each MMBtu delivered in excess of the stated level of curtailment or interruption, pay Company 200% of the midpoint price for the Katy point listed in *Platts Gas Daily* published for the applicable Gas Day in the table entitled "Daily Price Survey."

Replacement Index
In the event the "midpoint" or "common" price for the Katy point listed in *Platts Gas Daily* in the table entitled "Daily Price Survey" is no longer published, Company will calculate the applicable imbalance fees utilizing a daily price index recognized as authoritative by the natural gas industry and most closely approximating the applicable index.

Agreement
A transportation agreement is required.

Notice
Service hereunder and the rates for services provided are subject to the orders of regulatory bodies having jurisdiction and to the Company's Tariff for Gas Service.

Special Conditions
In order to receive service under Rate T, customer must have the type of meter required by Company. Customer must pay Company all costs associated with the acquisition and installation of the meter.

ATMOS ENERGY CORPORATION
MID-TEX DIVISION

RIDER:	**WNA – WEATHER NORMALIZATION ADJUSTMENT**	
APPLICABLE TO:	**All Cities except the City of Dallas and all unincorporated areas**	
EFFECTIVE DATE:	**Bills Rendered on or after 10/01/2010**	

Provisions for Adjustment

The base rate per Mcf (1,000,000 Btu) for gas service set forth in any Rate Schedules utilized by the cities of the Mid-Tex Division service area for determining normalized winter period revenues shall be adjusted by an amount hereinafter described, which amount is referred to as the "Weather Normalization Adjustment." The Weather Normalization Adjustment shall apply to all temperature sensitive residential and commercial bills based on meters read during the revenue months of November through April. The five regional weather stations are Abilene, Austin, Dallas, Waco, and Wichita Falls.

Computation of Weather Normalization Adjustment

The Weather Normalization Adjustment Factor shall be computed to the nearest one-hundredth cent per Mcf by the following formula:

$$WNAF_i = R_i \frac{(HSF_i \times (NDD-ADD))}{(BL_i + (HSF_i \times ADD))}$$

Where

i = any particular Rate Schedule or billing classification within any such particular Rate Schedule that contains more than one billing classification

$WNAF_i$ = Weather Normalization Adjustment Factor for the ith rate schedule or classification expressed in cents per Mcf

R_i = base rate of temperature sensitive sales for the ith schedule or classification approved by the entity exercising original jurisdiction.

HSF_i = heat sensitive factor for the ith schedule or classification calculated as the slope of the linear regression of average sales per bill (Mcf) and actual heating degree days by month for the test year by schedule or classification and weather station as part of the RRM filing.

NDD = billing cycle normal heating degree days calculated as the simple ten-year average of actual heating degree days.

ADD = billing cycle actual heating degree days.

BI_i = base load sales for the ith schedule or classification calculated as the y-intercept of the linear regression of average sales per bill (Mcf) and actual heating degree days by month for the test year by schedule or classification and weather station as part of the RRM filing.

The Weather Normalization Adjustment for the jth customer in ith rate schedule is computed as:

$$WNA_i = WNAF_i \times q_{ij}$$

ATMOS ENERGY CORPORATION
MID-TEX DIVISION

RIDER:	**WNA – WEATHER NORMALIZATION ADJUSTMENT**	
APPLICABLE TO:	**All Cities except the City of Dallas and all unincorporated areas**	
EFFECTIVE DATE:	**Bills Rendered on or after 10/01/2010**	

Where q_{ij} is the relevant sales quantity for the jth customer in ith rate schedule.

Filings with Entities Exercising Original Jurisdiction

As part of its annual RRM filing the Company will file (a) a copy of each computation of the Weather Normalization Adjustment Factor, (b) a schedule showing the effective date of each such Weather Normalization Adjustment, (c) a schedule showing the factors of values used in calculating such Weather Normalization Adjustment and (d) a random sample and audit of thirty (30) actual customer bills, with customer information deleted, for each rate schedule or classification to which the WNA was applied in the preceding 12 month period. To the extent that source data is needed to audit the WNA application, such data will be provided by the Company as part of the annual RRM filing.

If the RRM is discontinued, as provided in the Rider RRM tariff, the information required herein to be filed with the entities exercising original jurisdiction shall be filed on March 1 of each year.

Base Use/Heat Use Factors

	Residential		Commercial	
Weather Station	Base use Mcf	Heat use Mcf/HDD	Base use Mcf	Heat use Mcf/HDD
Abilene	1.06	.0131	9.03	.0588
Austin	1.17	.0138	19.39	.0674
Dallas	1.49	.0191	20.37	.0872
Waco	1.13	.0137	11.81	.0610
Wichita Falls	1.19	.0136	11.21	.0549

Sample $WNAF_i$ Calculation:

$$.3352 \text{ per Mcf} = 2.5246 \times \frac{(.0131 \times (30-17))}{(1.06 + (.0131 \times 17))}$$

Where

i = Residential Single Block Rate Schedule

R_i = 2.25246 per MCF

HSF_i = .0131 (Residential - Abilene Area)

NDD = 30 HDD (Simple ten-year average of Actual HDD for Abilene Area – 9/15/06 – 10/14/06)

ADD = 17 HDD (Actual HDD for Abilene Area – 9/15/06 – 10/14/06)

BI_i = 1.06 Mcf (Residential - Abilene Area)

ATMOS ENERGY CORPORATION
MID-TEX DIVISION

RIDER:	**RRM – RATE REVIEW MECHANISM**	
APPLICABLE TO:	**All Cities except the City of Dallas and all unincorporated areas**	
EFFECTIVE DATE:	**Bills Rendered on or after 10/01/2010**	

I. Purpose:

This mechanism is designed to provide annual earnings transparency. All rate calculations under this tariff shall be made on a system wide basis. If, through the implementation of the provisions of this mechanism, it is determined that rates should be decreased or increased, then rates will be adjusted accordingly in the manner set forth herein. The rate adjustments implemented under this mechanism will reflect annual changes in the Company's cost of service and rate base. This Rider RRM will be effective for the period commencing with the Company's RRM filing on April 1, 2011, and concluding with the implementation of new, final rates established pursuant to the general rate case that Atmos will file on or before June 1, 2013.

II. Definitions

a) The **Annual Evaluation Date** shall be the date the Company will make its annual filing under this mechanism. The Annual Evaluation Date shall be no later than April 1, of each year. This filing shall be effective in electronic form where practicable.

b) **Audited Financial Data** shall mean the Company's books and records related to the Company's Mid-Tex operating area and shared services operations. Audited Financial Data shall not require the schedules and information provided under this tariff to undergo a separate financial audit by an outside auditing firm similar to the Company's annual financial audit.

c) The **Evaluation Period** is defined as the twelve month period ending December 31, of each calendar year.

d) The **Rate Effective Period** is defined as the later of the twelve month period for which rates determined under this mechanism will be in effect or subsequent rates are implemented.

e) **Per Connection Basis** is defined as the existing average number of Mid-Tex active meters to customers during the Evaluation Period.

f) **Final Order** is defined as the most recent order establishing the Company's latest effective rates for the area in which the mechanism is implemented, and shall include municipal rate ordinances and resolutions.

III. Rate Review Mechanism

The Company shall file with each regulatory authority having original jurisdiction over the Company's rates the schedules specified below for the Evaluation Period, with the filing to be made by the Annual Evaluation Date following the end of the Evaluation Period. The schedules, which will be based upon the Company's Audited Financial Data, as adjusted, and provided in the same format as Atmos' RRM filing with municipalities on March 15, 2010, will exclude a true-up computation, but will include the following:

a) Evaluation Period ending balances for actual gross plant in service, accumulated depreciation, accumulated deferred income taxes, inventory, working capital, and other rate base components will be used for the calculation of rates for the Rate Effective Period. The ratemaking treatments, principles, findings and adjustments included in the Final Order will apply. Regulatory adjustments due to prior regulatory rate base adjustment disallowances will be maintained. Cash working capital will be calculated using the lead/lag days approved in the Final Order. Accumulated deferred income taxes (ADIT) will be calculated using the methodology used in the Final Order. The RRM Schedules & Information section of this tariff identifies those ADIT components to be included in the calculation of rate base for both the Evaluation Period and Rate Effective Period calculations.

RIDER:	**RRM – RATE REVIEW MECHANISM**	
APPLICABLE TO:	**All Cities except the City of Dallas and all unincorporated areas**	
EFFECTIVE DATE:	**Bills Rendered on or after 10/01/2010**	

b) Depreciation rates booked in the period will be those approved in the Final Order, or the rate most recently approved. All calculation methodologies will be those approved in the Final Order except where noted or included in this tariff, or in the most recent order addressing the methodology. In addition, the Company shall exclude from operating and maintenance expense the discretionary costs to be disallowed from Rider RRM filings listed in the RRM Schedules and Information section of this tariff.

c) Return on Equity (ROE) shall be maintained at 9.7%.

d) Cost of debt will reflect actual cost for the Evaluation Period. Evaluation Period ending balances for cost of debt and capital structure will be used for the calculation of rates for the Rate Effective Period. Capital structure will be the actual Evaluation Period ratio of long-term debt and equity, with percentage equity not to exceed 50%, based on the calculation methodology outcomes used above.

e) All applicable accounting adjustments along with all supporting work papers. Such adjustments may include:

1) Pro-forma adjustments to update and annualize costs and revenue billing determinants for the Rate Effective Period.

2) Pro-forma or other adjustments required to properly account for atypical, unusual, or nonrecurring events recorded during the Evaluation Period.

f) Shared Services allocation factors shall be recalculated each year based on the latest component factors used during the Evaluation Period, but the methodology used will be that approved in the Final Order.

g) Any changes to corporate structure or allocation of common costs will include narrative explanations with the filing.

IV. Calculation of Rate Adjustment

a) The Company shall provide additional schedules indicating the following revenue deficiency/sufficiency calculations using the methodology accepted in the Final Order with the exception of any allowance for a true-up component in the April 1, 2011 or the April 1, 2012 RRM filings. Evaluation Period ending balances will be used for the calculation of rates for the Rate Effective Period. These schedules shall identify the rate adjustments necessary for the setting of prospective rates for the Rate Effective Period. The result shall be reflected in the proposed new rates to be established for the Rate Effective Period. In calculating the required rate adjustments, such adjustments will be made pro-ratably to the customer charge and usage charge based upon actual revenue generated, as adjusted under the Company's approved Weather Normalization Adjustment (WNA) Rider. Provided, however, that neither the Residential nor the Commercial customer charges may increase more than 20% per year.

b) The Company may also adjust rates for the Rate Effective Period to include recovery of any known and measurable changes to operating and maintenance costs including, but not limited to, payroll and compensation expense, benefit expense, pension expense, insurance costs, materials and supplies, bad debt costs, medical expense, transportation and building and lease costs for the Rate Effective Period. Provided, however, that adjustments may only be made for costs that are reasonable and necessary. Additionally, utility plant and rate base for the Rate

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Effective Period will be established by using the Evaluation Period ending balances, including associated changes in depreciation and amortization expense and taxes. In calculating the Company's known and measurable changes for prospective RRM adjustment purposes, the following limitations will apply, on a Per Connection Basis.

1. Operating and Maintenance expenses per connection for the Rate Effective Period cannot increase more than 5% per year without specific identification and justification. Any proposed adjustment above 5% per year, is subject to the provisions of the Evaluation Procedures of this tariff. Such procedures provide that the regulatory authority will review the proposed adjustment and that the Company and regulatory authority will work collaboratively to seek agreement on the proposed adjustments to the Company's schedules and proposed rates. Justification for such expenditures over the cap shall include an event or combination of events beyond the control of the Company. The beginning adjusted Operation and Maintenance expense per connection for the 2007 RRM Evaluation Period will be limited to not exceed $151 million divided by the connections for the period. The increase in adjusted Operation and Maintenance expenses per connection for the 2008 Rate Effective Period and the subsequent Rate Effective periods cannot exceed 5% per year, without specific identification and justification

2. Net plant investment per connection for the Rate Effective Period cannot increase more than 5% per year without specific identification and justification. Any proposed adjustment above 5% per year, is subject to the provisions of the Evaluation Procedures of this tariff. Such procedures provide that the regulatory authority will review the proposed adjustment and that the Company and regulatory authority will work collaboratively to seek agreement on the proposed adjustments to the Company's schedules and proposed rates. However, in performing a cap test to verify compliance, the Company shall exclude any changes in net plant investment associated with federal, state, or local mandates related to safety, compliance, or road moves, including steel service line replacement program costs incurred prior to October 1, 2010. The initial 2008 rate will be set using net plant limited to not exceed [$1,243,607,206 divided by average active meters for the 12 months ended June 30 2007] times 1.025 times the average active meters for calendar year 2007. Subsequent filing calculations of net plant investment will be made using the same method used in the Company's September 20, 2007 Statement of Intent except that Evaluation Period ending balances will be used for net plant in the calculation of rates for the Rate Effective Period.

   The rate increase limitations set forth in this tariff shall not preclude the Company from recovering any excluded net plant costs during a subsequent Evaluation Period in which the 5% limitation for net plant investment is not reached or in a subsequent Statement of Intent case. To the extent that the Company seeks to recover any excluded net plant costs during a subsequent Evaluation Period in which the 5% limitation for net plant investment is not reached or in a subsequent Statement of Intent case, the Company shall identify these costs as a specific line item in the schedule accompanying the RRM rate adjustment filing.

   The regulatory authority may disallow any net plant investment that is not shown to be prudently incurred. Approval by the regulatory authority of net plant investment pursuant to the provisions of this tariff shall constitute a finding that such net plant investment was prudently incurred. Such finding of prudence shall not be subject to further review in a subsequent Evaluation Period or Statement of Intent filing.

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c) Notwithstanding the limitations in subparts IV (a) through (b) of this tariff, the Company shall be entitled to separately adjust rates for the Rate Effective Period to include recovery for direct incremental costs associated with a steel service line replacement program incurred on and after October 1, 2010, a return on equity of 9.0% for such incremental costs as capitalized, depreciation, and applicable taxes. Capital structure will be the actual Evaluation Period ratio of long-term debt and equity, with percentage equity not to exceed 50%, based on the calculation methodology outcomes used above. Rate recovery associated with a steel service line replacement program shall be recovered through the Residential and Commercial customer charges and shall not be subject to or included in the rate increase limitations set forth in IV (a) through (b) of this tariff. Current year recovery factors are presumed to be $0.15 for residential customers and $0.41 for commercial customers. The rates will be adjusted annually, however, in no case will the per customer monthly cost recovery factors attributable to a steel service line replacement program exceed $0.44 for residential customers or $1.22 for commercial customers, prior to or during the pendency of the Company's next Statement of Intent case. Moreover, the per customer amount attributable to cost recovery for a steel service line replacement program shall be subject to review by the regulatory authority in a subsequent Evaluation Period and all costs associated with a steel service line replacement program will be subject to a prudence/reasonableness review in the Company's next Statement of Intent rate case.

d) The Company shall provide a schedule demonstrating the "proof of revenues" relied upon to calculate the proposed rate for the Rate Effective Period. The proposed rates shall conform as closely as is practicable to the revenue allocation principles approved in the Final Order.

V. Attestation

A sworn statement shall be filed by the Company's Chief Officer in Charge of Mid-Tex Operations affirming that the filed schedules are in compliance with the provisions of this mechanism and are true and correct to the best of his/her knowledge, information and belief. No testimony shall be filed, but a brief narrative explanation shall be provided of any changes to corporate structure or allocation of common costs.

VI. Evaluation Procedures

The regulatory authority having original jurisdiction over the Company's rates shall have no less than ninety (90) days to review the Company's filed schedules and work papers. The Company will be prepared to provide all supplemental information as may be requested to ensure adequate review by the relevant regulatory authority. The Company shall not unilaterally impose any limits upon the provision of supplemental information and such information shall be provided within ten (10) working days of the original request. The regulatory authority may propose any adjustments it determines to be required to bring the schedules into compliance with the above provisions.

During and following the ninety (90) day review period and a thirty (30) day response period, the Company and the regulatory authority will work collaboratively and seek agreement on, the proposed adjustments to the Company's schedule and proposed rates. If agreement has been reached by the Company and the regulatory authority, the regulatory authority shall authorize an increase or decrease to the Company's rates so as to achieve the revenue levels indicated for the Rate Effective Period. If, at the end of the thirty (30) day response period, the Company and the regulatory authority have not reached agreement on the proposed adjustments, the Company shall have the right to appeal the regulatory authority's action or inaction to the Railroad Commission of Texas. Upon the filing of any appeal, the Company shall have the right to implement the proposed RRM rate adjustment, including the adjustment attributable to steel service line replacement program costs, subject to refund.

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Rates established pursuant to the Rate Review Mechanism, if approved as provided herein, shall be effective on August 15 of each year.

VII. Reconsideration and Appeal

Orders issued pursuant to this mechanism are ratemaking orders and shall be subject to appeal under Sections 102.001(b) and 103.021, et seq., of the Texas Utilities Code (Vernon 2007).

VIII. Notice

Notice of the annual Rate Review Mechanism filing shall be provided pursuant to Section 104.103, TEX. UTIL. CODE ANN. no later than forty-five (45) days after the Company makes its annual filing pursuant to this tariff. The notice to customers shall include the following information:

a) a description of the proposed revision of rates and schedules;

b) the effect the proposed revision of rates is expected to have on the rates applicable to each customer class and on an average bill for each affected customer;

c) the service area or areas in which the proposed rate adjustment would apply;

d) the date the proposed rate adjustment was filed with the regulatory authority; and

e) the Company's address, telephone number and website where information concerning the proposed rate adjustment may be obtained.

IX. RRM Schedules and Information

a. Accumulated Deferred Income Tax ("ADIT") Items To Be Recognized in Rate Base

The following list identifies those ADIT components to be included in the calculation of rate base for both the Evaluation Period and Rate Effective Period calculations:

Mid-Tex:
Gas Plant in Service
Insurance Accruals
Benefit Accruals
Deferred Expense Projects
Allowance for Doubtful Accounts
Customer Advances
UNICAP Section 263A Costs (which shall be removed from Atmos Mid-Tex when these costs are transferred to Atmos Pipeline Texas)
Regulatory Asset - Mid Tex
Regulatory Liability - Mid-Tex
Other Plant

SSU - Customer Support:
Gas Plant in Service

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SSU - General Office:
Gas Plant in Service
Insurance Accruals
Benefits Accruals
Deferred Expense Projects
Prepaid Expenses
Regulatory Liability - Atmos 109
FAS 115 Adjustment
Treasury Lock Adjustment
Revenue Agent Report Carryforward Adjustments 1990-1985
Tax Net Operating Loss Credit Carryforwards
State Bonus Depreciation
R & D Credit Valuation Allowance
Other Plant

b. Discretionary Costs to Be Disallowed from Rider RRM filings

The following types of employee reimbursed expenses and directly incurred costs are to be removed from all expense and rate base amounts included within Rider RRM filings for the Evaluation Period and for the Rate Effective Period:

Amounts incurred for travel, meals or entertainment of employee spouses.
Amounts for air travel that exceed published commercial coach air fares.
Amounts incurred for hotel rooms exceeding $250 per night inclusive of taxes and fees assessed on such rooms.
Amounts for alcoholic beverages.
Amounts paid for admission to entertainment, sports, art or cultural events, and all event sponsorship costs.
Amounts for social club dues or fees.

ATTACHMENT C

PROOF OF REVENUES
AND
AVERAGE BILL COMPARISONS

ATMOS ENERGY CORP., MID-TEX DIVISION
AVERAGE BILL COMPARISON- OCTOBER 1, 2010
TEST YEAR ENDING DECEMBER 31, 2009

Line							CURRENT	OCTOBER 1, 2010 PROPOSED	CHANGE
1	**Rate R @ 4.5 Mcf**								
2	Customer charge						$ 7.00		
3	Consumption charge	4.5	MCF	X	$2.2707	=	10.31		
4	Rider GCR Part A	4.5	MCF	X	$4.6303	=	21.03		
5	Rider GCR Part B	4.5	MCF	X	$0.6611	=	3.00		
6									
7	Subtotal						$ 41.34		
8	Rider FF & Rider TAX		$41.34	X	0.07477	=	3.09		
9	Total						$44.43		
10									
11	Customer charge							$7.15	
12	Consumption charge	4.5	MCF	X	$2.5246	=		11.46	
13	Rider GCR Part A	4.5	MCF	X	$4.6303	=		21.03	
14	Rider GCR Part B	4.5	MCF	X	$0.6611	=		3.00	
15									
16	Subtotal							$42.64	
17	Revenue-related Tax Reimbursement		$42.64	X	0.07477	=		3.19	
18	Total							$45.83	$1.40
19									3.15%
20									
21	**Rate C @ 34.2 Mcf**						CURRENT	PROPOSED	CHANGE
22	Customer charge						$13.50		
23	Consumption charge	34.2	MCF	X	$0.9877	=	33.82		
24	Rider GCR Part A	34.2	MCF	X	$4.6303	=	158.57		
25	Rider GCR Part B	34.2	MCF	X	$0.5542	=	18.96		
26									
27									
28	Subtotal						$224.87		
29	Revenue-related Tax Reimbursement		$224.87	X	0.07477	=	16.81		
30	Total						$241.69		
31									
32	Customer charge							$13.91	
33	Consumption charge	34.2	MCF	X	$1.0796	=		36.97	
34	Rider GCR Part A	34.2	MCF	X	$4.6303	=		158.57	
35	Rider GCR Part B	34.2	MCF	X	$0.5542	=		18.96	
36									
37	Subtotal							$228.43	
38	Revenue-related Tax Reimbursement		$228.43	X	0.07477	=		17.08	
39	Total							$245.51	$3.82
40									1.58%
41	**Rate I @ 3457 MMBTU**						CURRENT	PROPOSED	CHANGE
42	Customer charge						$425.00		
43	Consumption charge	1,500	MMBTU	X	$0.2583	=	387.45		
44	Consumption charge	1,957	MMBTU	X	$0.1884	=	368.69		
45	Consumption charge	0	MMBTU	X	$0.0404	=	0.00		
46	Rider GCR Part A	3,457	MMBTU	X	$4.6303	=	16,006.67		
47	Rider GCR Part B	3,457	MMBTU	X	$0.3062	=	1,058.42		
48									
49	Subtotal						$18,246.23		
50	Revenue-related Tax Reimbursement		$18,246.23	X	0.07477	=	1,364.20		
51	Total						$19,610.43		
52									
53	Customer charge							$450.00	
54	Consumption charge	1,500	MMBTU	X	$0.2750	=		412.51	
55	Consumption charge	1,957	MMBTU	X	$0.2015	=		394.31	
56	Consumption charge	0	MMBTU	X	$0.0433	=		0.00	
57	Rider GCR Part A	3,457	MMBTU	X	$4.6303	=		16,006.67	
58	Rider GCR Part B	3,457	MMBTU	X	$0.3062	=		1,058.42	
59	Subtotal							$18,321.91	
60	Revenue-related Tax Reimbursement		$18,321.91	X	0.07477	=		1,369.86	
61	Total							$19,691.77	$81.34
62									0.41%
63	**Rate T @ 3457 MMBTU**						CURRENT	PROPOSED	CHANGE
64	Customer charge						$425.00		
65	Consumption charge	1,500	MMBTU	X	$0.2583	=	387.45		
66	Consumption charge	1,957	MMBTU	X	$0.1884	=	368.69		
67	Consumption charge	0	MMBTU	X	$0.0404	=	0.00		
68	Rider GCR Part B	3,457	MMBTU	X	$0.3062	=	1,058.42		
69									
70	Subtotal						$2,239.56		
71	Revenue-related Tax Reimbursement		$2,239.56	X	0.07477	=	167.44		
72	Total						$2,407.00		
73									
74	Customer charge							$450.00	$25.00
75	Consumption charge	1,500	MMBTU	X	$0.2750	=		412.51	$25.06
76	Consumption charge	1,957	MMBTU	X	$0.2015	=		394.31	$25.62
77	Consumption charge	0	MMBTU	X	$0.0433	=		0.00	
78	Rider GCR Part B	3,457	MMBTU	X	$0.3062	=		1,058.42	
79	Subtotal							$2,315.24	
80	Revenue-related Tax Reimbursement		$2,315.24	X	0.07477	=		173.10	
81	Total							$2,488.34	$81.34
									3.38%

ATMOS ENERGY CORP., MID-TEX DIVISION
SUMMARY OF CURRENT AND PROPOSED RATE STRUCTURE
TEST YEAR ENDING DECEMBER 31, 2009
(2010 RRM SETTLEMENT INCL ST SVCS RECOVERY)

Line No.	Description	Current	Proposed (Beginning Oct 1)	Billing Units
	(a)	(b)	(d)	
1	**Rate R**			
2	Customer Charge per month	$7.00	$7.15	17,287,740
3				
4	Consumption Charge per MCF	$2.2647	$2.5246	
5	2008 RRM True-up per MCF	$0.0000	$0.0000	
6	2009 RRM True-up per MCF	$0.0060	$0.0000	
7	Total Consumption Charge per MCF	$2.2707	$2.5246	78,500,000
8	**Rate C**			
9	Customer Charge per month	$13.50	$13.91	1,445,436
10				
11	Consumption Charge per MCF	$0.9825	$1.0796	
12	2008 RRM True-up per MCF	$0.0000	$0.0000	
13	2009 RRM True-up per MCF	$0.0052	$0.0000	
14	Total Consumption Charge per MCF	$0.9877	$1.0796	49,500,000
15	**Rate I & T**			
16	Customer Charge per month	$425.00	$450.00	10,985
17				
18	Consumption Charge per MMBTU:			
19	First 1,500 MMBTU	$0.2496	$0.2750	
20	Next 3,500 MMBTU	$0.1820	$0.2015	
21	Over 5,000 MMBTU	$0.0390	$0.0433	
22	2008 RRM True-up per MMBTU:			
23	First 1,500 MMBTU	$0.0087	$0.0000	
24	Next 3,500 MMBTU	$0.0064	$0.0000	
25	Over 5,000 MMBTU	$0.0014	$0.0000	
26	2009 RRM True-up per MMBTU:			
27	First 1,500 MMBTU	$0.0000	$0.0000	
28	Next 3,500 MMBTU	$0.0000	$0.0000	
29	Over 5,000 MMBTU	$0.0000	$0.0000	
30	Total Consumption Charge per MMBTU			
31	First 1,500 MMBTU	$0.2583	$0.2750	10,597,655
32	Next 3,500 MMBTU	$0.1884	$0.2015	10,791,216
33	Over 5,000 MMBTU	$0.0404	$0.0433	16,585,623

ATMOS ENERGY CORP., MID-TEX DIVISION
CUSTOMER IMPACT OF PROPOSED RATES COMPARED TO CURRENT RATES
TEST YEAR ENDING DECEMBER 31, 2009
(2010 RRM SETTLEMENT PROPOSAL)

Line No.	Description	Prospective Rate Increase
	(a)	(b)
1	**Rate R**	
2	Consumption Charge per MCF	
3	Change from Current Rate	$0.2539
4	Billing Units for Specified Period	78,500,000
5	Total Change in Base Revenue	$19,934,212
6	Associated Revenue Taxes	$1,490,401
7	Total Rate Impact	$21,424,613
8	Number of Bills for Specified Period	17,287,740
9	Average Impact per Bill	$1.24
10	**Rate C**	
11	Consumption Charge per MCF	
12	Change from Current Rate	$0.0919
13	Billing Units for Specified Period	49,500,000
14	Total Change in Base Revenue	$4,547,060
15	Associated Revenue Taxes	$339,966
16	Total Rate Impact	$4,887,026
17	Number of Bills for Specified Period	1,445,436
18	Average Impact per Bill	$3.38
19	**Rates I&T - Customer Charge**	
20	Customer Charge	
21	Change from Current Rate	$25.00
22	Billing Units for Specified Period	10,985
23	Total Change in Base Revenue	$274,625
24	Associated Revenue Taxes	$20,533
25	Total Rate Impact	$295,157.61
26	**Rates I&T - 1st block**	
27	Consumption Charge per MCF	
28	Change from Current Rate	$0.0167
29	Billing Units for Specified Period	10,597,655
30	Total Change in Base Revenue	$177,031
31	Associated Revenue Taxes	$13,236
32	Total Rate Impact	$190,266
33	**Rates I&T - 2nd block**	
34	Consumption Charge per MCF	
35	Change from Current Rate	$0.0131
36	Billing Units for Specified Period	10,791,216
37	Total Change in Base Revenue	$141,297
38	Associated Revenue Taxes	$10,564
39	Total Rate Impact	$151,862
40	**Rates I&T - 3rd block**	
41	Consumption Charge per MCF	
42	Change from Current Rate	$0.0029
43	Billing Units for Specified Period	16,585,623
44	Total Change in Base Revenue	$47,655
45	Associated Revenue Taxes	$3,563
46	Total Rate Impact	$51,218
47	**Rates I&T - Total**	
48	Total Rate Impact	$688,504
49	Number of Bills for Specified Period	10,985
50	Average Impact per Bill	$62.68
51		
52	**Total Change in Base Revenue**	**$25,121,880**
53	**Total Rate Impact (Inc. Rev. Taxes)**	**$27,000,142**

ATMOS ENERGY CORP., MID-TEX DIVISION
CUSTOMER IMPACT OF PROPOSED RATES COMPARED TO CURRENT RATES
(STEEL SERVICE REPLACEMENT PROGRAM)

Line No.	Description	Prospective Rate Increase
	(a)	(b)
1	**Rate R**	
2	Monthly Customer Charge	
3	Change from Current Rate	$0.15
4	Billing Units for Specified Period	17,287,740
5	Total Change in Base Revenue	$2,593,161
6	Associated Revenue Taxes	$193,880
7	Total Rate Impact	$2,787,041
8	Number of Bills for Specified Period	17,287,740
9	Average Impact per Bill	$0.16
10	**Rate C**	
11	Monthly Customer Charge	
12	Change from Current Rate	$0.41
13	Billing Units for Specified Period	1,445,436
14	Total Change in Base Revenue	$592,629
15	Associated Revenue Taxes	$44,308
16	Total Rate Impact	$636,937
17	Number of Bills for Specified Period	1,445,436
18	Average Impact per Bill	$0.44
19		
20	**Total Change in Base Revenue**	$3,185,790
21	**Total Rate Impact (Inc. Rev. Taxes)**	$3,423,979
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