

January 19, 2015

On this the 19th day of January 2015 6:30 P.M., the City Commission of the City of Hereford, Texas, convened in a regular session in the Commission Chamber, in the City Hall, the meeting being open to the public and notice of said meeting having been given as prescribed by Chapter 551 of the Government Code, with the following members being present and in attendance, to-wit:

Robert D. Josserand, Mayor  
 Jose A. Garza, Commissioner Place One  
 Charlie Kerr, Commissioner Place Three  
 Linda Cumpston, Commissioner, Place Four  
 Sam Metcalf, Commissioner Place Six  
 Rick L. Hanna, City Manager  
 Suzanne Finch, City Secretary

Absent: Cathy Bunch, Commissioner Place Five  
 Angie Alonzo, Commissioner Place Two  
 Slater C. Elza, City Attorney

Lynda Work was in attendance from the Hereford Brand to witness the proceedings. Also in attendance were Assistant City Manager Steve Bartels, Audie Sciumbato (Attorney Underwood Law Firm), HEDC Executive Director Michael Kitten, Captain Kirsten Williams, Seletta Gholson, and Jimmy Parker.

Mayor Josserand voiced the invocation and then called upon Commissioner Metcalf to lead the Pledge of Allegiance to the United States flag. He then called the meeting to order, welcomed those in attendance, and introduced each item on the agenda.

**REGULAR HEARINGS:**

**ITEM 1 - Consider approval of minutes for the December 15th, 2014 Regular Meeting.**

Commissioner Cumpston made the motion for the acceptance of the minutes as presented. Commissioner Kerr seconded the motion and it passed with the unanimous vote of the Commission.

**ITEM 2 - Hear report from Hereford Economic Development Corporation.**

HEDC Executive Director Michael Kitten reported on the following:

- Slow during the holidays
- Starting to get a little activity - have a couple of meetings set up
- Mailed out a lot of information to prospective businesses on a mailing list provided as a result of the recent SEMA show and PACK Expo
- Property owned by HEDC being cleaned up
- Leadership Hereford moving forward

**ITEM 3 - Consider approval of Hereford Economic Development Corporation's contribution for Leadership Hereford.**

HEDC Executive Director Michael Kitten stated they are asking the Commission to approve a \$10,000.00 contribution from HEDC to Leadership Hereford. He noted Amarillo College has agreed to match this amount and some other local businesses will contribute as well.

Commissioner Cumpston asked how it will be funded. HEDC Executive Director Kitten stated the "seed" money will be used to hire an executive director and then it will be tuition fed.

Commissioner Metcalf made the motion to approve action taken at the January 7<sup>th</sup> meeting [of the HEDC] when they approved \$10,000.00 for Leadership Hereford. Commissioner Garza seconded the motion and it passed with the unanimous vote of the Commission.

**ITEM 4 - Consider approval of bid for dry land farming (formerly Doug Detten Farm).**

Mayor Josserand stated we received several bids ranging from \$11,000.00 to \$36,552.60; he noted the Commission could discuss the bids or accept the high bid. They were as follows:

Laramy Friemel	\$30.00 per acre (\$18,900.00)
Mitch Meyer	\$16,051.00 per year
Ray Schlabs, Jr.	\$11,504.00 per year
Lewis Fetsch	\$36,552.60 per year
Lawrence Brozman	\$22.50 per acre (\$14,175.00)
Ronald & David Fetsch	\$18,000.00 per year
Brandon & Brent Brown	\$31.75 per acre (\$20,002.50)

Commissioner Metcalf made the motion to accept the bid from Lewis Fetsch in the amount of \$36,552.60. Commissioner Kerr seconded the motion and it passed with the unanimous vote of the Commission.

**ITEM 5 - Consider approval of bid for harvesting grassland at Hereford Municipal Airport.**

Mayor Josserand stated no bids were received; however, the current leaseholder, Matt Collier, is willing to continue at the current rate of \$5 per bail of grass harvested. He also stated Mr. Collier helps control the weeds and maintain the grass.

Commissioner Cumpston made the motion to accept the offer from Matt Collier for \$5 per bail and he handles upkeep. Commissioner Garza seconded the motion and it passed with the unanimous vote of the City Commission.

**ITEM 6 - Consider approval of bid for pivot irrigation system.**

Mayor Josserand stated no bids were received and he suggested the Commission table this item and advertise it again in a different media.

Commissioner Cumpston made the motion to table Item #6. Commissioner Metcalf seconded the motion and it passed with the unanimous vote of the Commission.

**ITEM 7 - Consider Resolution No. 01.19.15, a Resolution by the City of Hereford, Texas ("City") Suspending Southwestern Public Service Company's proposed effective date in connection with its Statement Of Intent submitted on about December 8, 2014; Authorizing the City to join with other cities in the Alliance of Xcel Municipalities ("AXM") to direct the activities of lawyers and consultants; Authorizing the hiring of attorneys and consultants; Requiring reimbursement of reasonable legal and consultant expenses; Requiring proof of notice; Finding that the meeting complies with the Open Meetings Act; Making other findings and provisions related to the subject; and Declaring an effective date.**

Mayor Josserand called upon Attorney Sciumbato to read the pertinent parts of Resolution No. 01.19.15.

**RESOLUTION NO. 01.19.15**

**A RESOLUTION BY THE CITY OF HEREFORD, TEXAS ("CITY") SUSPENDING SOUTHWESTERN PUBLIC SERVICE COMPANY'S PROPOSED EFFECTIVE DATE IN CONNECTION WITH ITS STATEMENT OF INTENT SUBMITTED ON ABOUT DECEMBER 8, 2014; AUTHORIZING THE CITY TO JOIN WITH OTHER CITIES IN THE ALLIANCE OF XCEL MUNICIPALITIES ("AXM") TO DIRECT THE ACTIVITIES OF LAWYERS AND CONSULTANTS; AUTHORIZING THE HIRING OF ATTORNEYS AND CONSULTANTS; REQUIRING REIMBURSEMENT OF REASONABLE LEGAL AND CONSULTANT EXPENSES; REQUIRING PROOF OF NOTICE; FINDING THAT THE MEETING COMPLIES WITH THE OPEN MEETINGS ACT; MAKING OTHER FINDINGS AND PROVISIONS RELATED TO THE SUBJECT; AND DECLARING AN EFFECTIVE DATE**

**WHEREAS**, Southwestern Public Service Company ("SPS") filed a Statement of Intent with the City of Hereford, Texas ("City") to increase its base-rate revenue requirement for its Texas retail service area by approximately \$64.75 million, which is an increase in base revenue of about 12.6%; and

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

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

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

**WHEREAS**, SPS' rate request, which was filed on about December 8, 2014, consists of a voluminous amount of information including SPS' rate-filing package, pre-filed direct testimony, exhibits, schedules, and workpapers; and

**WHEREAS**, SPS proposed January 12, 2015 as the effective date for its requested increase in rates, which is the 35<sup>th</sup> day after the date SPS submitted its application; and

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

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

**NOW THEREFORE, BE IT RESOLVED BY THE CITY COMMISSION FOR THE CITY OF HEREFORD, TEXAS THAT:**

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

**Section 2.** SPS's proposed effective date of January 12, 2015 for its filing of December 8, 2014, is hereby suspended for an additional ninety (90) days, or at least until April 12, 2015.

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

**Section 4.** The City continues its participation with other cities in a coalition of cities known as the Alliance of Xcel Municipalities ("AXM") with the understanding that the Steering Committee of AXM is to provide direction and guidance to Special Counsel representing said cities.

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

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

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

**Section 8.** No later than seven days after SPS has completed publication of notice of its proposed increase in rates, SPS shall notify AXM that it has completed notice by providing proof of notice to the City Attorney for the City of Amarillo and such proof shall be in the form of an affidavit from a representative from SPS that has personal knowledge that SPS has published notice; such affidavit shall include a copy of notice SPS published.

**Section 9.** The City Secretary or other appropriate city official shall notify SPS of this Resolution by **sending a copy of the Resolution to Evan Evans, Regional Vice President, Rates and Regulatory Affairs, and Brooke Trammell, Rate Case Manager, Southwestern Public Service Company, P.O. Box 1261 Amarillo, Texas 79105-1261** and also **Stephen Fogel and Matthew Loftus, Xcel Energy Services, Inc., 816 Congress Ave., Suite 1650, Austin, Texas 78701-2471**; and AXM shall be notified by **sending a copy of this resolution to Mr. Marcus Norris, City Attorney, City of Amarillo, Texas by fax to 806-378-3018.**

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

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

**PASSED AND APPROVED this 19th day of January 2015.**

/s/ Robert D. Jossierand  
Robert D. Jossierand, Mayor

**ATTEST:**

/s/ Suzanne Finch  
Suzanne Finch, City Secretary

Commissioner Kerr made the motion to accept the proposed resolution. Commissioner Cumpston seconded the motion and it passed with the unanimous vote of the Commission.

**ITEM 8 - Consider approval of appointment of Board members for the Panhandle-Plains Higher Education Authority.**

Jimmy Parker of P.P.H.E.A. stated the terms of four members on their board expire in February. He noted Rita Craddock, Tammy Roark, Ron Miller, and Woody Gililland have all agreed to serve another two-year term effective February 23, 2015. He gave a brief overview of the work the P.P.H.E.A. does and then invited the Commission to join them for their annual board meeting in February.

Commissioner Metcalf made the motion to reappoint these four people for another two-year term. Commissioner Garza seconded the motion and it passed with the unanimous vote of the Commission.

**ITEM 9 - Announcements and comments from Mayor and City Commissioners.**

Mayor Josserand thanked the Commission and others that have served during his tenure as Mayor for giving of their time for the citizens of Hereford.

**ITEM 10 - Announcements and comments from City Staff.**

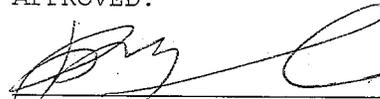
There were no comments from City Staff.

**ITEM 11 - Public Comments.**

Mrs. Gholson thanked the Commission for their recent action on banning texting and driving and inquired whether or not any tickets had been written. Captain Williams stated none that he was aware of so far.

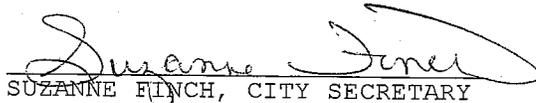
There being no further business before the Commission, the meeting was adjourned at 6:48 p.m.

APPROVED:



ROBERT D. JOSSERAND, MAYOR  
CITY OF HEREFORD, TEXAS

ATTEST:



SUZANNE FINCH, CITY SECRETARY