HEWITT
TEXAS

NOTICE OF MEETING
OF THE GOVERNING BODY

Notice is hereby given that a **Workshop** meeting of the governing body of the City of Hewitt will be held on the **1st day of June, 2015 at 5:30 PM in Hewitt City Hall, 105 Tampico Drive**, Hewitt, Texas, at which time the following subjects will be discussed:

1. Call meeting to order.
2. City Manager's update on municipal business:
    a. Report from City Engineer
    b. Briefing and discussion concerning water and wastewater rate structure including presentation by Dan Jackson with Economists.com/Willdan Financial Services
    c. Briefing and discussion concerning proposed FY 2015-2016 Budget and Capital Improvement Projects
    d. Briefing and discussion concerning flooding issues around the city
    e. Briefing and discussion concerning update on proposed Sports Complex
    f. Briefing and discussion concerning Hewitt Dog Days of Summer Canine Event – June 19-20, 2015
    g. Briefing and discussion concerning Public Safety operations – Police & Fire
3. Review regular meeting agenda items.
4. Convene Executive Session pursuant to the Open Meetings Act, Chapter 551, Texas Government Code to discuss the following:
    - **Pursuant to §551.072 – Purchase, Exchange, Lease, or Value of Real Property.**
5. Close Executive Session.
6. Adjourn.

I, the undersigned authority, do hereby certify that the above Notice of Meeting of the governing body of the City of Hewitt, Texas was posted on the Public Notice Board located in front of City Hall at 12:00 AM/PM on May 29, 2015.

CITY OF HEWITT

Lydia Lopez

Lydia Lopez, TRMC
City Secretary

Persons with disabilities who plan to attend this meeting and who may need auxiliary aids or services such as interpreters for persons who are deaf or hearing impaired, readers, large print or Braille, are requested to contact the Hewitt City Secretary at (254) 666-6171 at least 24 hours prior to the meeting, so that appropriate arrangements can be made.

HEWITT
TEXAS

NOTICE OF MEETING
OF THE GOVERNING BODY

Notice is hereby given that a **Regular** meeting of the governing body of the City of Hewitt will be held on the **1st day of June, 2015 at 7:00 PM in the City Council Room at Hewitt City Hall, 105 Tampico Drive**, Hewitt, Texas, at which time the following subjects will be discussed:

1. Call meeting to order.
2. Pledge of Allegiance to the U.S. Flag
3. Consider approval of minutes of the City Council Workshop/Regular Meeting of May 18, 2015.
4. Hear visitors on matters pertaining to city business.
5. Authorize the City Manager to negotiate and execute a contract for the sale of city owned property located at 142 S. Second Street also known as the old Fire Department.
6. Consider and take action on a resolution adopting prevailing wage rates for job classifications utilized on construction contracts for roadway, drainage, water and sanitary sewer infrastructure and major street maintenance contracts.
7. Consider and take action on an ordinance granting to Oncor Electric Delivery Company LLC, its successors and assigns, an Electric Power Franchise to use the present and future streets, alleys, highways, public utility easements, public ways and public property of the City of Hewitt, Texas, providing for compensation therefor, providing for an effective date and a term of said franchise, providing for written acceptance of this franchise, providing for the repeal of all existing franchise ordinances to Oncor Electric Delivery Company LLC, its predecessors and assigns, and finding that the meeting at which this ordinance is passed is open to the public.
8. Adjourn.

I, the undersigned authority, do hereby certify that the above Notice of Meeting of the governing body of the City of Hewitt, Texas was posted on the Public Notice Board located in front of City Hall at 12:00 AM/PM on May 29, 2015.

CITY OF HEWITT

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TEXAS

MAYOR AND CITY COUNCIL

Ed Passalugo – Mayor

Travis Bailey – Mayor Pro Tem

Wilbert Wachtendorf – Ward 1

Bill Fuller – Ward 2

James Vidrine – Ward 3

Ronnie McNiel – Ward 3

Alex Snider – At-Large

CITY STAFF

Adam Miles, City Manager
Charlie Buenger, City Attorney
Miles Whitney, City Engineer

Jim Barton, Assistant City Manager
Lydia Lopez, City Secretary
Jim Devlin, Police Chief
Lance Bracco, Fire Chief
James Black, Utilities Director

Lee Garcia, Finance Director
Waynette Ditto, Library Director
Susana Garcia-Gilmore, HR Director
Tierny Krueger, HR Generalist
Katie Allgood, Special Projects Coord.

COUNCIL WORKSHOP AGENDA ITEM #2.a

CITY ENGINEER'S REPORT
May 28, 2015

2010 IH-35 Utility Improvements:

We held a start up on 5/20/15. During this start up the contractor replace some electrical components that may have led to the previous failures. After the installation the pumps were put through many tests under varying scenarios. I glad to report that at this time everything has been working correctly. Beginning on 5/20/15 a 30 day test run was began if after 30 days the lift station has performed correctly then the City will be taking over the site. This should complete all utility work within TxDOT's contract, minus a little cleanup work at the lift station site.

Commerce Park Plant Project and Related Projects:

Elevated Storage Tank;

Contractor has been working we can. Items that are left is installing the doors, lighting, and pressure testing the lines.

Plant Contract;

Plan and contract documents are completed and have been sent to T.C.E.Q. for their review. We will be setting a bid date shortly for this project.

Piping;

Contractor is preparing the bonds and insurance paperwork at this time. I anticipate holding a pre-construction meeting within the next week or two on this project.

Ritchie Road Plant and Well Electrical System Improvements:

The contractor was attempting to switch over the power to the new service on 5/28/15, pending Oncor's availability, since Oncor has cancelled twice on them due to power outages within the area.

2014 Bond Projects:

Old Temple Road Street Improvements:

Plans are completed. We will be holding these plans for a short while so that we may receive better bids in a couple of months, since current weather conditions have put all the contractors within the area behind at this time.

Panther Way Street Improvements:

The contracts for this project have already been executed. We are holding a pre-construction for this project on 5/29/15 and work should begin shortly.

HEWITT TEXAS

CITY ENGINEER'S REPORT
May 28, 2015

Warren Park Improvements:

We are working out some final details and should have the project out for bids shortly.

City Hall / Library:

Oral update may be given at the meeting.

By:

Miles W. Whitney, P.E.

Note: All dates are approximate and subject to change.

HEWITT TEXAS

COUNCIL WORKSHOP AGENDA ITEM #2.c

CAPITAL PROJECTS LIST

5/28/2015

HEWITT TEXAS

CURRENT CAPITAL CONSTRUCTION

Project Code	Project Name	Project Description- This list is Incomplete will change and is intended to be used for discussion only	Estimate or Contract	Status	Funding
	Library and City Hall	Included in Contract: Parking Lot, Fence, Landscaping	4,480,399	In Process	Yes - General Fund Bond
	Library and City Hall	Furniture and Shelving	300,000	Design	Yes - General Fund Bond
S5-A	Panther Way-Phase I	Hewitt Drive to Old Hewitt Road	345,260	In Process	Yes - General Fund Bond
	Park Development	Playground, Amphitheatre, Electrical, Sports Fields	460,000	In Process	Yes - General Fund Bond
S9/U18	Old Temple Rd-Phase 1	Spring Valley to Park Bridge	350,000	Design	Yes - General Fund Bond
U18/S9	Old Temple Rd-Phase 1	Utility work	90,000	Design	Yes-Utility Fund Bond
	IT/Hardware	Various citywide	50,000	In Process	Yes - General Fund Bond
	First Street to Moss Hill	Edge, Mill and Overlay	380,000	Design	Yes - General Fund Bond
	Sports Complex	Sports Complex-Pad, Metal Building, Fence	150,000	Design	Yes - General Fund Bond
S17/U22*	Alamo Lift Station	Reclaimed Streets	350,000	Design	Yes - General Fund Bond
U22/S17*	Alamo Lift Station	Utility portion	350,000	Design	Yes-Utility Fund Bond
U1	Commerce Park Plant (Tank)	Construction of 1MG Elevated Composite Tank	2,457,240	In Process	Yes-Utility Fund Bond
U5	Commerce Park Plant (Piping)	Water Line fr McLemore Plant to Commerce Plant	697,187	In Process	Yes-Utility Fund Bond
U4	Commerce Park Plant (Plant)	Plant Piping, Controls, Electric and Building	1,200,000	Design	Yes-Utility Fund Bond
	Ritchey Plant Electrical	Electrical work	383,400	In Process	Yes-Utility Fund Bond
	Drainage Improvements	Imperial Estates	22,000	In Process	Yes-Drainage Fund
	Drainage Improvements	Lands End Cove	29,750	In Process	Yes-Drainage Fund
	Drainage Improvements	City Hall	79,750	In Process	Yes-Drainage Fund
	Base Failure Repair	Various streets	100,000	Design	Yes-General Fund

PROPOSED FY 15/16 PROJECTS

Project Code	Project Name	Project Description- This list is Incomplete will change and is intended to be used for discussion only	Estimate or Contract	Status	Funding
	WMARSS Projects	Rehabilitation; Hewitt's portion of $48 mil project at 7.86%	3,097,429	Spring 2016	Need Funds-Wastewater
	Police Vehicles (3)	Annual Inventory Turnover	100,000	FY 15/16	Equipment Lease
	3/4 Pick Up, 1/2 Pick Up, Mower/Shredder	Equipment Replacements	104,000	FY 15/16	Equipment Lease
	Motorola Radios	Dispatch and Uniformed Officers	800,000	FY 15/16	Motorola Finance
	Library Furnishings	Furniture and Shelving	250,000	Spring 2016	Facilities
	Microslurry/Crack Seal/Base Repair/Grind	Various Streets	425,000	Spring 2016	Streets
	Parks and Sports Complex	Improvements	200,000	Spring 2016	Parks
S8	Old Temple & Neeley Drainage Imp	Box culvert and channel improvements	210,000	Spring 2016	Drainage

CAPITAL PROJECTS LIST

5/28/2015

HEWITT TEXAS

PROPOSED FY 15/16 PROJECTS

Project Code	Project Name	Project Description- This list is Incomplete will change and is intended to be used for discussion only	Estimate or Contract	Status	Funding
S10	Old Temple Road - Phase 2 (see U19)	Street reconstruction to Hewitt Drive	1,500,000	Spring 2016	Streets
U19	Old Temple Road - Phase 3 (see S10)	Waterline replacement to Hewitt Drive	400,000	Spring 2016	Water
U9*	Sun Valley Phase 2-Bagby to Sapphire	Water line replacement of AC (Asbestos Cement Line)	800,000	Spring 2016	Water
U24*	L.S. @ Dane	L.S. Replacement; possible elimination	350,000	Spring 2016	Wastewater
U20-A	IH-35 Waterline In-House work	Install a 16" water line along I-35 from Industrial to Baxley	225,000	Spring 2016	Water
		Total Future Projects	8,461,429		
	RECAP:	General Fund CO	2,375,000		
		Drainage CO	210,000		
*priority per Miles Whitney		Utility Fund CO	4,872,429		

FUTURE PROJECTS

Project Code	Project Name	Project Description- This list is Incomplete will change and is intended to be used for discussion only	Estimate or Contract	Status	Funding
U11	L.S. at Black Diamond	L.S. Replacement; possible elimination	350,000		Wastewater
U20-B	IH-35 Waterline In-House work	Install a 16" water line along I-35 fr Glenleigh to Industrial			Water
U15	L.S. at Westchester (goes w/ U14)	Removal and required piping changes	100,000		Wastewater
U14	South Main Interceptor (goes w/ U15)	Sewer line to Bullhide interceptor.	1,000,000		Wastewater
U25	Regal Waterline	Waterline replacement with fire hydrant additions	150,000		Water
U26	New Acres Dr., Peer Dr., and Minute Dr.	Waterline replacement with fire hydrant additions	200,000		Water
U27	FM 1695 Waterline	Waterline replacement with fire hydrant additions	300,000		Water
S16	Oklahoma & Travis Street	Replace existing utilities then reclaim street	200,000		Street
U8	Oklahoma & Travis Street	Replace the existing sewer VCP with PVC.	600,000		Wastewater
S13	Legacy Drive & Alliance Street Imp	Street reconstruction; Concrete paving	1,400,000		Street
U10	Commerce Park Plant (GST)	Construction of a 1MG Ground Storage Tank (dependent on Waco contract which expires in 2019)	850,000		Water
U7	Lorena Well Conversion	Refurbish facility and install lines to Ritchie Rd. Plt.	600,000		Water
	Fire Truck	103 Foot Aerial Ladder Truck	1,200,000		
S3	Crescent and Will Bowman	Streets, drainage, and utility improvements	550,000		Street
U12	Crescent and Will Bowman	Street improvements w/ waterline improvements	200,000		Water
S4	Castleman Creek Rd. Improvements	Street improvements	2,200,000		Street
U13	Castleman Crk Rd.	Utilities improvements	200,000		Water

CAPITAL PROJECTS LIST

5/28/2015

HEWITT TEXAS

FUTURE PROJECTS

Project Code	Project Name	Project Description- This list is Incomplete will change and is intended to be used for discussion only	Estimate or Contract	Status	Funding
U17	Panther Way to Ava-Phase 2	From Old Hewitt Rd to Ava-Utilities	250,000		Water
S12	E. Warren St. Improvements	Street improvements (in front of Community Services)	400,000		Street
U21	E. Warren St. Improvements	Waterline improvements	300,000		Water
U16	South 1 MG Composite Elevated	Construct a 1 MG composite elevated tank near Warren Park	2,500,000		Water
S7	Flat Creek Tributary Drainage Imp	Channel clearing and reshaping	250,000		Drainage
S15	Castleman Creek Drainage Imp	Channel reshaping	250,000		Drainage
S14	Westhill and Hidden Meadows Dr.	Channel reshaping	80,000		Drainage
S11	Spring Valley & Judy Drainage Imp	Channel reshaping	70,000		Drainage
		Total Unfunded Projects	14,200,000		

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COUNCIL WORKSHOP AGENDA ITEM #2.e

HEWITT
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MEMORANDUM

FROM: Adam Miles, City Manager

TO: Mayor and City Council

DATE: May 28, 2015

RE: Sports Complex Update

Since the last Council meeting we have now completed the exchange of the 24 acre site located at Old Temple Road and Spring Valley Road for the 64 acre parcel located on Hewitt Drive next to the overpass. At this time Walker Partners is working to prepare actual site layout and construction documents for the Waco Storm Baseball & Softball Complex and we are continuing to work with Waco Storm concerning the actual lease of a portion of the 64 acre site.

As you know the next step in developing the 64 acre property is the actual negotiation and execution of a lease agreement between both Hewitt and Waco Storm. We have had ongoing discussions with them and the current lease document is in review by attorneys for both parties. One of the Exhibits for the lease will be the development drawings from Walker Partners. The City has met with all parties and staff is generally in agreement with the proposed field layout and plan for utility extension.

The development of the Sports Complex is to occur in Phases. The initial focus is for development of Phase I within the context of an overall Master Plan for the entire site. Phase I will include the basic development of four (4) tournament ready baseball fields. Initially, some features will be Spartan. The parking lot will be constructed of crushed limestone and restrooms will consist of portable toilets. Other amenities will be developed and refined over time.

The Storm's initial investment will be approximately $1 million for Phase I improvements. In consideration of these improvements the City intends to extend utilities and maintain the fields and grounds. Storm will be responsible for developing an ongoing program for field use and tournament play. Essentially, Waco Storm will market and promote the facility and the City will maintain the premises. After a lease is formally executed it will be a few months before construction will be underway.

Generally, this project is intended to attract tourists and visitors to Hewitt. Storm will work to hold regular events for the public and host Tournaments. The idea is that these visitors will stay in local Hotels, dine at local restaurants, and stop at local convenience stores. A portion of the Hotel Occupancy Tax will be dedicated to this venue which will attract visitors to Hewitt.

Ongoing maintenance and operations will begin near the time of completion of the Fields by Storm. While no timeline has been formally established, city staff is working off an assumption that the fields will be ready for use in early Spring 2016. Working backwards from there a preliminary operations budget is being developed. This budget will include personnel and equipment as well as fuel and even fertilizer. A draft first year budget is included as pat of this memo.

In the Series 2014 CO issuance, approximately $150,000 was set aside for Sports Complex capital improvements and equipment. These funds may be utilized for on-site electric service extension as well as construction of a small maintenance facility for City equipment (secured fenced area with maintenance shed). Additionally, these funds would be set aside for up front equipment purchase.

Water / Wastewater Funds will be utilized for City Infrastructure extension. The main expense out of the Water fund will be the development of the irrigation pump station to irrigate from the on site stock tank, potable water, and the future planned reclaimed water line.

Existing staff and equipment will be used to maintain the majority of the 64 acre property. It is anticipated that we will require the expertise and manpower of one additional field / turf grass specialist at the time the City takes over maintenance (ie. Spring 2016). It is anticipated as field use and tournaments take place Hewitt will have to add personnel over time, but no other personnel are contemplated in the first year budget. In other words, long term expenses will increase as more and more people utilize the facility. Ideally, these additional costs will be offset by local sales tax generated by those utilizing the fields.

The current plans is for specific equipment to be purchased and for other equipment to be financed. We plan to finance a sports field & turf grass specific mower (a five deck Toro 4500-D mower), a top dresser, an aerator, as well as maintenance golf carts. However, there are smaller pieces that total about $10,000 that will be purchased outright. This includes a tractor mounted sprayer, broadcast spreader, drag mat, and other minor equipment.

So to recap, the initial capital outlay of $150,000 will be funded from the Series 2014 CO issuance. The initial maintenance and operations budget will require a transfer of $45,000 from the Occupancy Tax Fund, along with a $55,000 transfer from the General Funds. Three-Year Equipment Financing would be included in FY 2016-17 budget and is estimated at $30,000 per year.

Next steps include development of the final Phase I development plan by Waco Storm and Walker Partners. The City Council will then consider approval of the proposed lease and likewise approval of the expenditures as part of the upcoming FY 15-16 budget.

PROPOSED BUDGET
SPORTS COMPLEX
FY 2015-2016

ACCOUNT	DESCRIPTION	FY 15-16 BUDGET		
12-XXXXX-00-00	TFR FROM HOTEL/MOTEL	45,000.00		
12-30500-00-00	INTEREST	25.00		
12-30800-00-00	MISC INCOME	2,500.00		
12-30860-00-00	TRANSFER FROM GF	55,000.00		
	TOTAL REVENUE	102,525.00		
12-50100-00-00	SALARIES	40,318.00		
12-50105-00-00	OVERTIME	2,000.00		
12-50120-00-00	SOCIAL SECURITY	3,084.33		
12-50125-00-00	TMRS	6,047.70		
12-50130-00-00	EMPLOYEE INSURANCE	5,900.00		
12-50135-00-00	PRE-EMPLOYMENT EXP	125.00		
12-50140-00-00	UNEMPLOYMENT INS	300.00		
12-50145-00-00	WORKERS COMP	784.00		
		58,559.03		
12-50205-00-00	CHEMICALS	9,500.00		
12-50215-00-00	FUEL	3,500.00		
12-50230-00-00	OFFICE SUPPLIES	500.00		
12-50235-00-00	OTHER EQUIP & SUPPLIES	4,000.00		
12-50245-00-00	UNIFORM PURCHASE	500.00		
		18,000.00		
12-50350-00-00	VEHICLE MAINTENANCE	0.00		
12-50355-00-00	HEAVY EQUIP MAINT	2,500.00		
		2,500.00		
12-50403-00-00	CONTINGENCY	5,000.00		
12-50404-00-00	DUES & SUBSCRIPTIONS	350.00		
12-50407-00-00	ENGINEERING	1,000.00		
12-50420-00-00	TELECOMMUNICATION	1,200.00		
12-50421-00-00	TRAVEL & TRAINING	1,200.00		
12-50422-00-00	UNIFORM CLEANING	1,500.00		
		10,250.00		
		12,950.00		
	TOTAL EXPENDITURES	102,259.03		
	NET INCOME (LOSS)	265.97		
	Capital Paid from 2014 CO			

HEWITT TEXAS

COUNCIL AGENDA ITEM FORM

MEETING DATE: June 1, 2015

AGENDA ITEM #: 3

SUBMITTED BY: Lydia Lopez, City Secretary

ITEM DESCRIPTION:

Consider approval of minutes of the City Council Workshop/Regular Meeting of May 18, 2015.

STAFF RECOMMENDATION/ITEM SUMMARY:

Attached is a draft copy of the meeting minutes. Please review and advise if any corrections are needed.

ATTACHMENTS:

Draft minutes

HEWITT
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MINUTES OF A CITY COUNCIL WORKSHOP/MEETING HEWITT CITY HALL – 105 TAMPICO DRIVE May 18, 2015 - 5:30/7:00 PM

Members Present: Mayor Wilbert "Walky" Wachtendorf (presiding), Mayor Pro Tem Ed Passalugo, Council Members Bill Fuller, James Vidrine, Travis Bailey, Ronnie McNiel, and Alex Snider

Staff Present: City Engineer Miles Whitney, Assistant City Attorney Kathleen Dow, City Manager Adam Miles, Assistant City Manager James Barton, Fire Chief Lance Bracco, Police Chief Jim Devlin, Deputy Police Chief Tuck Saunders, Utilities Director James Black, Finance Director Lee Garcia, Library Director Waynette Ditto, HR Generalist Tierny Krueger, Special Projects Coordinator Katie Allgood and City Secretary Lydia Lopez

Staff Absent: City Attorney Charlie Buenger and HR/Civil Service Director Susana Garcia-Gilmore

Workshop – 5:30 PM

1. Mayor Wachtendorf called meeting to order at 5:30 PM.
2. City Manager presented an update on municipal business:
   a. Report from City Engineer was presented including review and discussion of Capital Improvement Projects.
   b. Briefing and discussion was held concerning Hewitt Dog Days of Summer Canine Event – June 19-20, 2015.
   c. Briefing and discussion was held concerning FY 2015-2016 Budget Calendar.
   d. Briefing and discussion was held concerning Public Safety operations – Police & Fire.
3. Regular meeting agenda items were reviewed.
4. *A motion was made by Mayor Pro Tem Ed Passalugo and seconded by Council Member Bill Fuller to convene the* Executive Session at 6:18 PM pursuant to the Open Meetings Act, Chapter 551, Texas Government Code to discuss the following:
   - **Pursuant to §551.072 – Purchase, Exchange, Lease, or Value of Real Property.**
5. Close Executive Session. *A motion was made by Mayor Pro Tem Ed Passalugo and seconded by Council Member Bill Fuller to close the Executive Session at 6:55 PM, all seven in favor, motion passed.*

6. Adjourn. *A motion was made by Mayor Pro Tem Ed Passalugo and seconded by Council Member Alex Snider to adjourn the Workshop at 6:55 PM, all seven in favor, motion passed.*

REGULAR MEETING – 7:00 PM

1. **CALL TO ORDER.** Mayor Wachtendorf called the meeting to order at 7:00 PM.

2. **PLEDGE OF ALLEGIANCE TO THE U.S. FLAG** – Mayor Wachtendorf led the Pledge of Allegiance.

3. **SPECIAL PRESENTATION OF PROCLAMATION IN RECOGNITION OF "MOTORCYCLE SAFETY AND AWARENESS MONTH."** Mayor Wachtendorf read the proclamation.

4. **SPECIAL PRESENTATION BY FORMER MAYOR MICHAEL D. KEMP, PHD.** Mr. Kemp presented the Council with a framed photo of the 2000-2001 City Council and suggested that annual photos be taken for historical purposes.

5. **CONSIDER APPROVAL OF MINUTES OF THE CITY COUNCIL WORKSHOP/REGULAR MEETING OF APRIL 20, 2015, SPECIAL CALLED MEETING OF APRIL 27, 2015 AND REGULAR MEETING OF MAY 4, 2015.** *A motion was made by Mayor Pro Tem Passalugo and seconded by Council Member Travis Bailey to approve the minutes as submitted but allow for corrections; all seven in favor, motion passed.*

6. **CANVASS ELECTION RETURNS OF THE CITY GENERAL ELECTION OF MAY 9, 2015.** Mayor Wachtendorf appointed Council Members Bill Fuller, Ronnie McNiel, Assistant City Attorney Kathleen Dow and City Secretary Lydia Lopez to canvass the returns of the general election. A brief recess was taken for the canvassing process.

7. **CONSIDER AND TAKE APPROPRIATE ACTION ON A RESOLUTION DECLARING THE RESULTS OF THE CITY GENERAL ELECTION OF MAY 9, 2015.** Assistant City Attorney Kathleen Dow read the election results as follows: **Ward 1:** Travis Bailey – 96; Charles D. "Charlie" Turner – 69; **Ward 2:** James Vidrine – Unopposed (Declared Winner); **Ward 3:** Ed Passalugo - Unopposed (Declared Winner); **At-Large:** Charles "Alex" Snider – Unopposed (Declared Winner). *A motion was made by Mayor Pro Tem Ed Passalugo and second by Council Member Travis Bailey to approve the resolution declaring the winners of the City General Election; all seven in favor, motion passed.* **Winners are: Ward 1/Travis Bailey; Ward 2/James Vidrine, Ward 3/Ed Passalugo and At-Large/Charles "Alex" Snider.**

8. **ADMINISTER OATH OF OFFICE AND ISSUE CERTIFICATES OF ELECTION TO COUNCIL MEMBERS.** Assistant City Attorney Kathleen Dow issued the Oath of Office and Certificates of Election to Travis Bailey, James Vidrine, Ed Passalugo and Alex Snider. Newly elected council members took their seat.

NOTE: Mayor Wachtendorf relinquished the chair to Assistant City Attorney Kathleen Dow to preside over the following:

9. **CONSIDER AND TAKE APPROPRIATE ACTION ON THE DESIGNATION OF MAYOR**. Assistant City Attorney Kathleen Dow opened the floor for nominations. *A motion was made by Council Member James Vidrine and seconded by Council Member Alex Snider to nominate Ed Passalugo as Mayor. A motion was made by Council Member Bill Fuller and seconded by Council Member Travis Bailey to cease nominations; all in favor, motion passed.* ***Assistant City Attorney called for a vote on the nomination of Ed Passalugo as Mayor: all in favor, motion passed.*** **The unanimous vote resulted in nominee Ed Passalugo being officially elected to the post of Mayor.**

NOTE: Assistant City Attorney Kathleen Dow relinquished the chair to Mayor Ed Passalugo to preside.

10. **CONSIDER AND TAKE APPROPRIATE ACTION ON THE DESIGNATION OF MAYOR PRO TEM.** Mayor Ed Passalugo called for nominations. *A motion was made by Council Member Wilbert Wachtendorf and seconded by Council Member Alex Snider to nominate Travis Bailey as Mayor Pro Tem. Council Member Bill Fuller called to cease nominations. Mayor Ed Passalugo called for a vote on the nomination of Travis Bailey as Mayor Pro Tem: all in favor, motion passed.* Travis Bailey was officially elected to the post of Mayor Pro Tem.

11. **HEAR VISITORS ON MATTERS PERTAINING TO CITY BUSINESS.** Craig Miller, Business Manager, IBEW/72, presented some insight on the prevailing wage rates and recommended Council adopt the Department of Labor Wage Rate survey versus the Associated General Contractors (AGC) survey. No one else appeared.

12. **CONSIDER AWARD OF BID FOR CONSTRUCTION OF 2015 – COMMERCE PARK UTILITY IMPROVEMENTS TO JNB CONSTRUCTION IN THE TOTAL AMOUNT OF $691,187.** City Engineer Miles Whitney presented recommendation. *A motion was made by Council Member Bill Fuller and seconded by Council Member Wilbert Wachtendorf to approve; all seven in favor, motion passed.*

13. **CONSIDER AWARD OF BID FOR CONSTRUCTION OF 2015 – PANTHER WAY STREET IMPROVEMENTS TO HOLY CONTRACTORS LLC IN THE TOTAL AMOUNT OF $345,276.50.** City Engineer Miles Whitney presented recommendation; corrected an error in the bid amount and stated the revised bid amount was **$345,260.29**. *A motion was made by Council Member Ronnie McNiel and seconded by Council Member Alex Snider to approve, all seven in favor, motion passed.*

14. **CONSIDER AND AUTHORIZE THE CITY MANAGER TO NEGOTIATE AND EXECUTE AN AGREEMENT WITH UTILITY SERVICE GROUP FOR LONG TERM WATER STORAGE TANK ASSET MANAGEMENT.** *A motion was made by Council Member Alex Snider and seconded by Mayor Pro Tem Travis Bailey to approve; all seven in favor, motion passed.*

15. **CONSIDER AND TAKE ACTION ON A RESOLUTION ADOPTING PREVAILING WAGE RATES FOR JOB CLASSIFICATIONS UTILIZED ON CONSTRUCTION CONTRACTS FOR ROADWAY, DRAINAGE, WATER AND SANITARY SEWER INFRASTRUCTURE AND MAJOR STREET MAINTENANCE CONTRACTS.** City Manager Adam Miles recommended that the Council adopt the Davis-Bacon Wage rates. *A motion was made by Council Member James Vidrine and seconded by Mayor Pro Tem Travis Bailey to approve resolution and adopt the Davis-Bacon Wage rates; all seven in favor, motion passed.*

16. **CONSIDER AND TAKE ACTION ON AN ORDINANCE APPROVING A NEGOTIATED SETTLEMENT BETWEEN THE ATMOS CITIES STEERING COMMITTEE (ACSC) AND ATMOS ENERGY CORP., MID-TEX DIVISION REGARDING THE COMPANY'S 2014 AND 2015 RATE REVIEW MECHANISM FILINGS; APPROVING A SETTLEMENT AGREEMENT WITH ATTACHED RATE TARIFFS AND PROOF OF REVENUES; DECLARING EXISTING RATES TO BE UNREASONABLE.** *A motion was made by Council Member Bill Fuller and seconded by Council Member Alex Snider to approve the ordinance, all seven in favor, motion passed.*

Mayor Ed Passalugo recognized and expressed appreciation to Council Member Wilbert Wachtendorf for his service as Mayor.

17. **ADJOURN.** *Motion was made by Council Member Bill Fuller and seconded by Council Member Ronnie McNiel to adjourn the meeting at 7:49 PM, all seven in favor, motion passed.*

Approved: June 1, 2015

Lydia Lopez, City Secretary

Ed Passalugo, Mayor

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ITEM #4 – HEARING OF VISITORS

CITIZEN PARTICIPATION AT MEETINGS

1. All citizens are encouraged to discuss matters of concern with the staff and individual council members prior to placing items on the agenda. Many times this will expedite a resolution or allow proper investigation of the matter for presentation to the entire council.

   NO CITIZEN NOR STAFF MEMBER MAY SPEAK NOR OTHERWISE INTERRUPT ANY MEETING UNTIL RECOGNIZED BY THE PRESIDING OFFICER.

2. To maintain decorum at public hearings, the mayor will ask the citizens present if they wish to speak for or against the item on the agenda. If so, they will be given an opportunity to do so at the proper time, when recognized by the chair. If more than five citizens wish to address the council on any single agenda item, those citizens are advised to select spokespersons to present their case.

3. Citizens who wish to bring up a matter that pertains to city business or address an item on the agenda may do so, but only under the agenda item "Hear Visitors." **The council is prohibited by law from discussing or acting on any item that has not been posted on the agenda.**

4. **Citizens addressing the city council on items not on the agenda shall be limited to five minutes each. Total time for presentations on any one item or topic shall be limited to twenty-five minutes. The city council members shall not enter into discussion on any subject not properly placed on the agenda; however, the council members may ask questions for clarification purposes.**

5. As a general rule, citizens may not participate in the discussion of the council workshop session.

HEWITT TEXAS

COUNCIL AGENDA ITEM FORM

MEETING DATE: June 1, 2015

AGENDA ITEM #: 5

SUBMITTED BY: Adam Miles, City Manager

ITEM DESCRIPTION:

Authorize the City Manager to negotiate and execute a contract for the sale of city owned property located at 142 S. Second Street also known as the old Fire Department.

STAFF RECOMMENDATION/ITEM SUMMARY:

In accordance with State Law, the subject property has been listed for sale on the MLS (Multiple Listing Service) system for over one month. Offers for purchase have been reviewed and evaluated by the City Council. Approval of this action would authorize the City Manager to finalize negotiations in order to complete the sale of the property.

ATTACHMENTS:

None

HEWITT TEXAS

COUNCIL AGENDA ITEM FORM

MEETING DATE: June 1, 2015

AGENDA ITEM #: 6

SUBMITTED BY: Adam Miles, City Manager

ITEM DESCRIPTION:

Consider and take action on a resolution adopting prevailing wage rates for job classifications utilized on construction contracts for roadway, drainage, water and sanitary sewer infrastructure and major street maintenance contracts.

STAFF RECOMMENDATION/ITEM SUMMARY:

After consultation with City Attorney Charlie Buenger, staff recommends Council to adopt the prevailing wage rates as surveyed by the Central Texas Chapter of The Associated General Contractors of America, Inc. (AGC) who recently conducted a Prevailing Wage Rate survey in accordance with U.S. Department of Labor standards.

Attached is a copy of the most recent McLennan County 2015 Prevailing Wage Rates as published by the local AGC. Additionally, the hourly rates for overtime work and legal holidays shall be one and one-half times the basic prevailing wage rate.

In approving this item, the City of Hewitt hereby determines that the general prevailing rate of per diem wages in the locality in which the public work is to be performed is adopted in accordance with Texas Government Code Chapter 2258.022.

ATTACHMENTS:

Draft resolution

RESOLUTION NO. 2015-06-01-1

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF HEWITT, TEXAS ADOPTING PREVAILING WAGE RATES FOR JOB CLASSIFICATIONS UTILIZED ON CONSTRUCTION CONTRACTS FOR ROADWAY, DRAINAGE, WATER AND SANITARY SEWER INFRASTRUCTURE AND MAJOR STREET MAINTENANCE CONTRACTS.

WHEREAS, Texas Government Code Chapter 2258.022 requires the City to determine the local prevailing wage rates for public works contracts; and

WHEREAS, a local survey must be conducted or the City may use the prevailing wages under the Davis-Bacon Act; and

WHEREAS, the City finds that it is in the public interest to adopt the prevailing wage rates as determined by the Central Texas Chapter of The Associated General Contractors of America, Inc.;

NOW THEREFORE BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF HEWITT, TEXAS:

That in accordance with Texas Government Code Chapter 2258, the City Council hereby adopts the prevailing wage rates as set forth in "Exhibit A" and determined by The Central Texas Chapter of The Associated General Contractors of America, Inc., and subsequent amendments, as the general prevailing rates of per diem wages for job classifications utilized on construction contracts for roadway, drainage, water and sanitary sewer infrastructure and major street maintenance contracts in the City of Hewitt. The hourly rates for overtime work and legal holidays shall be one and one-half times the basic prevailing wage rate.

That "Exhibit A" shall take effect immediately from and after passage of this resolution and is to be included in the call for bids and the plans and specifications for the projects as outlined above, for which the City of Hewitt is required to advertise for sealed bids for work specified.

That it is hereby officially found and determined that the meeting at which this resolution is adopted was noticed and has been open to the public as required by law.

PASSED AND APPROVED this the 1st day of June 2015.

CITY OF HEWITT

____

Ed Passalugo, Mayor

ATTEST:

____

Lydia Lopez, City Secretary

Central Texas Chapter
The Associated General Contractors of America, Inc.

Prevailing Wage Rates for McLennan County

Effective Date: 08 April 2015

Dear Owner, Design Professional & Contractor:

Please find following the Prevailing Wage Rates for Commercial Building Construction for ***McLennan County*** for the 2nd and 3rd Quarters of 2014. This survey was conducted in accordance of Wage & Hour Division of the U.S. Department of Labour standards by the Central Texas Chapter of the Associated General Contractors of America or CentexAGC.

This information should be useful for owners and design professionals during calendar year 2015, or until the next survey is completed.

The survey is a compendium of *prevailing* (not average) wage rates from over 300 surveys mailed to contractors throughout the eight county Central Texas area. Data was disaggregated by county and by trade to determine each prevailing wage. "i/r" is shown when there was insignificant data received for a particular trade.

For any craft which is not covered in the latest Prevailing Wage Rates, the awarding agency/owner must determine the wage rate to be paid for that craft.

State law required that wage rates shall be determined by the awarding Agency/Owner and shall be specified in the call for bids for the contract, and in the contract itself, and must be stated as a sum certain in dollars and cents.

Should you have any questions, please feel free to call Ginger, Elaine or me directly at the AGC office at 254.772.5400 or email us at kpaul@CentexAGC.org

Best Regards,

K. Paul Holt
President/CEO

4500 West Waco Drive
Waco, Texas 76710-7047

Post Office Box 7398
Waco, Texas 76714-7398

254.772.5400 :Voice
254.772.5451 :Fax

McLennan County 2015
Prevailing Wage Rates
2nd - 3rd Quarter Data 2014

Category	Specific	Wage 2014	Benefits 2014
Carpentry	Carpenter	$ 16.00	$ 3.06
Carpentry	Helper	$ 12.00	$ -
Concrete	Finisher/Mason	$ 12.00	$ -
Concrete	Form Setter/Framer	$ 11.00	$ -
Concrete	Laborer	$ 9.00	$ -
Drywall	Installer	$ 12.00	$ -
Electrician	Electrician	$ 21.00	$ 1.32
Electrician	Apprentice/Helper	$ 12.00	$ 1.35
Equipment Operator	Forklift	$ 15.00	$ -
Equipment Operator	Truck Driver	$ 13.50	$ -
HVAC	Duct Installer	$ 15.96	$ 3.03
HVAC	Mechanic	$ 15.96	$ 3.03
Insulator	Mechanical	$ 13.00	$ -
Ironworker	Structural	$ 19.00	$ 2.05
Ironworker	Reinforcing	$ 14.00	$ -
Laborer	Unskilled	$ 9.00	$ -
Laborer	Skilled	$ 10.50	$ -
Masonry	Bricklayer	$ 23.00	$ -
Masonry	Mason Laborer/Tender	$ 12.00	$ -
Painter	Painter	$ 14.50	$ -
Plumber	Plumber/Pipefitter	$ 15.19	$ 2.88
Roofer	Roofer	$ 12.00	$ -
Sheet Metal	Worker	$ 10.00	$ -
i/r = insignificant data received to calculate accurate wage rate.			
Data effective 04/08/15			

Wage rate survey also available on the links page of our website at www.CentexAGC.org

HEWITT TEXAS

COUNCIL AGENDA ITEM FORM

MEETING DATE: June 1, 2015

AGENDA ITEM #: 7

SUBMITTED BY: Adam Miles, City Manager

ITEM DESCRIPTION:

Consider and take action on an ordinance granting to Oncor Electric Delivery Company LLC, its successors and assigns, an Electric Power Franchise to use the present and future streets, alleys, highways, public utility easements, public ways and public property of the City of Hewitt, Texas, providing for compensation therefor, providing for an effective date and a term of said franchise, providing for written acceptance of this franchise, providing for the repeal of all existing franchise ordinances to Oncor Electric Delivery Company LLC, its predecessors and assigns, and finding that the meeting at which this ordinance is passed is open to the public.

STAFF RECOMMENDATION/ITEM SUMMARY:

City of Hewitt electric franchise agreement with Oncor Electric Delivery will expire on August 31, 2015. This ordinance grants Oncor Electric Delivery Company, LLC, the non-exclusive right to use and occupy rights-of-way within the City of Hewitt for the construction and operation of an electric transmission and distribution system. This agreement is for a term of 20 years and expires on May 31, 2035. The ordinance continues the franchise fee at four percent (4%) gross revenues.

City staff has worked with Oncor Electric Delivery staff to review the proposed electric franchise renewal ordinance and mutually agree to accept the terms as listed in the ordinance. The proposed franchise is a standard agreement.

Staff recommends approval.

ATTACHMENTS:

Ordinance

ORDINANCE NO. 2015-06-01-1

AN ORDINANCE GRANTING TO ONCOR ELECTRIC DELIVERY COMPANY LLC, ITS SUCCESSORS AND ASSIGNS, AN ELECTRIC POWER FRANCHISE TO USE THE PRESENT AND FUTURE STREETS, ALLEYS, HIGHWAYS, PUBLIC UTILITY EASEMENTS, PUBLIC WAYS AND PUBLIC PROPERTY OF THE CITY OF HEWITT, TEXAS, PROVIDING FOR COMPENSATION THEREFOR, PROVIDING FOR AN EFFECTIVE DATE AND A TERM OF SAID FRANCHISE, PROVIDING FOR WRITTEN ACCEPTANCE OF THIS FRANCHISE, PROVIDING FOR THE REPEAL OF ALL EXISTING FRANCHISE ORDINANCES TO ONCOR ELECTRIC DELIVERY COMPANY LLC, ITS PREDECESSORS AND ASSIGNS, AND FINDING THAT THE MEETING AT WHICH THIS ORDINANCE IS PASSED IS OPEN TO THE PUBLIC.

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF HEWITT, TEXAS:

SECTION 1. GRANT OF AUTHORITY: That there is hereby granted to Oncor Electric Delivery Company LLC, its successors and assigns (herein called “Company”), the right, privilege and franchise to construct, extend, maintain and operate in, along, under and across the present and future streets, alleys, highways, public utility easements, public ways and other public property (Public Rights-of-Way) of the City of Hewitt, Texas (herein called "City") electric power lines, with all necessary or desirable appurtenances (including underground conduits, poles, towers, wires, transmission lines, telephone and communication lines, and other structures for its own use), (herein called “Facilities”) for the purpose of delivering electricity to the City, the inhabitants thereof, and persons, firms and corporations beyond the corporate limits thereof, for the term set out in Section 7.

SECTION 2. Poles, towers and other structures shall be so erected as not to unreasonably interfere with traffic over streets, alleys and highways.

SECTION 3. The City reserves the right to lay, and permit to be laid, storm, sewer, gas, water, wastewater and other pipe lines, cables, and conduits, or other improvements and to do and permit to be done any underground or overhead work that may be necessary or proper in, across, along, over, or under Public Rights-of-Way occupied by Company. The City also reserves the right to change in any manner any curb, sidewalk, highway, alley, public way, street, utility lines, storm sewers, drainage basins, drainage ditches, and the like. Upon request by City, Company shall relocate its facilities at the expense of the City except as otherwise required by Section 37.101(c) of the Texas Public Utility Regulatory Act (PURA), which statutory provision currently states, the governing body of a municipality may require an electric utility to relocate the utility's facility at the utility's expense to permit the widening or straightening of a street. City and Company further agree that widening and straightening of a street includes the addition of any acceleration, deceleration, center or side turn lanes, and sidewalks (meaning sidewalks done in conjunction with widening or straightening of a street), provided that the City shall provide Company with at least thirty (30) days' notice and shall specify a new location for such facilities along the Public Rights-of-Way of the street. Company shall, except in cases of emergency conditions or work incidental in nature, obtain a permit, if required by City ordinance, prior to performing work in the Public Rights-of-Way, except in no instance shall Company be required to pay fees or bonds related to its use of the Public Rights-of-Way, despite the City's enactment of any ordinance providing the contrary. Company shall construct its facilities in conformance with the applicable provisions of the National Electric Safety Code.

If the City requires the Company to adapt or conform its Facilities, or in any manner to alter, relocate, or change its Facilities to enable any other corporation or person to use, or use with greater convenience, said street, alley, highway, or public way, the Company shall not be bound to make such changes until such other corporation or person shall have undertaken, with good and sufficient bond, to reimburse the Company for any costs, loss, or expense which will be caused by, or arises out of such change, alteration, or relocation of Company's Facilities.

If City abandons any Public Rights-of-Way in which Company has facilities, such abandonment shall be conditioned on Company's right to maintain its use of the former Public Rights-of-Way and on the obligation of the party to whom the Public Rights-of-Way is abandoned to reimburse Company for all removal or relocation expenses if Company agrees to the removal or relocation of its facilities following abandonment of the Public Rights-of-Way. If the party to whom the Public Rights-of-Way is abandoned requests the Company to remove or relocate its facilities and Company agrees to such removal or relocation, such removal or relocation shall be done within a reasonable time at the expense of the party requesting the removal or relocation. If relocation cannot practically be made to another Public Rights-of-Way, the expense of any right-of-way acquisition shall be considered a relocation expense to be reimbursed by the party requesting the relocation.

SECTION 4.

A. In consideration of the granting of this Franchise, Company shall, at its sole cost and expense, indemnify and hold the City, and its past and present officers, agents and employees harmless against any and all liability arising from suits, actions or claims regarding injury or death to any person or persons, or damages to any property arising out of or occasioned by the intentional and/or negligent acts or omissions of Company or any of its officers, agents, or employees in connection with Company's construction, maintenance and operation of Company's system in the City Public Rights-of-Way, including any court costs, reasonable expenses and reasonable defenses thereof.

B. This indemnity shall only apply to the extent that the loss, damage or injury is attributable to the negligence or wrongful act or omission of the Company or its officers, agents or employees, and does not apply to the extent such loss, damage or injury is attributable to the negligence or wrongful act or omission of the City or the City's officers, agents, or employees or any other person or entity. This provision is not intended to create a cause of action or liability for the benefit of third parties but is solely for the benefit of Company and the City.

C. In the event of joint and concurrent negligence or fault of both Company and the City, responsibility and indemnity, if any, shall be apportioned comparatively between the City and Company in accordance with the laws of the state of Texas without, however, waiving any governmental immunity available to the City under Texas law and without waiving any of the defenses of the parties under Texas law. Further, in the event of joint and concurrent negligence or fault of both Company and the City, responsibility for all costs of defense shall be apportioned between the City and Company based upon the comparative fault of each.

D. In fulfilling its obligation to defend and indemnify City, Company shall have the right to select defense counsel, subject to City's approval, which will not be unreasonably withheld. Company shall retain defense counsel within seven (7) business days of City's written notice that City is invoking its right to indemnification under this franchise. If Company fails to retain counsel within such time period, City shall have the right to retain defense counsel on its own behalf, and Company shall be liable for all reasonable defense costs incurred by City, except as otherwise provided in section 4.B and 4.C.

SECTION 5. This franchise is not exclusive, and nothing herein contained shall be construed so as to prevent the City from granting other like or similar rights, privileges and franchises to any other person, firm, or corporation. Any Franchise granted by the City to any other person, firm, or corporation shall not unreasonably interfere with this Franchise.

SECTION 6. In consideration of the grant of said right, privilege and franchise by the City and as full payment for the right, privilege and franchise of using and occupying the said Public Rights-of-Way, and in lieu of any and all occupation taxes, assessments, municipal charges, fees, easement taxes, franchise taxes, license, permit and inspection fees or charges, street taxes, bonds, street or alley rentals, and all other taxes, charges, levies, fees and rentals of whatsoever kind and character which the City may impose or hereafter be authorized or empowered to levy and collect, excepting only the usual general or special ad valorem taxes which the City is authorized to levy and impose upon real and personal property, sales and use taxes, and special assessments for public improvements, Company shall pay to the City the following:

A. A final quarterly payment will be made on or before June 1, 2015 for the basis period of January 1, 2015 through March 31, 2015 and the privilege period of March 1, 2016 through May 31, 2016 in accordance with the provisions in the previous franchise.

B. As authorized by Section 33.008(b) of PURA, the original franchise fee factor calculated for the City in 2002 was 0.003060 (the "Base Factor"), multiplied by each kilowatt hour of electricity delivered by Company to each retail customer whose consuming facility's point of delivery is located within the City's municipal boundaries for determining franchise payments going forward.

Due to a 2006 agreement between Company and City the franchise fee factor was increased to a franchise fee factor of 0.003213 (the "Current Factor"), multiplied by each kilowatt hour of electricity delivered by Company to each retail customer whose consuming facility's point of delivery is located within the City's municipal boundaries on an quarterly basis.

However, consistent with the 2006 agreement, should the Public Utility Commission of Texas at any time disallow Company's recovery through rates of the higher franchise payments made under the Current Factor as compared to the Base Factor, then the franchise fee factor shall immediately revert to the Base Factor of 0.003060 and all future payments, irrespective of the time period that is covered by the payment, will be made using the Base Factor.

Payments to the City shall be made per the quarterly schedule as follows:

Payment Due Date	Basis Period	Privilege Period
September 1	Apr. 1 – June 30	Jun. 1 – Aug. 31
December 1	July 1 – Sept. 30	Sept. 1 – Nov. 30
March 1	Oct. 1 – Dec. 31	Dec. 1 – Feb. 28(29)
June 1	Jan.1 – Mar. 31	Mar. 1 – May 31

1. The first quarterly payment hereunder shall be due and payable on or before September 1, 2015, and will cover the basis period of April 1, 2015 through June 30, 2015 and the privilege period of June 1, 2016 through August 31, 2016. The final payment under this Franchise is due on or before June 1, 2034 and covers the basis period of January 1, 2034 through March 31, 2034 and the privilege period of March 1, 2035 through May 31, 2035.
2. After the final payment date of June 1, 2034, Company may continue to make additional quarterly payments in accordance with the above schedule. City acknowledges that such continued payments will correspond to privilege periods that extend beyond the term of this Franchise and that such continued payments will be recognized in any subsequent franchise as full payment for the relevant quarterly periods.

C. A sum equal to four percent (4%) of gross revenues received by Company from services identified as DD1 through DD24 in Section 6.1.2 “Discretionary Service Charges,” in its Tariff for Retail Delivery Service (Tariff), effective 1/1/2002, that are for the account and benefit of an end-use retail electric consumer. Company will, upon request by City, provide a cross reference to Discretionary Service Charge numbering changes that are contained in Company’s current approved Tariff.

1. The franchise fee amounts based on “Discretionary Service Charges” shall be calculated on an annual calendar year basis, i.e. from January through December 31 of each calendar year.
2. The franchise fee amounts that are due based on “Discretionary Service Charges” shall be paid at least once annually on or before April 30 each year based on the

total “Discretionary Service Charges”, as set out in Section 6C, received during the preceding calendar year. The initial Discretionary Service Charge franchise fee amount will be paid on or before April, 30 2016 and will be based on the calendar year January 1 through December 31, 2015. The final Discretionary Service Charge franchise fee amount will be paid on or before April 30, 2036 and will be based on the calendar months of January 1 through May 31, 2035.

3. Company may file a tariff or tariff amendment(s) to provide for the recovery of the franchise fee on Discretionary Service Charges.
4. City agrees (i) to the extent the City acts as regulatory authority, to adopt and approve that portion of any tariff which provides for 100% recovery of the franchise fee on Discretionary Service Charges; (ii) in the event the City intervenes in any regulatory proceeding before a federal or state agency in which the recovery of the franchise fees on such Discretionary Service Charges is an issue, the City will take an affirmative position supporting the 100% recovery of such franchise fees by Company and; (iii) in the event of an appeal of any such regulatory proceeding in which the City has intervened, the City will take an affirmative position in any such appeals in support of the 100% recovery of such franchise fees by Company.
5. City agrees that it will take no action, nor cause any other person or entity to take any action, to prohibit the recovery of such franchise fees by Company.
6. In the event of a regulatory disallowance of the recovery of the franchise fees on the Discretionary Service Charges, Company will not be required to continue payment of such franchise fees.

SECTION 7. This Ordinance shall become effective upon Company's written acceptance hereof, said written acceptance to be filed by Company with the City within sixty (60) days after final passage and approval hereof. The right, privilege and franchise granted hereby shall expire on May 31, 2035; provided that, unless written notice of cancelation is given by either party hereto to the other not less than sixty (60) days before the expiration of this franchise agreement, it shall be automatically renewed for an additional period of six (6) months from such expiration date and shall be automatically renewed thereafter for like periods until canceled by written notice given not less than sixty (60) days before the expiration of any such renewal period.

SECTION 8. This Ordinance shall supersede any and all other franchises granted by the City to Company, its predecessors and assigns.

SECTION 9. In order to accept this franchise, Company must file with the City Secretary its written acceptance of this franchise ordinance within sixty (60) days after its final passage and approval by City.

SECTION 10. It is hereby officially found that the meeting at which this Ordinance is passed is open to the public and that due notice of this meeting was posted by City, all as required by law.

PASSED AND APPROVED at a regular meeting of the City Council of Hewitt, Texas, on this the _____ day of _______________, 2015.

____
Mayor
The City of Hewitt

ATTEST:

____
City Secretary

STATE OF TEXAS §
COUNTY OF McLENNAN §
CITY OF HEWITT §

Ron McCune
Franchise Manager,
Regulatory Affairs

Oncor Electric Delivery
1616 Woodall Rodgers Fwy
Suite 6A-011
Dallas, TX 75202-1234

Tel: 214-486-5678
Fax: 214-486-2180
ronald.mccune@oncor.com

March 6, 2015

Hon. Wilbert Wachtendorf
Mayor
City of Hewitt
P.O. Box 610
Hewitt, TX 76643-0610

Dear Mayor Wachtendorf:

As you are aware, the City of Hewitt electric franchise with Oncor Electric Delivery will expire on August 31, 2015. Enclosed is a proposed electric franchise renewal ordinance for the City of Hewitt. The proposed franchise has been prepared utilizing our standard franchise language and incorporates existing payment provisions as contained in the current franchise and franchise amendments. In addition, the franchise proposes a term of 20 years, and expires on May 31, 2035.

We will be contacting you within the next few weeks to determine how you would like to proceed to finalize the franchise. If you have any questions or comments concerning the proposed franchise, please feel free to call me at 214-486-5678 or you may also reach me via e-mail at ronald.mccune@oncor.com.

Sincerely,

Ron McCune

Enclosure
cc: Michael Baldwin