

**CITY OF TEXAS CITY  
REGULAR CALLED CITY COMMISSION MEETING**

**\* \* AGENDA \* \***

**WEDNESDAY, SEPTEMBER 2, 2009 - 5:00 P.M.  
KENNETH T. NUNN COUNCIL ROOM - CITY HALL**

- 1. INVOCATION**
- 2. PLEDGE OF ALLEGIANCE**
- 3. PROCLAMATIONS AND PRESENTATIONS**
- 4. CONSENT AGENDA:** All of the following items on the Consent Agenda are considered to be routine by the City Commission and will be enacted by one motion. There will not be separate discussion of these items unless a Commission Member or citizen so requests. For a citizen to request removal of an item, a speaker card must be filled out and submitted to the City Secretary.
  - a.** Consider approval of the minutes from the August 19, 2009 City Commission Meeting.
  - b.** Consider approval of **Resolution No. 09-083** awarding a six month contract for **Picked Up Hot Mix & Cold Mix Asphalt**. (Purchasing Dept.)
  - c.** Consider approval of **Resolution No. 09-084** awarding a six month contract for **Delivered & Delivered Hot Mix Asphalt**. (Purchasing Dept.)
  - d.** Consider approval of **Resolution No. 09-088 accepting offer to purchase tax-foreclosed property** struck off to Dickinson ISD as Trustee; authorizing the Mayor to execute Trustee's Deed for said property. (Finance Dept.)
  - e.** Consider approval of **Resolution No. 09-085** awarding a contract for the **Oak Street Culvert Extension @ Ditch 7 Project**. (Purchasing Dept.)
  - f.** Consider approval of **Resolution No. 09-086 supporting retaining a full-time Federal Judicial Bench** in the Galveston Federal Courthouse. (Mayor)
  - g.** Consider approval of **Resolution No. 09-087** approving the **purchase of 54.413 acres** from Donald and Raquel Davis subject to conditions of TCEQ (Texas Commission on Environmental Quality).
- 5. REGULAR ITEMS**
  - a.** Consider approval of **Ordinance 09-29** approving **negotiated settlement** by Gulf Coast Coalition of Cities **regarding CenterPoint Gas' Cost of Service Adjustment ("COSA")**.

6. PUBLIC COMMENTS
7. MAYOR'S COMMENTS
8. COMMISSIONERS' COMMENTS

NOTICE OF ANY SUBJECT APPEARING ON THIS AGENDA REGARDLESS OF HOW THE MATTER IS STATED MAY BE ACTED UPON BY THE CITY COMMISSION.

NOTICE: The City of Texas City will furnish free transportation to handicapped individuals via a 4-door sedan for anyone wishing to attend the City Commission meetings. Call 948-3111, City Secretary's Office before noon on Monday preceding the meeting to make arrangements.

I CERTIFY THAT THE ABOVE NOTICE OF THE MEETING WAS POSTED ON THE BULLETIN BOARD IN THE MUNICIPAL BUILDING, 1801 9TH AVENUE NORTH, TEXAS CITY, TEXAS ON THE DATE LISTED BELOW AT 5:00 P.M.

/s/ Pamela A. Lawrence  
PAMELA A. LAWRENCE  
CITY SECRETARY

DATED: August 28, 2009

## CITY COMMISSION AGENDA 2

**Date:** 09/02/2009

**Submitted By:** Pam Lawrence, Administration

**Department:** Administration

**Agenda Area:** Consent

---

### Information

#### **ACTION REQUEST (Brief Summary)**

Consider approval of the minutes from the August 19, 2009 City Commission Meeting.

#### **BACKGROUND**

#### **ANALYSIS**

#### **ALTERNATIVES CONSIDERED**

---

### Fiscal Impact

---

### Attachments

Link: [August 19, 2009 City  
Commission Minutes](#)

---

---

**REGULAR CALLED CITY COMMISSION MEETING**

**\* \* M I N U T E S \* \***

**WEDNESDAY, AUGUST 19, 2009 – 5:00 P.M.  
KENNETH T. NUNN COUNCIL ROOM – CITY HALL**

A **Regular Called Meeting of the City Commission** was held on **Wednesday, August 19, 2009, at 5:00 P.M.** in the Kenneth T. Nunn Council Room in City Hall, Texas City, Texas, with the following in attendance: Mayor Matthew T. Doyle; Commissioners: Tommy Clark, Dee Ann Haney, Dedrick Johnson, Mike Land, Donald Singleton, and John W. Wilson.

The **Mayor** called upon **Commissioner Clark** to offer the **Invocation**. **Commissioner Johnson** led all present in the **recitation of the Pledge of Allegiance**.

**PROCLAMATIONS AND PRESENTATIONS**

The Mayor administered the **“Good Neighbor Volunteers”** the Voluntary Oath of Office. The “Good Neighbor Volunteers” are listed as follows:

A. J. Amato  
Lynn Amato  
Allene Carter  
Jessie Daly  
Shirley Mapps  
Patti McMahan  
Vera Skaggs  
Pearl Smith

The “Good Neighbor” volunteers assume tasks that help create an atmosphere for a clean, safe and friendly neighborhood. As a Volunteer, they will help protect the value of homes and quality of life in the community by examining neighborhoods and the surrounding areas.

**Service Awards**

Robert Judson, Sr. - Police Dept. - 5 Years  
Farrah Neighbors – Administration - 5 Years  
Kim Jackson – Recreation and Tourism - 5 Years  
Jennifer Marquise – Police Dept. - 10 Years  
John Grace – Fire Dept. – 20 Years  
Michael Crawford – Fire Dept. – 20 Years

**PUBLIC HEARING**

- a. Public hearing to hear citizens’ opinion in favor of or in opposition to the City of Texas City’s proposed 2009-2010 fiscal year budget.

Cheryl Hunter, Director of Finance, reviewed the Budget of Revenues and Expenditures for the City of Texas City for the period of October 1, 2009 through September 30, 2010, as follows:

The General Fund is used to account for the revenues and expenditures necessary to carry out basic governmental activities of the City, such as general government, public safety, public works, recreation and tourism, and health. This fund accounts for all transactions not accounted for in another fund.

Budgeted expenditures \$47,507,823 exceed revenues of \$41,246,800 by \$6,261,023. The FY 2009-2010 budget is predicated on the following revenue assumptions: Total Net Taxable Values of \$5,043,182,442 (before freeze), which is a \$711,231,138 or 12.36% decrease over last year's values of \$5,754,413,580 (before freeze). The freeze ceiling amount for over 65 and disabled amounts to \$654,979 for 2009, which is an increase of \$18,595 or 2.9% over \$636,384 for 2008. In excess of \$78,000,000 is under protest. Sales Tax Collections-Budget \$12,225,000; Municipal Court Revenues-Budget \$1,100,000.00; Bayou Golf Green Fees Revenue- Budget \$850,000.00; General Fund Revenues, with the exception of those noted above, remained constant and there were no significant increases in budgets for 2009-2010, budgeted revenues are \$9,386,800.

Expenditure Considerations: Supplemental requests for FY 2009-2010 amounted to \$9,326,145 of which \$7,896,930 was approved and funded through various sources - \$845,000 was carried over from the 2008-2009 fiscal year. The proposed budget includes an increase of \$681,300 for employee salaries and benefits, 2.5% across the board salary increase for City employees.

The 2009-2010 General Fund budget included a net decrease of 19 positions for budgeted personnel positions. The change included the addition of 4 positions and the deletion of 23 positions. The deleted positions were a result of changes in department staffing levels. These positions were not critical to the staffing needs of the City. It was decided the funding of the deleted positions would be used to offset the funding of the additions.

Commissioner Johnson questioned the deletions and additions of positions in the budget. He stated that he knew that some of the deletions offset some of the additions but what stands out to him is that there are 18 deleted positions in the Recreation and Tourism Department. It seems from the outside looking in that that department continues to grow with the addition of the natatorium, the summer programs, and the new Calvin Vincent Center being opened. To delete 18 positions with \$206,000 totally offsetting all the new positions none of which are in Recreation and Tourism Department, although it may be necessary and approved it seems to be a huge disparity there in that single department. The Commissioner said that he would like for the City to be cautious about taking those severe cuts in that department. It was explained that those were positions that were never filled. Ms. Hunter went on to further explain that when the natatorium came on the prior Recreation Director estimated how many recreational aides she would need and so there was almost 10 or 12 added to the budget at that time, it was seen that the City did not need them and the positions were not filled. Mayor added that it is not money that is being cut it is just budget line items that are being cut. We still had budgeted as if the City still had three outdoor pools and the City only has one. Commissioner Johnson asked, out of these positions that are cut out of the budget how many of these are actually people positions? The Mayor responded none, no one lost a job; there will not be fewer children hired next summer than were hired this summer. They were just positions that sat out there that had money attached to them that were never being filled; it is kind of just clean up items.

Ms. Hunter reviewed the significant supplemental items included in the General Fund budget, which totaled \$844,425.

Special Revenue Funds: Total Revenues-\$415,000; Total Expenditures-\$145,000.

Interest & Sinking Fund (Debt Service): The City's outstanding principal at 10/01/2009 \$36,065,000. Total revenues projected to pay the City's existing debt in 2009/2010 are \$5,308,200, which includes a transfer in the amount of \$1,003,200 from the Texas City Economic Development Corporation for debt payments associated with the Series 2000 Bond. Expenditures totaling \$5,165,000 include General

Obligation Bonds, Combination Tax and Revenue Bonds C/O's, Certificates of Obligation, Refunding Bonds, and the debt service portion of the Valero Tax Refund. Of the adopted tax rate of 42.5 cents, 19.45% or 8.2706 cents per \$100 valuation is needed to satisfy the City's debt service requirements.

Enterprise Funds (Utility Funds): These funds are used to account for the City's water distribution and wastewater collection/treatment operations; financed and operated in a manner similar to private business enterprises. Utility charges should be sufficient to cover annual operating and current capital costs while providing income for future capital needs.

Water Revenue Fund: Water revenues for FY 2009-2010 are budgeted to be \$5,495,100 and expenses are budgeted at \$4,999,485.

Sewer Revenue Fund: Sewer revenues for FY 2009-2010 are budgeted to be \$5,360,100 and expenses are budgeted at \$3,450,400.

Capital Equipment Replacement Fund: This fund is used to account for the accumulation of funds to be used for vehicle and equipment replacement. Departments that utilize equipment in the performance of their duties pay a lease fee for each vehicle and piece of equipment. The cost of the equipment is funded over the life expectancy of the equipment. Total Capital Equipment Replacement Funded for 2009-2010 \$580,500.

The Mayor asked if there were anyone present that wished to speak for or against this item. Jose Boix, Barbara White, and Jack Cross each spoke in favor of the budget. Mr. Boix stated that he would like to see the City get some good press. Ms. White stated that she was disappointed that there wasn't more citizens present to hear such important information of how much money it costs to run a town like this but she said that she is grateful as both a home owner and a property owner that the City is holding the line when everyone else is sticking their hands out to raise taxes the City of Texas City is holding the line and she reiterated that she is grateful. Mr. Cross remarked that one thing had been left out – he pointed out that the City has a lot of capital expenditures paid out of the general fund without going out for a bond issue. The Mayor clarified that while that \$5 million is not a bond issue it is a obligation of the City but it is not a long term debt piece; the City does pay those off pretty quick most of them are paid out in five to eight years.

The Mayor asked if there were anyone else that wished to speak; there were none.

**Commissioner Land made a MOTION to CLOSE the PUBLIC HEARING; the motion was seconded by Commissioner Wilson. All present voted AYE. MOTION CARRIED.**

- b. Public hearing to consider the Subdivision Ordinance revisions, which were previously reviewed and approved by Council on June 18, 2008. At that time and after the first reading, the City Attorney recommended that the second and third reading be suspended in order to conduct one more comprehensive legal review. Since the completion of this second revision, one year has passed. There were minor edits since the last draft, staff decided to recommend that this latest draft be sent back to the Planning Board, seek their approval recommendation and resubmit to the City Commission for final disposition. (Planning Dept.)
- c. Public hearing for the proposed amendment to the Zoning Ordinance; proposed amendment to Section 40-58 (e) any metal shipping containers used as an accessory building in a district that is zoned for commercial use )zoning districts being "F", "F"-1", "G", "H" and/or within construction site areas) not to exceed 24 months. The containers allowed within the approved zoning districts shall be located within the rear one-half of the lot or must adhere to the established performance standards for the above referenced zoning districts. (Planning Dept.)

**Commissioner Wilson made a MOTION to TABLE the PUBLIC HEARINGS items b. and c.; the motion was seconded by Commissioner Land. All present voted AYE. MOTION CARRIED.**

**CONSENT AGENDA:** All of the following items on the Consent Agenda are considered to be routine by the City Commission and will be enacted by one motion. There will not be separate discussion of these items unless a Commission Member or citizen so requests. For a citizen to request removal of an item, a speaker card must be filled out and submitted to the City Secretary.

- a. Consider approval of the **Minutes** from the August 5, 2009 Regular Called City Commission Meeting.
- b. Consider approval of **Resolution No. 09-0082** awarding the annual contract for the building materials. (Purchasing Dept.)

**RESOLUTION NO. 09-082**

**A RESOLUTION AWARDED A BID AND AUTHORIZING THE MAYOR TO ENTER INTO ANNUAL CONTRACT WITH HOFFMAN LUMBER COMPANY FOR BUILDING MATERIALS; AND PROVIDING THAT THIS RESOLUTION SHALL BECOME EFFECTIVE FROM AND AFTER ITS PASSAGE AND ADOPTION.**

- c. Consider approval of **Resolution No. 09-081** for payment of windstorm insurance premium to Texas Municipal League Intergovernmental Risk Pool. (Finance Dept.)

**RESOLUTION NO. 09-081**

**A RESOLUTION APPROVING PAYMENT OF \$385,701.00 TO THE TEXAS MUNICIPAL LEAGUE RISK POOL FOR WINDSTORM COVERAGE FOR THE PERIOD AUGUST 2, 2009 THROUGH AUGUST 1, 2010; AND PROVIDING THAT THIS RESOLUTION SHALL BECOME EFFECTIVE FROM AND AFTER ITS PASSAGE AND ADOPTION.**

- d. Consider approval of **Resolution No. 09-79** authorizing the Mayor to execute an Advance Funding Agreement with the Texas Department of Transportation regarding reconstruction of a 0.329 mile portion of Benoist Road. (Transportation and Planning Dept.)

**RESOLUTION NO. 09-079**

**A RESOLUTION APPROVING AND AUTHORIZING THE MAYOR TO EXECUTE AN ADVANCE FUNDING AGREEMENT WITH TEXAS DEPARTMENT OF TRANSPORTATION FOR RECONSTRUCTION OF A 0.329 MILE PORTION OF BENOIST ROAD; AND PROVIDING THAT THIS RESOLUTION SHALL BECOME EFFECTIVE FROM AND AFTER ITS PASSAGE AND ADOPTION.**

- e. Consider approval of **Resolution No. 09-080** awarding the contract for Gear Box Rehab Project to McGill Maintenance Partnership LTD. (Purchasing Dept.)

**RESOLUTION NO. 09-080**

**A RESOLUTION AWARDED A BID AND AUTHORIZING THE MAYOR TO ENTER INTO A CONTRACT FOR THE GEAR BOX REHAB PROJECT; AND PROVIDING THAT THIS RESOLUTION SHALL BECOME EFFECTIVE FROM AND AFTER ITS PASSAGE AND ADOPTION.**

**Commissioner Clark made a MOTION to APPROVE the CONSENT AGENDA; the motion was SECONDED by Commissioner Johnson. All present voted AYE. MOTION CARRIED.**

**REGULAR ITEMS**

- a. Consider approval of **Ordinance No. 09-31** adopting the 2009-2010 fiscal year budget (Finance Dept.)

**ORDINANCE NO. 09-31**

AN ORDINANCE ADOPTING THE 2009-2010 FISCAL YEAR BUDGET; PROVIDING FOR THE REPEAL OF ALL ORDINANCES IN CONFLICT THEREWITH; PROVIDING A SEVERABILITY CLAUSE; DISPENSING WITH THE REQUIREMENT FOR READING THIS ORDINANCE ON THREE (3) SEPARATE DAYS; AND PROVIDING THAT THIS ORDINANCE SHALL BECOME EFFECTIVE FROM AND AFTER ITS PASSAGE AND ADOPTION AND PUBLICATION BY CAPTION ONLY IN THE OFFICIAL NEWSPAPER OF THE CITY.

**Commissioner Clark made a MOTION to APPROVE Ordinance No. 09-31 adopting the 2009-2010 fiscal year budget; the motion was SECONDED by Commissioner Johnson. All present voted AYE. MOTION CARRIED.**

Items b. and c. were both tabled.

- b. Consider approval of Ordinance No. 09-29 amending the Zoning Ordinance, Appendix "A", Section 40-58 (e). any metal shipping containers used as an accessory building in a district that is zoned for commercial use (zoning districts being "F", "F- 1", "G", "H" and/or within construction site areas) not to exceed 24 months. The containers allowed within the approved zoning districts shall be located within the rear one-half of the lot or must adhere to the established performance standards for the above referenced zoning districts. (Planning Dept.)
- c. Consider approval of Ordinance No. 09-30 (previously Ordinance 08-29 amending Chapter 110, Subdivision Ordinance, revisions were reviewed and approved by Council on June 18, 2008. At that time and after the first reading, the City Attorney recommended that the second and third reading be suspended in order to conduct one more comprehensive legal review. Since the completion of this second revision, one year has passed. There were minor edits since the last draft, staff decided to recommend that this latest draft be sent back to the Planning Board, seek their approval recommendation and resubmit to the City Commission for final disposition. (Planning Dept.)

**Commissioner Johnson made a MOTION to TABLE Regular items b. and c.; the motion was SECONDED by Commissioner Wilson. All present voted AYE. MOTION CARRIED.**

**PUBLIC COMMENTS**

Barbara White informed those present that school supplies would be gathered this Saturday at Kroger. Ms. White thanked the City for helping with the TCISD Stingrays Football Organization. The first game will be held this Saturday at 3:00 p.m.

**MAYOR'S COMMENTS**

The Mayor thanked the Council and Recreation and Tourism Department for supporting the Mayor's Skeet Shoot. The Mayor's Skeet Shoot raises about \$50,000, which for the past two years has been donated to the Boy Scouts; the next two year proceeds will be donated to the TCISD Foundation for the Future.

**COMMISSIONERS' COMMENTS**

Commissioner Johnson commented that Monday, August 24th will be the first day of school for TCISD.



Commissioner Haney reminded the public that a new law that no cell phones can be used in school zones will go into effect September 1st.

Having no further business, **Commissioner Land made a MOTION to ADJOURN at 6:00 p.m.; the motion was SECONDED by Commissioner Singleton. All present voted AYE. MOTION CARRIED.**

**MATTHEW T. DOYLE, MAYOR**

**ATTEST:**

**Pamela A. Lawrence, City Secretary**

pal: 08-26-2009

**Bid # 2009-943 Picked Up Hot Mix & Cold Mix Asphalt 6 mos. Annual Contract**

**CITY COMMISSION AGENDA 2**

**Date:** 09/02/2009

**Submitted By:** Rita Williams, Purchasing

**Department:** Purchasing

**Agenda Area:** Consent

---

**Information**

**ACTION REQUEST (Brief Summary)**

Approve and award Bid # 2009-943 Picked Up Hot Mix & Cold Mix Asphalt 6 mos. Annual Contract.

**BACKGROUND**

Bid packets were mailed to area vendors on August 3, 2009. A bid tabulation is attached for your review.

Bids opened Wednesday, August 19, 2009 at 2:00 p.m.

**ANALYSIS**

The low responsible bids meeting all specifications were received as follows for the unit price per ton:

Century Asphalt, Ltd, in Houston: Type D \$43.00 and Type A Black Base \$40.00

Southern Crushed Concrete, LLC, in Houston: Cold Mix \$54.50

It is my recommendation to award the 6 mos. annual contract to Century Asphalt, Ltd: Type D and Type A and Southern Crushed Concrete, LLC: Cold Mix for the unit prices bid and that the Mayor be authorized to execute a contract on behalf of the City Commission.

Thank you.

**ALTERNATIVES CONSIDERED**

---

**Fiscal Impact**

---

**Attachments**

Link:

Res

09-083

Link:

Bid Tab

---

### Form Routing/Status

| Route Seq                      | Inbox                   | Approved By   | Date                            | Status  |
|--------------------------------|-------------------------|---------------|---------------------------------|---------|
|                                |                         | Rita Williams | 08/25/2009 08:54 AM             | CREATED |
| 1                              | Public Works            | Tommy Maris   | 08/26/2009 03:20 PM             | APRV    |
| 2                              | Purchasing (Originator) | Rita Williams | 08/27/2009 09:50 AM             | APRV    |
| 3                              | Finance                 |               |                                 | NEW     |
| 4                              | Paralegal               |               |                                 |         |
| 5                              | City Attorney Office    |               |                                 |         |
| 6                              | Mayor                   |               |                                 |         |
| 7                              | City Secretary          |               |                                 |         |
| Form Started By: Rita Williams |                         |               | Started On: 08/25/2009 08:54 AM |         |

---

## **RESOLUTION NO. 09-083**

**A RESOLUTION AWARDING A BID AND AUTHORIZING THE MAYOR TO ENTER INTO A SIX (6) MONTH CONTRACT WITH CENTURY ASPHALT, LTD. FOR PICKED UP HOT MIX AND COLD MIX ASPHALT; AND PROVIDING THAT THIS RESOLUTION SHALL BECOME EFFECTIVE FROM AND AFTER ITS PASSAGE AND ADOPTION.**

---

**WHEREAS**, on August 19, 2009, bids were opened for the purchase of picked up Hot Mix and Cold Mix Asphalt annual contract, Bid No. 2009-943; and,

**WHEREAS**, the lowest bids meeting specifications for the purchase of picked up Hot Mix and Cold Mix Asphalt was submitted by the following for the unit prices bid per ton as shown below and on the bid tabulation attached:

**Century Asphalt, Ltd.**

|                              |             |
|------------------------------|-------------|
| Type D Unit Price            | \$43.00 ton |
| Type A Black Base Unit Price | \$40.00 ton |

**Southern Crushed Concrete, LLC**

|                     |             |
|---------------------|-------------|
| Cold Mix Unit Price | \$54.50 ton |
|---------------------|-------------|

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

**SECTION 1:** That the successful bidders for the six (6) month contract for picked up Hot Mix and Cold Mix Asphalt are Century Asphalt, Ltd. and Southern Crushed Concrete, LLC.

**SECTION 2:** That the Mayor is hereby authorized to enter into a contract with Century Asphalt, Ltd. and Southern Crushed Concrete, LLC, for picked up Hot Mix and Cold Mix Asphalt for the unit prices bid per ton as shown on the bid tabulation.

**SECTION 3:** That this Resolution shall be in full force and effect from and after its passage and adoption.

**PASSED AND ADOPTED this 2nd day of September, 2009.**

---

Mike Land, Mayor Pro-Tem  
City of Texas City, Texas

ATTEST:

APPROVED AS TO FORM:

---

Pamela A. Lawrence  
City Secretary

---

Ronald F. Plackemeier  
City Attorney

## **BID TABULATION**

**Bid #2009-943**

**Picked Up Hot Mix & Cold Mix Asphalt Annual Contract**

Bid Opening: Wednesday, August 19, 2009 @ 2:00p.m.

| <b>Vendor</b>   | <b>Type D<br/>Unit Price</b> | <b>Type A Black Base<br/>Unit Price</b> | <b>Cold Mix<br/>Unit Price</b> |
|---|------------------------------|---|--------------------------------|
| <b>Century Asphalt, Ltd.<br/>Baytown, Texas</b>         | <b>\$43.00 ton</b>           | <b>\$40.00 ton</b>                      | \$68.00 ton                    |
| <b>Southern Crushed Concrete LLC<br/>Houston, Texas</b> | \$43.50 ton                  | \$42.50 ton                             | <b>\$54.50 ton</b>             |
| Previous Contract Pricing                               | \$52.00 ton                  | \$50.00 ton                             | \$72.00 ton                    |

## **Bid # 2009-944 Delivered Hot Mix Asphalt 6 mos. Annual Contract CITY COMMISSION AGENDA 2**

**Date:** 09/02/2009

**Submitted By:** Rita Williams, Purchasing

**Department:** Purchasing

**Agenda Area:** Consent

### **Information**

#### **ACTION REQUEST (Brief Summary)**

Approve and award Bid # 2009-944 Delivered Hot Mix Asphalt 6 mos. Annual Contract.

#### **BACKGROUND**

Bid packets were mailed to area vendors on August 3, 2009. A bid tabulation is attached for your review.

Bids opened Wednesday, August 19, 2009 at 2:00 p.m.

#### **ANALYSIS**

The low responsible bid meeting all specifications was received from Southern Crushed Concrete, in Houston, for the unit prices bid.

It is my recommendation to award the 6 mos. annual contract to Southern Crushed Concrete, for the unit prices bid and that the Mayor is authorized to execute a contract on behalf of the City commission.

Thank you.

#### **ALTERNATIVES CONSIDERED**

### **Fiscal Impact**

### **Attachments**

Link:

Res

09-084

Link:

Bid Tab

### **Form Routing/Status**

| <b>Route Seq</b> | <b>Inbox</b>            | <b>Approved By</b> | <b>Date</b>         | <b>Status</b> |
|------------------|-------------------------|--------------------|---------------------|---------------|
|                  |                         | Rita Williams      | 08/25/2009 10:09 AM | CREATED       |
| 1                | Public Works            | Tommy Maris        | 08/26/2009 03:20 PM | APRV          |
| 2                | Purchasing (Originator) | Rita Williams      | 08/27/2009 09:50 AM | APRV          |
| 3                | Finance                 |                    |                     | NEW           |

- 4 Paralegal
- 5 City Attorney Office
- 6 Mayor
- 7 City Secretary

Form Started By: Rita Williams

Started On: 08/25/2009 10:09 AM

---



**RESOLUTION NO. 09-084**

**A RESOLUTION AWARDING A BID AND AUTHORIZING THE MAYOR TO ENTER INTO A SIX (6) MONTH CONTRACT WITH CENTURY ASPHALT, LTD. FOR DELIVERED HOT MIX ASPHALT; AND PROVIDING THAT THIS RESOLUTION SHALL BECOME EFFECTIVE FROM AND AFTER ITS PASSAGE AND ADOPTION.**

---

**WHEREAS**, on August 19, 2009, bids were opened for the purchase of delivered Hot Mix Asphalt annual contract, Bid No. 2009-944; and,

**WHEREAS**, the lowest bid meeting specifications for the purchase of delivered Hot Mix Asphalt was submitted by Southern Crushed Concrete for the unit prices bid per ton as shown on the bid tabulation attached.

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

**SECTION 1:** That the successful bidder for the six (6) month contract for delivered Hot Mix Asphalt is Southern Crushed Concrete.

**SECTION 2:** That the Mayor is hereby authorized to enter into a contract with Southern Crushed Concrete for delivered Hot Mix Asphalt for the unit prices bid per ton as shown on the bid tabulation.

**SECTION 3:** That this Resolution shall be in full force and effect from and after its passage and adoption.

**PASSED AND ADOPTED this 2nd day of September, 2009.**

---

Mike Land, Mayor Pro-Tem  
City of Texas City, Texas

ATTEST:

APPROVED AS TO FORM:

---

Pamela A. Lawrence  
City Secretary

---

Ronald F. Plackemeier  
City Attorney

## **BID TABULATION**

**BID # 2009-944**  
**Delivered Hot Mix Asphalt**  
**6 mos. Annual Contract**

Bid Opening: Wednesday, August 19, 2009 @ 2:00 p.m.

| <b>VENDOR</b>  | <b>TYPE D</b>                    | <b>TYPE A</b>                    |
|--|----------------------------------|----------------------------------|
| <b>Southern Crushed Concrete, LLC</b><br><b>Houston, Texas</b> | <b>\$47.74</b><br><b>Per ton</b> | <b>\$44.30</b><br><b>Per ton</b> |
| Century Asphalt Ltd.<br>Baytown, Texas                         | \$49.95<br>Per ton               | \$47.00<br>Per ton               |
| Previous<br>Contract Pricing                                   | \$56.50<br>Per ton               | \$52.50<br>Per ton               |

## CITY COMMISSION AGENDA 2

**Date:** 09/02/2009

**Submitted By:** Pam Lawrence, Administration

**Department:** Administration

**Agenda Area:** Consent

---

### Information

#### **ACTION REQUEST (Brief Summary)**

Consider approval of Resolution No. 09-088 accepting offer to purchase tax-foreclosed property struck off to Dickinson ISD as Trustee; authorizing the Mayor to execute Trustee's Deed for said property.

#### **BACKGROUND**

#### **ANALYSIS**

#### **ALTERNATIVES CONSIDERED**

---

### Fiscal Impact

---

### Attachments

*No file(s)  
attached.*

---

---

## **Bid # 2009-208 Oak Street Culvert Extension @ Ditch 7 CITY COMMISSION AGENDA 2**

**Date:** 09/02/2009

**Submitted By:** Rita Williams, Purchasing

**Department:** Purchasing

**Agenda Area:** Consent

### **Information**

#### **ACTION REQUEST (Brief Summary)**

Approve and award Bid # 2009-208 Oak Street Culvert Extension @ Ditch 7 Project.

#### **BACKGROUND**

Bid packets were mailed/picked up by area vendors on July 30, 2009. A letter of recommendation, bid tabulation (a) and bid tabulation (b) are attached for your review.

Bids opened Tuesday, August 18, 2009 at 2:00 p.m.

#### **ANALYSIS**

Th low responsible bid meeting all specifications was received by Metro City Construction, L.P., in the amount of \$281,652.10 for both the Base Bid as well as the Alternate Bid. Metro City Construction, L.P. appear to be a responsible firm that is capable of performing the specified work in a satisfactory manner.

It is my recommendation to award the Oak Street Culvert Extension @ Ditch 7 Project to Metro City Construction, L.P., for the total bid of \$281,652.10 and that the Mayor is authorized to execute a contract on behalf of the City Commission. I further recommend that the Mayor be authorized to approve change orders, not to exceed 25% of the contract amount without bringing the matter before the Commission.

Thank you.

#### **ALTERNATIVES CONSIDERED**

### **Fiscal Impact**

### **Attachments**

Link: [Res 09-085](#)

Link:

[Recommendation](#)

Link: [Bid Tab \(a\)](#)

Link: [Bid Tab \(b\)](#)

### **Form Routing/Status**

Route Seq Inbox

Approved By Date

Status

|                                |                         |                                 |                     |         |
|--------------------------------|-------------------------|---------------------------------|---------------------|---------|
|                                |                         | Rita Williams                   | 08/26/2009 02:38 PM | CREATED |
| 1                              | Public Works            | Tommy Maris                     | 08/26/2009 03:20 PM | APRV    |
| 2                              | Purchasing (Originator) | Rita Williams                   | 08/27/2009 09:50 AM | APRV    |
| 3                              | Finance                 |                                 |                     | NEW     |
| 4                              | Paralegal               |                                 |                     |         |
| 5                              | City Attorney Office    |                                 |                     |         |
| 6                              | Mayor                   |                                 |                     |         |
| 7                              | City Secretary          |                                 |                     |         |
| Form Started By: Rita Williams |                         | Started On: 08/26/2009 02:38 PM |                     |         |

---

**RESOLUTION NO. 09-085**

**A RESOLUTION AWARDDING A BID AND AUTHORIZING THE MAYOR TO ENTER INTO A CONTRACT FOR THE OAK STREET CULVERT EXTENSION @ DITCH 7 PROJECT; AND PROVIDING THAT THIS RESOLUTION SHALL BECOME EFFECTIVE FROM AND AFTER ITS PASSAGE AND ADOPTION.**

---

**WHEREAS**, on July 30, 2009, bids were picked up and/or mailed to area vendors for the Oak Street Culvert Extension @ Ditch 7 Project, Bid No. 2009-208; and

**WHEREAS**, bids opened on August 18, 2009, and the lowest bid received meeting specifications was submitted by Metro City Construction, L.P.

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

**SECTION 1:** That the successful bidder for the base bid, as well as the alternate bid is Metro City Construction, L.P., in the amount of \$281,652.10, as set out on the attached bid specification.

**SECTION 2:** That the Mayor is hereby authorized to enter into a contract with Metro City Construction, L.P. for the bid price as set out in Exhibit "A", attached hereto and incorporated herein for all intents and purposes.

**SECTION 3:** That the Mayor is hereby further authorized to approve change orders, not to exceed 25% of the contract amount, without bringing the change orders before the City Commission.

**SECTION 4:** That this Resolution shall be in full force and effect from and after its passage and adoption.

**PASSED AND ADOPTED this 2nd day of September, 2009.**

---

Mike Land, Mayor Pro-Tem  
City of Texas City, Texas

ATTEST:

APPROVED AS TO FORM:

---

Pamela A. Lawrence  
City Secretary

---

Ronald F. Plackemeier  
City Attorney

August 25, 2009

City of Texas City  
Attn: Mr. Tommy Maris  
Public Works Project Administrator  
PO Drawer 2608  
Texas City, Texas 77590-2608

RE: Oak Street Culvert Extension @ Ditch 7  
CI Job No. 1992-027-024  
Texas City Bid # 2009-208

Dear Mr. Maris:

We received bids for the referenced project on August 18th, 2009. Attached please find a tabulation of those bids. The low bid was submitted by Metro City Construction, L.P. in the amount of \$281,652.10 for both the Base Bid as well as the Alternate Bid. As a reminder the Base Bid included construction of the 10'x10' concrete boxes using a cast in place method. The Alternate Bid included construction of the 10'x10' concrete boxes using precast reinforced concrete boxes in lieu of cast in place structures. The Alternate Bid construction method offers some reduction in construction time therefore may help reduce the amount of time Oak Street would need to be closed.

As contained in the contract provisions, Costello, Inc. has evaluated the Qualification Statements and references of the bidders and recommends the City award this contract to Metro City Construction, L.P., and proceed with the Alternate Bid construction method.

If you have any questions or require further information please contact our office directly.

Sincerely,  
Costello, Inc.



Chad A. Nesvadba, P.E.  
Senior Project Engineer

cc: Ms. Rita Williams - City of Texas City Purchasing Dept.

W:\92027\024\Award Recommendation ltr.08 20 09.doc

Summary of Bid Tabulation for:  
Oak Street Culvert Extensions at Ditch 7 Project  
Bid No. 2009-208  
CI Job No. 92027-024  
Bids Received: August 18, 2009

|  | Metro City<br>Construction, L.P. | Menade, Inc.         | SER Construction<br>Partners, Ltd. | Harris<br>Construction<br>Company, Ltd. | C.E. Barker, Ltd.    | Cravens Partners,<br>Ltd. | Spring Equipment<br>Co., Inc. | Huff & Mitchell, Inc. |
|--|----------------------------------|----------------------|------------------------------------|---|----------------------|---------------------------|-------------------------------|-----------------------|
| <u>SECTION I -<br/>GENERAL</u>   | \$ 269,577.10                    | \$ 282,821.00        | \$ 301,683.00                      | \$ 312,617.50                           | \$ 378,716.26        | \$ 395,688.00             | \$ 469,140.00                 | \$ 528,524.00         |
| <u>SECTION II -<br/>EXTRA UNIT<br/>PRICE ITEMS</u>                         | \$ 12,075.00                     | \$ 5,450.00          | \$ 13,288.00                       | \$ 13,850.00                            | \$ 20,850.00         | \$ 23,300.00              | \$ 13,645.00                  | \$ 11,290.00          |
| <u>SECTION III -<br/>ALTERNATE<br/>ITEMS</u>                               | \$ 124,950.00                    | \$ 142,800.00        | \$ 126,000.00                      | \$ 121,905.00                           | \$ 187,204.50        | \$ 151,200.00             | \$ 136,500.00                 | \$ 150,150.00         |
| <b>BASE BID TOTAL</b>  | <b>\$ 281,652.10</b>             | <b>\$ 288,271.00</b> | <b>\$ 314,971.00</b>               | <b>\$ 326,467.50</b>                    | <b>\$ 399,566.26</b> | <b>\$ 418,988.00</b>      | <b>\$ 482,785.00</b>          | <b>\$ 539,814.00</b>  |
| <b>TOTAL<br/>ALTERNATE BID<br/>(Total Base Bid +<br/>Item 34 - Item 6)</b> | <b>\$ 281,652.10</b>             | <b>\$ 315,571.00</b> | <b>\$ 319,171.00</b>               | <b>\$ 326,467.50</b>                    | <b>\$ 388,234.66</b> | <b>\$ 436,838.00</b>      | <b>\$ 346,285.00</b>          | <b>\$ 406,464.00</b>  |



Bid Tabulation For:  
Oak Street Culvert Extensions at Ditch 7  
Bid No. 2009-208  
CI Job No. 92027-024  
Bids Received: August 18, 2009

|                     |   |          |      | Metro City Construction,<br>L.P. |                   | Menade, Inc.  |                   | SER Construction<br>Partners, Ltd. |                   | Harris Construction<br>Company, Ltd. |                   | C.E. Barker, Ltd. |                   | Cravens Partners, Ltd. |                   | Spring Equipment Co.,<br>Inc. |                   | Huff & Mitchell, Inc. |                   |
|---------------------|---|----------|------|----------------------------------|-------------------|---------------|-------------------|------------------------------------|-------------------|--------------------------------------|-------------------|-------------------|-------------------|------------------------|-------------------|-------------------------------|-------------------|-----------------------|-------------------|
| Item<br>No.         | Description of Item   | Quantity | Unit | Unit<br>Price                    | Extended<br>Total | Unit<br>Price | Extended<br>Total | Unit<br>Price                      | Extended<br>Total | Unit<br>Price                        | Extended<br>Total | Unit<br>Price     | Extended<br>Total | Unit<br>Price          | Extended<br>Total | Unit<br>Price                 | Extended<br>Total | Unit<br>Price         | Extended<br>Total |
| SECTION I - GENERAL |   |          |      |                                  |                   |               |                   |                                    |                   |                                      |                   |                   |                   |                        |                   |                               |                   |                       |                   |
| 1 .                 | Mobilization  | 1        | LS   | \$17,314.50                      | \$17,314.50       | \$25,000.00   | \$25,000.00       | \$53,500.00                        | \$53,500.00       | \$31,000.00                          | \$31,000.00       | \$9,975.00        | \$9,975.00        | \$35,000.00            | \$35,000.00       | \$30,000.00                   | \$30,000.00       | \$40,000.00           | \$40,000.00       |
| 2 .                 | SWPPP Compliance  | 1        | LS   | \$1,900.00                       | \$1,900.00        | \$1,000.00    | \$1,000.00        | \$1,250.00                         | \$1,250.00        | \$2,000.00                           | \$2,000.00        | \$1,155.00        | \$1,155.00        | \$3,000.00             | \$3,000.00        | \$1,200.00                    | \$1,200.00        | \$750.00              | \$750.00          |
| 3 .                 | Traffic Control   | 1        | LS   | \$7,367.00                       | \$7,367.00        | \$2,000.00    | \$2,000.00        | \$12,500.00                        | \$12,500.00       | \$4,500.00                           | \$4,500.00        | \$7,350.00        | \$7,350.00        | \$11,000.00            | \$11,000.00       | \$15,000.00                   | \$15,000.00       | \$5,000.00            | \$5,000.00        |
| 4 .                 | Ditch Excavation  | 500      | CY   | \$3.00                           | \$1,500.00        | \$10.00       | \$5,000.00        | \$7.00                             | \$3,500.00        | \$6.50                               | \$3,250.00        | \$5.36            | \$2,680.00        | \$8.00                 | \$4,000.00        | \$7.00                        | \$3,500.00        | \$30.00               | \$15,000.00       |
| 5 .                 | Load, Haul & Dispose of Dirt Spoils   | 500      | CY   | \$5.00                           | \$2,500.00        | \$5.00        | \$2,500.00        | \$10.00                            | \$5,000.00        | \$12.00                              | \$6,000.00        | \$10.61           | \$5,305.00        | \$8.00                 | \$4,000.00        | \$10.00                       | \$5,000.00        | \$10.00               | \$5,000.00        |
| 6 .                 | 10' X 10' CIP Box Culverts, Complete in<br>Place, Including Cement Stabilized Backfill                    | 210      | LF   | \$595.00                         | \$124,950.00      | \$550.00      | \$115,500.00      | \$580.00                           | \$121,800.00      | \$580.50                             | \$121,905.00      | \$945.41          | \$198,536.10      | \$635.00               | \$133,350.00      | \$1,300.00                    | \$273,000.00      | \$1,350.00            | \$283,500.00      |
| 7 .                 | Concrete Headwalls for (3) 10' X 10'<br>Boxes, Complete in Place, Including<br>Cement Stabilized Backfill | 2        | EA   | \$24,690.00                      | \$49,380.00       | \$30,000.00   | \$60,000.00       | \$21,000.00                        | \$42,000.00       | \$28,500.00                          | \$57,000.00       | \$29,137.50       | \$58,275.00       | \$20,000.00            | \$40,000.00       | \$20,000.00                   | \$40,000.00       | \$50,000.00           | \$100,000.00      |
| 8 .                 | Remove and Dispose of Existing 36" Storm<br>Sewer   | 24       | LF   | \$10.00                          | \$240.00          | \$20.00       | \$480.00          | \$23.00                            | \$552.00          | \$15.00                              | \$360.00          | \$21.00           | \$504.00          | \$20.00                | \$480.00          | \$25.00                       | \$600.00          | \$16.00               | \$384.00          |
| 9 .                 | 36 inch RCP Storm Sewer, All Depths   | 24       | LF   | \$90.65                          | \$2,175.60        | \$100.00      | \$2,400.00        | \$78.00                            | \$1,872.00        | \$105.00                             | \$2,520.00        | \$136.79          | \$3,282.96        | \$100.00               | \$2,400.00        | \$125.00                      | \$3,000.00        | \$200.00              | \$4,800.00        |
| 10 .                | 18" Concrete Rip Rap  | 170      | SY   | \$48.00                          | \$8,160.00        | \$40.00       | \$6,800.00        | \$36.00                            | \$6,120.00        | \$55.00                              | \$9,350.00        | \$42.00           | \$7,140.00        | \$60.00                | \$10,200.00       | \$48.00                       | \$8,160.00        | \$35.00               | \$5,950.00        |
| 11 .                | 5" Concrete Slope Paving  | 435      | SY   | \$41.00                          | \$17,835.00       | \$50.00       | \$21,750.00       | \$45.00                            | \$19,575.00       | \$47.50                              | \$20,662.50       | \$52.50           | \$22,837.50       | \$50.00                | \$21,750.00       | \$48.00                       | \$20,880.00       | \$50.00               | \$21,750.00       |
| 12 .                | Remove and Dispose of Existing 96" CGMP   | 122      | LF   | \$12.00                          | \$1,464.00        | \$50.00       | \$6,100.00        | \$36.00                            | \$4,392.00        | \$65.00                              | \$7,930.00        | \$31.50           | \$3,843.00        | \$14.00                | \$1,708.00        | \$160.00                      | \$19,520.00       | \$15.00               | \$1,830.00        |
| 13 .                | Remove and Dispose of Existing Asphalt<br>Pavement Including Base Material                                | 230      | SY   | \$4.25                           | \$977.50          | \$10.00       | \$2,300.00        | \$9.00                             | \$2,070.00        | \$11.00                              | \$2,530.00        | \$6.30            | \$1,449.00        | \$14.00                | \$3,220.00        | \$15.00                       | \$3,450.00        | \$10.00               | \$2,300.00        |
| 14 .                | 3" HMAC Surface Coarse  | 210      | SY   | \$28.00                          | \$5,880.00        | \$28.00       | \$5,880.00        | \$34.00                            | \$7,140.00        | \$25.00                              | \$5,250.00        | \$27.67           | \$5,810.70        | \$44.00                | \$9,240.00        | \$41.00                       | \$8,610.00        | \$20.00               | \$4,200.00        |
| 15 .                | 8" Flexible Base  | 230      | SY   | \$15.50                          | \$3,565.00        | \$30.00       | \$6,900.00        | \$17.00                            | \$3,910.00        | \$37.00                              | \$8,510.00        | \$48.98           | \$11,265.40       | \$26.00                | \$5,980.00        | \$46.00                       | \$10,580.00       | \$20.00               | \$4,600.00        |
| 16 .                | Remove and Replace Metal Guardrail w/<br>Wooden Posts   | 230      | LF   | \$58.25                          | \$13,397.50       | \$50.00       | \$11,500.00       | \$8.00                             | \$1,840.00        | \$25.00                              | \$5,750.00        | \$45.15           | \$10,384.50       | \$75.00                | \$17,250.00       | \$56.00                       | \$12,880.00       | \$45.00               | \$10,350.00       |
| 17 .                | Reinforced Filter Fabric Fence  | 500      | LF   | \$1.50                           | \$750.00          | \$2.00        | \$1,000.00        | \$2.00                             | \$1,000.00        | \$1.50                               | \$750.00          | \$1.31            | \$655.00          | \$2.00                 | \$1,000.00        | \$3.50                        | \$1,750.00        | \$1.00                | \$500.00          |
| 18 .                | Turf Establishment  | 2        | AC   | \$1,560.00                       | \$3,120.00        | \$1,500.00    | \$3,000.00        | \$1,500.00                         | \$3,000.00        | \$1,100.00                           | \$2,200.00        | \$1,260.00        | \$2,520.00        | \$1,800.00             | \$3,600.00        | \$1,200.00                    | \$2,400.00        | \$1,200.00            | \$2,400.00        |
| 19 .                | Trench Safety   | 210      | LF   | \$0.10                           | \$21.00           | \$1.00        | \$210.00          | \$1.00                             | \$210.00          | \$5.00                               | \$1,050.00        | \$0.11            | \$23.10           | \$1.00                 | \$210.00          | \$1.00                        | \$210.00          | \$1.00                | \$210.00          |
| 20 .                | Stabilized Vehicle Entry / Exit, Includes<br>Installation and Removal                                     | 1        | EA   | \$1,400.00                       | \$1,400.00        | \$1.00        | \$1.00            | \$930.00                           | \$930.00          | \$1,500.00                           | \$1,500.00        | \$1,050.00        | \$1,050.00        | \$1,700.00             | \$1,700.00        | \$500.00                      | \$500.00          | \$1,000.00            | \$1,000.00        |
| 21 .                | Type "2" Filter Rock Dam, Includes<br>Installation and Removal  | 2        | EA   | \$1,340.00                       | \$2,680.00        | \$500.00      | \$1,000.00        | \$261.00                           | \$522.00          | \$1,800.00                           | \$3,600.00        | \$4,987.50        | \$9,975.00        | \$800.00               | \$1,600.00        | \$1,500.00                    | \$3,000.00        | \$500.00              | \$1,000.00        |
| 22 .                | Temporary Cofferdam, Includes<br>Installation and Removal   | 1        | LS   | \$1,000.00                       | \$1,000.00        | \$1,500.00    | \$1,500.00        | \$5,000.00                         | \$5,000.00        | \$10,000.00                          | \$10,000.00       | \$2,625.00        | \$2,625.00        | \$45,000.00            | \$45,000.00       | \$1,300.00                    | \$1,300.00        | \$15,000.00           | \$15,000.00       |
| 23 .                | By-Pass Pumping   | 1        | LS   | \$2,000.00                       | \$2,000.00        | \$1,000.00    | \$1,000.00        | \$4,000.00                         | \$4,000.00        | \$5,000.00                           | \$5,000.00        | \$12,075.00       | \$12,075.00       | \$40,000.00            | \$40,000.00       | \$4,600.00                    | \$4,600.00        | \$3,000.00            | \$3,000.00        |
|                     |   |          |      | Subtotal:                        | \$269,577.10      | Subtotal:     | \$282,821.00 *    | Subtotal:                          | \$301,683.00      | Subtotal:                            | \$312,617.50      | Subtotal:         | \$378,716.26      | Subtotal:              | \$395,688.00      | Subtotal:                     | \$469,140.00      | Subtotal:             | \$528,524.00      |

Bid Tabulation For:  
Oak Street Culvert Extensions at Ditch 7  
Bid No. 2009-208  
CI Job No. 92027-024  
Bids Received: August 18, 2009

|   |   |          |      | Metro City Construction,<br>L.P. |                   | Menade, Inc.  |                   | SER Construction<br>Partners, Ltd. |                   | Harris Construction<br>Company, Ltd. |                   | C.E. Barker, Ltd. |                   | Cravens Partners, Ltd. |                   | Spring Equipment Co.,<br>Inc. |                   | Huff & Mitchell, Inc. |                   |
|---|---|----------|------|----------------------------------|-------------------|---------------|-------------------|------------------------------------|-------------------|--------------------------------------|-------------------|-------------------|-------------------|------------------------|-------------------|-------------------------------|-------------------|-----------------------|-------------------|
| Item<br>No.   | Description of Item                                   | Quantity | Unit | Unit<br>Price                    | Extended<br>Total | Unit<br>Price | Extended<br>Total | Unit<br>Price                      | Extended<br>Total | Unit<br>Price                        | Extended<br>Total | Unit<br>Price     | Extended<br>Total | Unit<br>Price          | Extended<br>Total | Unit<br>Price                 | Extended<br>Total | Unit<br>Price         | Extended<br>Total |
| <b>SECTION II - EXTRA UNIT PRICE ITEMS</b>              |   |          |      |                                  |                   |               |                   |                                    |                   |                                      |                   |                   |                   |                        |                   |                               |                   |                       |                   |
| 24  | . Extra Concrete with or without Forms<br>(4,000 psi) | 10       | CY   | \$450.00                         | \$4,500.00        | \$100.00      | \$1,000.00        | \$250.00                           | \$2,500.00        | \$150.00                             | \$1,500.00        | \$750.00          | \$7,500.00        | \$300.00               | \$3,000.00        | \$300.00                      | \$3,000.00        | \$125.00              | \$1,250.00        |
| 25  | . Extra Concrete with or without Forms<br>(3,000 psi) | 10       | CY   | \$440.00                         | \$4,400.00        | \$90.00       | \$900.00          | \$187.50                           | \$1,875.00        | \$125.00                             | \$1,250.00        | \$650.00          | \$6,500.00        | \$290.00               | \$2,900.00        | \$250.00                      | \$2,500.00        | \$110.00              | \$1,100.00        |
| 26  | . Extra Excavation (Hand)                             | 10       | CY   | \$10.00                          | \$100.00          | \$20.00       | \$200.00          | \$25.00                            | \$250.00          | \$50.00                              | \$500.00          | \$15.00           | \$150.00          | \$10.00                | \$100.00          | \$10.00                       | \$100.00          | \$20.00               | \$200.00          |
| 27  | . Extra Excavation (Machine)                          | 10       | CY   | \$10.00                          | \$100.00          | \$15.00       | \$150.00          | \$12.50                            | \$125.00          | \$6.00                               | \$60.00           | \$10.00           | \$100.00          | \$40.00                | \$400.00          | \$6.00                        | \$60.00           | \$25.00               | \$250.00          |
| 28  | . Extra Haul & Dispose of Dirt Spoils                 | 10       | CY   | \$10.00                          | \$100.00          | \$10.00       | \$100.00          | \$12.50                            | \$125.00          | \$10.00                              | \$100.00          | \$10.00           | \$100.00          | \$10.00                | \$100.00          | \$12.00                       | \$120.00          | \$50.00               | \$500.00          |
| 29  | . Extra Compacted Fill                                | 10       | CY   | \$10.00                          | \$100.00          | \$15.00       | \$150.00          | \$250.00                           | \$2,500.00 *      | \$5.00                               | \$50.00           | \$15.00           | \$150.00          | \$20.00                | \$200.00          | \$6.50                        | \$65.00           | \$10.00               | \$100.00          |
| 30  | . Extra Cement Stabilized Sand                        | 10       | CY   | \$24.00                          | \$240.00          | \$30.00       | \$300.00          | \$31.30                            | \$313.00          | \$30.00                              | \$300.00          | \$25.00           | \$250.00          | \$40.00                | \$400.00          | \$35.00                       | \$350.00          | \$14.00               | \$140.00          |
| 31  | . Extra 8" Lime Stabilized Subgrade                   | 10       | SY   | \$3.50                           | \$35.00           | \$15.00       | \$150.00          | \$10.00                            | \$100.00          | \$10.00                              | \$100.00          | \$10.00           | \$100.00          | \$20.00                | \$200.00          | \$20.00                       | \$200.00          | \$25.00               | \$250.00          |
| 32  | . 8-Inch Waterline Offset, Complete in place          | 50       | LF   | \$40.00                          | \$2,000.00        | \$40.00       | \$2,000.00        | \$100.00                           | \$5,000.00        | \$99.80                              | \$4,990.00        | \$20.00           | \$1,000.00        | \$200.00               | \$10,000.00       | \$125.00                      | \$6,250.00        | \$50.00               | \$2,500.00        |
| 33  | . Dewatering  | 1        | LS   | \$500.00                         | \$500.00          | \$500.00      | \$500.00          | \$500.00                           | \$500.00          | \$5,000.00                           | \$5,000.00        | \$5,000.00        | \$5,000.00        | \$6,000.00             | \$6,000.00        | \$1,000.00                    | \$1,000.00        | \$5,000.00            | \$5,000.00        |
|   |   |          |      | Subtotal:                        | \$12,075.00       | Subtotal:     | \$5,450.00        | Subtotal:                          | \$13,288.00       | Subtotal:                            | \$13,850.00       | Subtotal:         | \$20,850.00       | Subtotal:              | \$23,300.00       | Subtotal:                     | \$13,645.00       | Subtotal:             | \$11,290.00       |
| TOTAL BASE BID ITEMS                                    |   |          |      |                                  | \$281,652.10      |               | \$288,271.00 *    |                                    | \$314,971.00      |                                      | \$326,467.50      |                   | \$399,566.26      |                        | \$418,988.00      |                               | \$482,785.00      |                       | \$539,814.00      |
| <b>SECTION III - ALTERNATE ITEMS</b>                    |   |          |      |                                  |                   |               |                   |                                    |                   |                                      |                   |                   |                   |                        |                   |                               |                   |                       |                   |
| 34  | . 10' x 10' RCBC in Lieu of CIP, Complete<br>In Place | 210      | LF   | \$595.00                         | \$124,950.00      | \$680.00      | \$142,800.00      | \$600.00                           | \$126,000.00      | \$580.50                             | \$121,905.00      | \$891.45          | \$187,204.50      | \$720.00               | \$151,200.00      | \$650.00                      | \$136,500.00      | \$715.00              | \$150,150.00      |
|   |   |          |      | Subtotal:                        | \$124,950.00      | Subtotal:     | \$142,800.00      | Subtotal:                          | \$126,000.00      | Subtotal:                            | \$121,905.00      | Subtotal:         | \$187,204.50      | Subtotal:              | \$151,200.00      | Subtotal:                     | \$136,500.00      | Subtotal:             | \$150,150.00      |
| SECTION III - ALTERNATE ITEMS SUBTOTAL                  |   |          |      |                                  | \$281,652.10      |               | \$315,571.00 *    |                                    | \$319,171.00 *    |                                      | \$326,467.50      |                   | \$388,234.66      |                        | \$436,838.00      |                               | \$346,285.00      |                       | \$406,464.00      |
| TOTAL ALTERNATE BID (Total Base Bid + Item 34 - Item 6) |   |          |      |                                  |                   |               |                   |                                    |                   |                                      |                   |                   |                   |                        |                   |                               |                   |                       |                   |

\* Denotes an error in bid tabulation

## **Resolution Supporting Full-Time Federal Judicial Bench CITY COMMISSION AGENDA 2**

**Date:** 09/02/2009

**Submitted By:** Linda Jennings, City Attorney Office

**Submitted For:** Matthew Doyle

**Department:** Mayor's Office

**Agenda Area:** Consent

---

### **Information**

#### **ACTION REQUEST (Brief Summary)**

A Resolution Supporting Retaining a full-time Federal Judicial Bench in the Galveston Federal Courthouse.

#### **BACKGROUND**

#### **ANALYSIS**

#### **ALTERNATIVES CONSIDERED**

---

### **Fiscal Impact**

---

### **Attachments**

Link: [Res  
09-086](#)

---

---

## **RESOLUTION NO. 09-086**

### **A RESOLUTION IN SUPPORT OF RETAINING A FULL-TIME FEDERAL JUDICIAL BENCH IN THE GALVESTON FEDERAL COURTHOUSE; AND PROVIDING THAT THIS RESOLUTION SHALL BECOME EFFECTIVE FROM AND AFTER ITS PASSAGE AND ADOPTION.**

---

**WHEREAS**, on May 26, 1846, John C. Watrous was appointed the first Federal Judge in Texas, held court in Galveston, with jurisdiction over the entire State; and

**WHEREAS**, on February 21, 1857, Texas was divided into two Districts, the Eastern and Western District. Judge Watrous continued to preside in the Eastern District and Judge Thomas DuVal presided in the Western District. When Texas seceded from the Union, the two judges left the State and returned once Texas was restored to the Union. They were the only two southern federal judges who did not resign; and

**WHEREAS**, since 1846, with the exception for the Civil War period, a Federal Judge has continuously presided in the Federal Court in Galveston and this Court held and still holds an important place in the Southern District division; and

**WHEREAS**, in 1902, the Southern District was created by Act of Congress with Judge Walter T. Burns presiding; and

**WHEREAS**, the Federal Bench in Galveston is the oldest Federal Civil Judgment in Texas and includes Galveston, Brazoria, and Matagorda Counties; and

**WHEREAS**, the Federal Court in Galveston has an established tradition of litigating Maritime, FELA, Jones Act, Civil, Criminal, and Bankruptcy cases on its unique docket; and

**WHEREAS**, the Federal Court in Galveston allowed plaintiffs and defendants to draw their jury pool of citizens from Brazoria, Matagorda, Chambers, and Galveston Counties; and

**WHEREAS**, the sitting Federal Judge in Galveston announced his resignation from bench effective June 30, 2009, which was accepted by the President of the United States; and

**WHEREAS**, it is in the best interest of the State of Texas and the Federal Judiciary to preserve the historical significance by retaining the Galveston Bench, and to provide this historic judicial forum to litigants, by having a Federal Judge, with full staff, continue to sit in the oldest federal court building location in Texas; and

**WHEREAS**, the Galveston division has a significant number of cases filed annually as reported by the Federal Southern District of Texas, Galveston Division.

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

**SECTION 1.** The findings and recitations set out in the preamble to this Resolution are found to be true and correct and are hereby adopted by the City Commission and made a part hereof for all purposes.

**SECTION 2.** The City Commission of the City of Texas City hereby urges that everyone receiving a copy of this Resolution actively support the retention of the full-time Federal Judicial Bench in the Galveston Federal Courthouse.

**SECTION 3.** The City Commission of the City of Texas City hereby directs the City Secretary to send a certified copy of this Resolution to President Barack Obama, Senators Kay Bailey Hutchison and John Cornyn, U.S. Representatives Ron Paul, Gene Green and Sheila Jackson Lee; Governor Rick Perry, State Senators Mike Jackson and Joan Huffman, and State Representatives Craig Eiland and Larry Taylor.

**SECTION 4.** This Resolution shall be in full force and effect from and after its passage and adoption.

**PASSED AND ADOPTED this 2nd day of September, 2009.**

---

Mike Land, Mayor Pro-Tem  
City of Texas City, Texas

ATTEST:

APPROVED AS TO FORM:

---

Pamela A. Lawrence  
City Secretary

---

Ronald F. Plackemeier  
City Attorney

4.g.

**Approve Purchase of Property (Davis Acquisition)**  
**CITY COMMISSION AGENDA 2**

**Date:** 09/02/2009

**Submitted By:** Linda Jennings, City Attorney Office

**Submitted For:** Matthew Doyle

**Department:** Mayor's Office

**Agenda Area:** Consent

---

**Information**

**ACTION REQUEST (Brief Summary)**

Resolution approving the purchase of 54.413 acres from Donald and Raquel Davis subject to conditions of TCEQ (Texas Commission on Environmental Quality).

**BACKGROUND**

**ANALYSIS**

**ALTERNATIVES CONSIDERED**

---

**Fiscal Impact**

---

**Attachments**

Link: Res  
09-087

---

---

**RESOLUTION NO. 09-087**

**A RESOLUTION APPROVING THE PURCHASE OF PROPERTY AND AUTHORIZING THE MAYOR TO EXECUTE CLOSING DOCUMENTS FOR PROPERTY DESCRIBED AS 54.413 ACRES OUT OF THE W. K. WILSON LEAGUE, SUBJECT TO CONDITIONS OF THE TEXAS COMMISSION ON ENVIRONMENTAL QUALITY (TCEQ); PROVIDING THAT THIS RESOLUTION SHALL BECOME EFFECTIVE FROM AND AFTER ITS PASSAGE AND ADOPTION.**

---

**WHEREAS,** the City of Texas City has the opportunity to purchase property described as 54.413 acres out of the W. K. Wilson League, subject to the conditions of the Texas Commission on Environmental Quality (TCEQ) Order; and

**WHEREAS,** the property will be used for a conservation easement; and,

**WHEREAS,** purchases of real property are exempt from State bidding procedures; and

**WHEREAS,** the City of Texas City is willing to purchase said property for the municipal purpose stated above, pursuant to the TCEQ Order.

**BE IT RESOLVED BY THE CITY COMMISSION OF THE CITY OF TEXAS CITY, TEXAS:**

**SECTION 1:** That the City Commission hereby approves the purchase of the property described as 54.413 acres out of the W. K. Wilson League, Texas City, Galveston County, Texas.

**SECTION 2:** That the Mayor, or designee, is hereby authorized to execute any documentation necessary to receive the property.

**SECTION 3:** That this Resolution shall be in full force and effect from and after its passage and adoption.

**PASSED AND ADOPTED this 2nd day of September, 2009.**

\_\_\_\_\_  
Mike Land, Mayor Pro-Tem  
City of Texas City, Texas

ATTEST:

APPROVED AS TO FORM:

\_\_\_\_\_  
Pamela A. Lawrence  
City Secretary

\_\_\_\_\_  
Ronald F. Plackemeier  
City Attorney

## CITY COMMISSION AGENDA 2

**Date:** 09/02/2009

**Submitted By:** Linda Jennings, City Attorney Office

**Department:** City Attorney Office

**Agenda Area:** Regular Items

---

### Information

#### **ACTION REQUEST (Brief Summary)**

Consider approval of Ordinance 09-29 approving negotiated settlement by Gulf Coast Coalition of Cities regarding CenterPoint Gas' Cost of Service Adjustment ("COSA").

#### **BACKGROUND**

#### **ANALYSIS**

#### **ALTERNATIVES CONSIDERED**

---

### Fiscal Impact

---

### Attachments

Link: Ord  
09-29

Link:  
Attach A  
- Tariff

Link:  
Memo

Link:  
Staff  
Report

---

---



## **ORDINANCE NO. 09-29**

AN ORDINANCE OF THE CITY COMMISSION OF THE CITY OF TEXAS CITY, TEXAS, ("CITY") APPROVING NEGOTIATED RESOLUTION BETWEEN THE GULF COAST COALITION OF CITIES AND CENTERPOINT ENERGY ENTEX ("CENTERPOINT" OR "COMPANY") REGARDING THE COMPANY'S COST OF SERVICE ADJUSTMENT ("COSA") FILING; DECLARING EXISTING RATES TO BE UNREASONABLE; REQUIRING THE COMPANY TO REIMBURSE CITIES' REASONABLE RATEMAKING EXPENSES; ADOPTING TARIFFS THAT REFLECT RATE ADJUSTMENTS CONSISTENT WITH THE NEGOTIATED RESOLUTION AND FINDING THE RATES TO BE SET BY THE ATTACHED TARIFFS TO BE JUST AND REASONABLE; ADOPTING A SAVINGS CLAUSE; DETERMINING THAT THIS ORDINANCE WAS PASSED IN ACCORDANCE WITH THE REQUIREMENTS OF THE TEXAS OPEN MEETINGS ACT; DECLARING AN EFFECTIVE DATE; REPEALING ANY PRIOR ORDINANCES INCONSISTENT WITH THIS ORDINANCE AND REQUIRING DELIVERY OF THIS ORDINANCE TO THE COMPANY AND LEGAL COUNSEL.

---

**WHEREAS**, the City of Texas City, Texas ("City") is a gas utility customer of CenterPoint Energy Entex, Texas Coast Division ("CenterPoint" or "Company"), and a regulatory authority with an interest in the rates and charges of CenterPoint; and

**WHEREAS**, the City is a member of the Gulf Coast Coalition of Cities ("GCCC") (such participating cities are referred to herein as "GCCC"), a coalition of similarly situated cities served by CenterPoint that have joined together to facilitate the review and response to natural gas issues affecting rates charged in the CenterPoint's Texas Coast Division service area;

**WHEREAS**, pursuant to the terms of the agreement settling the Company's 2008 Statement of Intent to increase rates, GCCC and the Company worked collaboratively to develop the COSA tariff that allows for an expedited rate review process controlled in a three-year experiment by GCCC as a substitute to the current GRIP process instituted by the Legislature; and

**WHEREAS**, the City took action in 2008 to approve a Settlement Agreement with CenterPoint resolving the Company's 2008 rate case and authorizing the COSA tariff; and

**WHEREAS**, the 2008 Settlement Agreement contemplates reimbursement of GCCC's reasonable expenses associated with COSA applications; and

**WHEREAS**, on or about May 1, 2009, CenterPoint filed with the City a COSA tariff seeking to increase natural gas rates to all customers residing in the City; and

**WHEREAS**, GCCC coordinated its review of CenterPoint's COSA filing and designated attorneys and consultants to resolve issues in the Company's COSA filing; and

**WHEREAS**, the Company has filed evidence that existing rates are unreasonable and should be changed; and

**WHEREAS**, independent analysis by GCCC's rate expert concluded that CenterPoint is able to justify a slight rate increase over current rates; and

**WHEREAS**, the GCCC's lawyer and consultant, recommend that GCCC members approve the attached rate tariffs ("Attachment A" to this Ordinance); and

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

**WHEREAS**, it is the intention of the parties that if the City determines any rates, revenues, terms and conditions, or benefits resulting from a Final Order or subsequent negotiated settlement approved in any proceeding addressing the issues raised in the Company's COSA filing would be more beneficial to the City than the terms of the attached tariff, then the more favorable rates, revenues, terms and conditions, or benefits shall additionally accrue to the City; and

**WHEREAS**, the negotiated resolution of the Company's COSA filing and the resulting rates are, as a whole, in the public interest.

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

**SECTION 1:** That the findings set forth in this Ordinance are hereby in all things approved.

**SECTION 2:** That the City Council finds that the existing rates for natural gas service provided by CenterPoint are unreasonable, and new tariffs, which are attached hereto and incorporated herein as Attachment A, are just and reasonable and are hereby adopted.

**SECTION 3:** That CenterPoint shall reimburse the reasonable rate making expenses of the GCCC in processing the Company's rate application.

**SECTION 4:** That to the extent any resolution or ordinance previously adopted by the Council is inconsistent with this Ordinance, it is hereby repealed.

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

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

**SECTION 7:** That if the City determines any rates, revenues, terms and conditions, or benefits resulting from a Final Order or subsequent negotiated settlement approved in any proceeding addressing the issues raised in the Company's COSA filing would be more beneficial to the City than the terms of the attached tariff, then the more favorable rates, revenues, terms and conditions, or benefits shall additionally accrue to the City.

**SECTION 8:** That this Ordinance shall become effective from and after its passage with rates authorized by attached Tariffs to be effective for bills rendered on or after August 1, 2009.

**SECTION 9:** That the Charter requirement for reading this Ordinance on three (3) separate days has been dispensed by a majority vote of all members of the City Commission.

**SECTION 10:** That a copy of this Ordinance shall be sent to Thomas Brocato, General Counsel to the Gulf Coast Coalition of Cities, at Lloyd Gosselink Rochelle & Townsend, P.C., P.O. Box 1725, Austin, Texas 78767-1725.

**PASSED AND ADOPTED this 2nd day of September, 2009.**

\_\_\_\_\_  
Mike Land, Mayor Pro-Tem  
City of Texas City, Texas

ATTEST:

APPROVED AS TO FORM:

\_\_\_\_\_  
Pamela Lawrence  
City Secretary

\_\_\_\_\_  
Ronald F. Plackemeier  
City Attorney

**CENTERPOINT ENERGY RESOURCES CORP.  
D/B/A CENTERPOINT ENERGY ENTEX  
AND CENTERPOINT ENERGY TEXAS GAS  
TEXAS COAST DIVISION  
RATE SHEET  
RATE CASE EXPENSE RECOVERY RATE SCHEDULE NO. RCE-1**

**APPLICATION OF SCHEDULE**

This schedule is applicable to any customer served under residential, general service-small or general service-large rates schedules in the following cities:

Alvin, Clear Lake Shores, Dickinson, Friendswood, Kemah, Lake Jackson, La Marque, Mont Belvieu, Morgan's Point, Rosenberg, Santa Fe, Seabrook, Sugar Land, Taylor Lake Village, Texas City.

This rate schedule is for the recovery of rate case expense and shall be in effect beginning August 1, 2009 for a period of two years or until all approved expenses are collected.

**MONTHLY RATE**

RECOVERY FACTOR:  
\$0.00503 per Ccf for all gas used.

**RULES AND REGULATIONS**

Service under this schedule shall be furnished in accordance with the Company's General Rules and Regulations, as such rules may be amended from time to time. A copy of the Company's General Rules and Regulations may be obtained from Company's office located at 1111 Louisiana Street, Houston, Texas.

**CENTERPOINT ENERGY RESOURCES CORP.  
D/B/A CENTERPOINT ENERGY ENTEX  
AND CENTERPOINT ENERGY TEXAS GAS  
TEXAS COAST DIVISION  
RATE SHEET  
GENERAL SERVICE-SMALL  
RATE SCHEDULE NO. GSS-2075**

**APPLICATION OF SCHEDULE**

This schedule is applicable to natural gas service to any customer engaging in any business, professional or institutional activity, for all uses of gas, including cooking, heating, refrigeration, water heating, air conditioning, and power.

This schedule is applicable to any general service customer for commercial uses and industrial uses, except standby service, whose average monthly usage for the prior calendar year is 150,000 cubic feet or less. Natural gas supplied hereunder is for the individual use of the customer at one point of delivery and shall not be resold or shared with others.

**MONTHLY RATE**

For bills rendered on and after the effective date of this rate schedule, the monthly rate for each customer receiving service under this rate schedule shall be the sum of the following:

(a) The Base Rate consisting of:

(1) Customer Charge – \$13.65;\*

(2) Commodity Charge –

|               |          |
|---------------|----------|
| First 150 Ccf | \$0.0850 |
| Over 150 Ccf  | \$0.0623 |

(b) Tax Adjustment – The Tax Adjustment will be calculated and adjusted periodically as defined in the Company's Tax Adjustment Rate Schedule and Franchise Fee Adjustment Rate Schedule.

(c) Gas Cost Adjustment – The applicable Purchased Gas Adjustment (PGA) Rate – as calculated on a per Ccf basis and adjusted periodically under the applicable Purchased Gas Adjustment (PGA) Rate Schedule – for all gas used.

**RULES AND REGULATIONS**

Service under this schedule shall be furnished in accordance with the Company's General Rules and Regulations, as such rules may be amended from time to time. A copy of the Company's General Rules and Regulations may be obtained from Company's office located at 1111 Louisiana Street, Houston, Texas.

---

|                       |         |
|-----------------------|---------|
| * Customer Charge     | \$13.00 |
| COSA-2 2008 Charge    | ____.65 |
| Total Customer Charge | \$13.65 |

**CENTERPOINT ENERGY RESOURCES CORP.  
D/B/A CENTERPOINT ENERGY ENTEX  
AND CENTERPOINT ENERGY TEXAS GAS  
TEXAS COAST DIVISION  
RATE SHEET  
GENERAL SERVICE-LARGE VOLUME  
RATE SCHEDULE NO. GSLV-606**

**AVAILABILITY**

This schedule is available at points on existing facilities of adequate capacity and suitable pressure in the area designated in the Rate Book of **CENTERPOINT ENERGY RESOURCES CORP., D/B/A CENTERPOINT ENERGY ENTEX AND CENTERPOINT ENERGY TEXAS GAS** (hereinafter called "Company").

**APPLICATION OF SCHEDULE**

This schedule is applicable to any general service customer for commercial uses and industrial uses whose average monthly usage for the prior calendar year is more than 150,000 cubic feet. Gas supplied hereunder is for the individual use of the Consumer at one point of delivery and shall not be resold or shared with others. If the Consumer has a written contract with Company, the terms and provision of such contract shall be controlling.

**MONTHLY RATE**

For bills rendered on and after the effective date of this rate schedule, the monthly rate for each customer receiving service under this rate schedule shall be the sum of the following:

(a) The Base Rate consisting of:

(1) Customer Charge – \$13.65; \*

(2) Commodity Charge –

|                    |          |
|--------------------|----------|
| First 1,500 Ccf    | \$0.0844 |
| 1,500 – 10,000 Ccf | \$0.0588 |
| Over 10,000 Ccf    | \$0.0498 |

(b) Tax Adjustment – The Tax Adjustment will be calculated and adjusted periodically as defined in the Company's Tax Adjustment Rate Schedule and Franchise Fee Adjustment Rate Schedule.

(c) Gas Cost Adjustment – The applicable Purchased Gas Adjustment (PGA) Rate – as calculated on a per Mcf basis and adjusted periodically under the applicable Purchased Gas Adjustment (PGA) Rate Schedule – for all gas used.

**WRITTEN CONTRACT**

In order to receive a delivery from Company of more than 25 Mcf during any one day, the Consumer must execute a written contract with Company on Company's form of contract covering the sale of gas by Company to it. In the case of existing Consumers, the maximum gas usage during any one day shall be obtained from the records of the Company, except in cases where the existing Consumer will be purchasing increased volumes of gas from Company because of expansions or for any other reasons, in which event the Company may estimate usage by such Consumer.

---

|                       |         |
|-----------------------|---------|
| * Customer Charge     | \$13.00 |
| COSA-2 2008 Charge    | ____.65 |
| Total Customer Charge | \$13.65 |

**CENTERPOINT ENERGY RESOURCES CORP.  
D/B/A CENTERPOINT ENERGY ENTEX  
AND CENTERPOINT ENERGY TEXAS GAS  
TEXAS COAST DIVISION  
RATE SHEET  
GENERAL SERVICE-LARGE VOLUME  
RATE SCHEDULE NO. GSLV-606**

Also in the case of new Consumers, the Company may estimate usage by the Consumer. Any such estimates made by Company shall be binding on Consumer in determining whether or not a contract is required. Such written contract shall be executed by Consumer upon request of Company and Company shall not be obligated to serve any such Consumer more than 25 Mcf during any one day until such written contract is executed and delivered by Consumer.

**MEASUREMENT**

The term "cubic foot of gas" for the purpose of measurement of the gas delivered and for all other purposes is the amount of gas necessary to fill a cubic foot of space when the gas is at an absolute pressure of 14.65 pounds per square inch and at a base temperature of sixty (60) degrees Fahrenheit.

The term "Mcf" shall mean 1,000 cubic feet of gas.

The Sales Unit shall be one Mcf.

Assumed Atmospheric Pressure - The average atmospheric pressure shall be assumed to be fourteen and seven-tenths (14.7) pounds per square inch, irrespective of actual elevation or location of the point of delivery above sea level or variation in such atmospheric pressure from time to time.

Orifice Meters - When orifice meters are used for the measurement of gas, such orifice meters shall be constructed and installed, and the computations of volume made, in accordance with the provisions of Gas Measurement Committee Report No. 3 of the American Gas Association as revised September, 1969 ("A.G.A. Report No. 3), with any subsequent amendments or revisions which may be mutually acceptable.

The temperature of the gas shall be determined by a recording thermometer so installed that it may record the temperature of the gas flowing through the meter or meters. The average of the record to the nearest one (1) degree Fahrenheit, obtained while gas is being delivered, shall be the applicable flowing gas temperature for the period under consideration.

The specific gravity of the gas shall be determined by a recording gravitometer owned and operated by the pipeline company from whom Company purchases its gas, so installed that it may record the specific gravity of the gas flowing through the meter or meters; provided, however, that the results of spot tests made by the pipeline company with a standard type specific gravity instrument shall be used at locations where the pipeline company does not have a recording gravitometer in service. If the recording gravitometer is used, the average of the record to the nearest one-thousandth (0.001), obtained while gas is being delivered, shall be the applicable specific gravity of the gas for the period under consideration. If the spot test method is used, the specific gravity of the gas delivered hereunder shall be determined once monthly, the result obtained, to the nearest one-thousandth (0.001), to be applicable during the succeeding billing month.

Adjustment for the effect of supercompressibility shall be made according to the provisions of A.G.A. Report No. 3, hereinabove identified, for the average conditions of pressure, flowing temperature and specific gravity at which the gas was measured during the period under consideration, and with the proportionate value of each carbon dioxide and nitrogen in the gas delivered included in the computation of the applicable supercompressibility factors. Company shall obtain appropriate carbon dioxide and nitrogen fraction values as may be required from time to time.

Positive Displacement Meters and Turbine Meters - When positive displacement meters and/or turbine meters are used for the measurement of gas, the flowing temperature of the gas metered shall be assumed to be sixty (60)

**CENTERPOINT ENERGY RESOURCES CORP.  
D/B/A CENTERPOINT ENERGY ENTEX  
AND CENTERPOINT ENERGY TEXAS GAS  
TEXAS COAST DIVISION  
RATE SHEET  
GENERAL SERVICE-LARGE VOLUME  
RATE SCHEDULE NO. GSLV-606**

degrees Fahrenheit, and no correction shall be made for any variation therefrom; provided however, that company shall have the option of installing a recording thermometer, and if company exercises such option, corrections shall be made for each degree variation in the applicable flowing temperature for the period under consideration.

The volumes of gas determined shall be adjusted for the effect of supercompressibility as follows:

- (A) When the flowing temperature of gas is assumed to be sixty (60) degrees Fahrenheit, the supercompressibility factor shall be the square of the factor,  $F_{pv}$ , computed in accordance with the principles of the A.G. A. Report No. 3, hereinabove identified, for a pure hydrocarbon gas of six-tenths (0.6) specific gravity and for the average pressure at which the gas was measured.
- (B) When the flowing gas temperature is recorded and applied according to the option above, the supercompressibility factor shall be the square of the factor,  $F_{pv}$ , computed in accordance with the principles of the American Gas Association Gas Measurement Committee Report No. 3, hereinabove identified, for a pure hydrocarbon gas of six-tenths (0.6) specific gravity and for the average conditions of pressure and flowing temperature at which the gas was measured.

**SUPPLY INTERRUPTIONS**

Total or partial interruption of gas deliveries due to acts of God, the elements, requirements for residential and other uses declared superior to Consumers by law, or to other causes or contingencies beyond the control of Company or not proximately caused by Company's negligence, shall not be the basis for claims-delivery and receipt of gas to be resumed whenever any such cause or contingency shall end.

**CHARGES FOR UNAUTHORIZED OVER-RUN GAS**

Any gas taken during any day by Consumer which exceeds the maximum daily quantity specified in Consumer's contract with Company shall be considered to be unauthorized over-run gas. Any gas taken by Consumer after the effective hour of an order calling for a complete curtailment of all gas deliveries, and prior to the authorized resumption of natural gas service, hereunder shall be considered to be unauthorized over-run gas. Any gas taken by Consumer after the effective hour of an order calling for a partial curtailment, and prior to the authorized resumption of natural gas service, which exceeds the stated amount of gas deliveries Consumer may take during such partial curtailment, shall be considered to be unauthorized over-run gas. Company shall bill, and Consumer shall pay for unauthorized over-run gas at the rate of \$10.00 per Mcf, in addition to the Monthly Rate specified herein for such gas. The payment of such additional charge for unauthorized over-run gas shall not, under any circumstances, be considered as giving the Consumer the right to take unauthorized over-run gas, nor shall such payment be considered to exclude or limit any other remedies available to Company against the Consumer for exceeding the maximum daily quantity specified in Consumer's contract with Company, or for failure to comply with curtailment orders issued by Company hereunder.

The additional amount specified above charged for unauthorized over-run gas shall be adjusted, either plus or minus, to conform to the change made by Company's supplier in its rate schedule under which Company purchases its gas supply for resale under this schedule.



**CENTERPOINT ENERGY RESOURCES CORP.  
D/B/A CENTERPOINT ENERGY ENTEX  
AND CENTERPOINT ENERGY TEXAS GAS  
TEXAS COAST DIVISION  
RATE SHEET  
GENERAL SERVICE-LARGE VOLUME  
RATE SCHEDULE NO. GSLV-606**

**RULES AND REGULATIONS**

Service under this schedule shall be furnished in accordance with the Company's General Rules and Regulations, as such rules may be amended from time to time. A copy of the Company's General Rules and Regulations may be obtained from Company's office located at 1111 Louisiana Street, Houston, Texas.

**CENTERPOINT ENERGY RESOURCES CORP.  
D/B/A CENTERPOINT ENERGY ENTEX  
AND CENTERPOINT ENERGY TEXAS GAS  
TEXAS COAST DIVISION  
RATE SHEET  
RESIDENTIAL SERVICE  
RATE SCHEDULE NO. R-2075**

**APPLICATION OF SCHEDULE**

This schedule is applicable to any customer to whom service is supplied in a single private dwelling unit and its appurtenances, the major use of which is for household appliances, and for the personal comfort and convenience of those residing therein.

Natural gas supplied hereunder is for the individual use of the customer at one point of delivery and shall not be resold or shared with others.

**MONTHLY RATE**

For bills rendered on and after the effective date of this rate schedule, the monthly rate for each customer receiving service under this rate schedule shall be the sum of the following:

(a) The Base Rate consisting of:

(1) Customer Charge – \$13.65;\*

(2) Commodity Charge –  
All Ccf \$0.0724

(b) Tax Adjustment – The Tax Adjustment will be calculated and adjusted periodically as defined in the Company's Tax Adjustment Rate Schedule and Franchise Fee Adjustment Rate Schedule.

(c) Gas Cost Adjustment – The applicable Purchased Gas Adjustment (PGA) Rate – as calculated on a per Ccf basis and adjusted periodically under the applicable Purchased Gas Adjustment (PGA) Rate Schedule – for all gas used.

**RULES AND REGULATIONS**

Service under this schedule shall be furnished in accordance with the Company's General Rules and Regulations, as such rules may be amended from time to time. A copy of the Company's General Rules and Regulations may be obtained from Company's office located at 1111 Louisiana Street, Houston, Texas.


---

|                       |            |
|-----------------------|------------|
| * Customer Charge     | \$13.00    |
| COSA-2 2008 Charge    | <u>.65</u> |
| Total Customer Charge | \$13.65    |

Mr. Brocato's Direct Line: (512) 322-5857  
Email: [tbrocato@lglawfirm.com](mailto:tbrocato@lglawfirm.com)

**MEMORANDUM**

TO: Gulf Coast Coalition of Cities

FROM: Thomas Brocato 

DATE: August 14, 2009

RE: **ACTION REQUIRED – CenterPoint Gas COSA Ordinance**

On May 1, 2009, CenterPoint Energy Gas ("CenterPoint" or "Company") filed a Cost of Service Adjustment ("COSA") application with each of the Gulf Coast Coalition of Cities ("GCCC") members that were signatories to the settlement agreement to the Company's rate case last year.

With the advice and input of the consultant retained by GCCC we have reached a settlement of CenterPoint's COSA application without the necessity of a protracted and costly contested case proceeding.

The attached tariff will result in an increase to the customer charge of \$0.65 per month. As part of the negotiations, the Company agreed to remove \$2,069 from its request. In addition, the Company agreed to implement a rate case expense surcharge associated with last year's rate case and this filing on a volumetric basis for two years. The Company's application proposed a one year collection. The amount of rate case expenses allocated to the residential class will be approximately \$120,000 less under the volumetric surcharge than the per customer surcharge originally proposed by CenterPoint. The impact on the average residential customer's bill will be \$0.16 per month.

**We recommend approval of the ordinance** because it provides rate certainty, represents an outcome that is equal to or better than the outcome expected from a lengthy contested case proceeding, and maintains cities' role as a regulator of natural gas rates.

**Please schedule consideration of the ordinance for your next available council meeting.** To assist you, three documents are attached:

- An ordinance setting new rates;
- Complete tariffs establishing new rates. The approved ordinance must include the tariffs ("Attachment A" to the Ordinance); and
- A model staff report describing the ordinance.

August 14, 2009

Page 2

Please contact Thomas (512/322-5857, [tbrocato@lglawfirm.com](mailto:tbrocato@lglawfirm.com)) immediately if you have questions or concerns. Once final action has been taken by your city, please forward a copy of the ordinance to CenterPoint Energy and to my paralegal, Holly Paxton (fax number: 512/472-0532.)

## **MODEL STAFF REPORT REGARDING CENTERPOINT ENERGY GAS' COST OF SERVICE ADJUSTMENT ("COSA") TARIFF FILING**

\*\*\*

The City, along with approximately 14 other cities served by CenterPoint Energy Entex Gas ("CenterPoint" or "Company") is a member of the Gulf Coast Coalition of Cities ("GCCC").

On May 1, 2009, CenterPoint filed a Cost of Service Adjustment ("COSA") application with each of the cities in their Texas Coast Division service area. In the filing, the Company asserted that it is entitled to a \$4.25 million increase or a \$1.39 per month increase for each customer. You may recall, however, that last year GCCC and the Company reached a settlement of their 2008 rate case. Under the terms of that agreement, the amount that can be requested in this case is limited to 5% over the existing customer charge which is currently \$13.00 per month. Therefore, the Company is requesting a \$0.65 increase. They are also seeking to recover rate case expenses that were deferred from last year's rate case.

GCCC's consultant analyzed the schedules and evidence offered by CenterPoint to support its request to increase rates. The Ordinance and attached COSA tariff are the result of negotiations between GCCC and the Company to resolve issues raised by GCCC during the review and evaluation of CenterPoint's COSA filing. The Ordinance and COSA tariffs approve rates that will increase the Company's revenues by \$1.9 million effective for bills rendered on or after August 1, 2009. The monthly bill impact for the average residential customer will be a \$0.65 increase.

The Company is also seeking to collect rate case expenses associated with this filing as well as the 2008 rate case through a separate surcharge. These expenses will be collected over a two-year period based upon a volumetric allocation. The amount of rate case expenses allocated to the residential class will be approximately \$120,000 less under the volumetric surcharge than the per customer surcharge originally proposed by CenterPoint. The impact on the average residential customer's bill will be \$0.16 per month.

GCCC's attorney recommends that all GCCC members adopt the Ordinance implementing the rate change.

### **COSA Background:**

The COSA tariff was approved by GCCC as part of the settlement agreement to resolve CenterPoint's 2008 rate increase case. CenterPoint's current action represents the first filing pursuant to the three-year trial project known as the COSA process. The COSA process was created collaboratively by CenterPoint and GCCC as an alternative to the GRIP surcharge process. The COSA process allows for a more comprehensive rate review and annual adjustment that will function as a substitute for future GRIP filings during the three-year trial period specified by the tariff.

There are two components to the COSA adjustment. The prospective component adjusts rates for known and measurable changes in Operation and Maintenance ("O&M") and net plant investment. CenterPoint and GCCC agreed to cap changes to expenses and invested capital at no

more than 5%. The true-up component evaluates whether the Company has over or underrecovered its earnings for the previous year. For purposes of the COSA true-up component, the CenterPoint rate of return on equity and its capital structure are frozen to avoid the parent company from manipulating the overall rate of return. Costs expressly prohibited from recovery through the COSA include first-class air fare, travel, meals or entertainment for an employee's spouse, alcohol, sports events, entertainment, sponsorship of sports, arts or cultural events, and social club membership dues.

### **Purpose of the Ordinance:**

The purpose of the Ordinance is to approve rate tariffs ("Attachment A") that reflect the negotiated rate change pursuant to the COSA process. Approval of the Ordinance will result in rates that implement a \$1.9 million increase in CenterPoint's revenues effective August 1, 2009.

### **Reasons Justifying Approval of the Negotiated Resolution:**

During the time that the City had retained original jurisdiction in this case, consultants working on behalf of GCCC investigated the support for the Company's requested rate increase. While the evidence does not support the \$4.25 million increase requested by the Company, GCCC consultants agree that the Company can justify a slight increase in revenues. The agreement on \$1.9 million is a compromise between the positions of the parties.

The alternative to a settlement of the COSA filing would be a contested case proceeding before the Railroad Commission of Texas ("RRC") on the Company's current application, would take several months and cost ratepayers millions of dollars in rate case expenses and would not likely produce a result more favorable than that to be produced by the settlement. GCCC's attorney recommends that GCCC members take action to approve the Ordinance authorizing new rate tariffs.

### **Explanation of "Be It Ordained" Paragraphs:**

1. This paragraph approves all findings in the Ordinance.
2. This section adopts the attached tariffs ("Attachment A") in all respects and finds the rates set pursuant to the attached tariffs to be just, reasonable and in the public interest. Note that only new tariffs or existing tariffs being revised are attached to the Ordinance. Existing tariffs not being changed in any way are not attached to the Ordinance.
3. This section requires the Company to reimburse GCCC for reasonable rate making costs associated with reviewing and processing the COSA application.
4. This section repeals any resolution or ordinance that is inconsistent with this Ordinance.
5. This section finds that the meeting was conducted in compliance with the Texas Open Meetings Act, Texas Government Code, Chapter 551.

6. This section is a savings clause, which provides that if any section(s) is later found to be unconstitutional or invalid, that finding shall not affect, impair or invalidate the remaining provisions of this Ordinance. This section further directs that the remaining provisions of the Ordinance are to be interpreted as if the offending section or clause never existed.

7. This section is a "Most Favored Nations" clause, which protects the City by mandating that if the City determines any rates, revenues, terms and conditions, or benefits resulting from a Final Order or subsequent negotiated settlement approved in any proceeding addressing the issues raised in the Company's COSA filing would be more beneficial to the City than the terms of the attached tariff, then the more favorable rates, revenues, terms and conditions, or benefits shall additionally accrue to the City.

8. This section provides for an effective date upon passage.

9. This paragraph directs that a copy of the signed Ordinance be sent to a legal counsel for GCCC.