

**TULIA CITY COUNCIL
TUESDAY JANUARY 10, 2023
AT 6:00 P.M.
TULIA CITY HALL, CITY COUNCIL CHAMBERS**

1. Call to Order and Quorum Call

_____ Dusty George, Mayor	_____ City Manager
_____ Israel ‘Bibo’ Ramirez	_____ City Secretary
_____ Jay Smith	_____ Finance Director
_____ Jed Owens	_____ City Attorney
_____ Greg Needham	_____ Public Works Director
	_____ Chief of Police
	_____ Electric Director

2. Presentations and Public Comment (Public Comments is limited to 3 minutes per speaker.)

3. Consider action on the Consent Agenda (usually approval of council meeting minutes will be placed under consent agenda along with non-controversial items that may have already been discussed or routinely handled in the past. This may include resolutions but not ordinances. A council member may remove an item from the consent agenda and place it on the Discussion and Action agenda before a vote on the Consent Agenda items.)

- CONSIDER AND APPROVE MINUTES FROM THE DECEMBER 13 AND DECEMBER 17, 2022 MEETINGS

4. Items for Discussion and Action

- a. PRESENTATION OF SECTION 3 GOALS AND REQUIREMENTS AS IT RELATES TO THE CITY’S TEXAS COMMUNITY DEVELOPMENT BLOCK GRANT PROJECT #CDV21-0155. TO INCLUDE INFORMATION ON EMPLOYMENT OPPORTUNITIES OF LOW AND VERY LOW-INCOME PERSONS AS WELL AS RESIDENTS RESIDING IN THE COMMUNITY.
- b. CONSIDERATION OF AWARD TO THE LOWEST BID INCLUDING ASSOCIATED ALTERNATES FOR THE CITY OF TULIA’S TXCDBG PROJECT #CDV21-0155.

- c. PRESENTATION BY BRAIN WEST, AEP ENERGY PARTNERS, INC., SECOND AMENDMENT TO MARKET BASED RATE PARTIAL REQUIREMENTS AGREEMENT
- d. CONSIDER AND TAKE ANY NECESSARY ACTION TO APPROVE A SECOND AMENDMENT TO A MARKET BASED RATE PARTIAL REQUIREMENTS AGREEMENT DATED AUGUST 4, 2016, AND AMENDED BY THAT FIRST AMENDMENT DATED MAY 20, 2020 BETWEEN AEP ENERGY PARTNERS INC. AND THE CITY OF BROWNFIELD; ALLOWING THE CITY MANAGER THE AUTHORITY TO ENTER INTO ENERGY BLOCK TRANSACTIONS WITH COMPANY OF UP TO A QUANTITY OF 3 MWS FOR FIVE DAYS AT A NOT TO EXCEED COST OF UP TO \$100,000.00 PER PURCHASE TO SECURE BLOCK ENERGY AMOUNTS IN EXCESS OF CONTRACTED PARTIAL REQUIREMENT QUANTITIES.
- e. DISCUSS AND TAKE ACTION ON APPOINTMENT OF A CHARTER AMENDEMENT COMMITTEE;
 - Frances McDowell
 - Taylor Dutton
 - Rusty Gray
 - James Yarbrough
 - Arthur Ramirez
 - Rick Garcia
 - John Gillespie
 - Mary Ann Lawson
 - Lana Barnett
 - Ka Wilfong
 - Mike Ewing
 - Kelly West
- f. UNDERWOOD LAW FIRM, PRESENTATION ON CHARTER AMENDMENT PROCESS
- g. CONSIDER AND TAKE APPROPRIATE ACTION REGARDING APPROVAL OF ELECTION JUDGES

Election Day Workers:

Glenda Gibson – Presiding Judge

Bobby Moudy – Alternate Judge

(Clerk will be appointed by the Presiding Judge)

Early Voting Ballot Board:
Glenda Gibson – Presiding Judge
Sheila Via – Alternate Judge
Eldon McClurg – Clerk

Central Counting Station:
Richelle Culifer – Manager
Eldon McClurg -Tabulation Supervisor
Sheila Via – Presiding Judge

5. Announcements

6. Adjournment

The City Council of the City of Tulia reserves the right to adjourn into executive session at any time during the course of this meeting to discuss any of the matters listed above, as authorized by Texas Government Code Section 551.071 (Consultation with Attorney), 551.072 (Deliberation about Real Property), 551.073 (Deliberation about Gifts and Donations), 551.074 (Personnel Matters), 551.076 (Deliberations about Security Devices), and 551.087 (Economic Development)

This agenda was posted on or before January 6, 2023 by 5:00 p.m.

Kristina Solomon, City Secretary

STATE OF TEXAS X

COUNTY OF SWISHER X

CITY OF TULIA X

ON the 13th day of December 2022, the City Council of the City of Tulia met in the City Council Chambers at 6:00 p.m.

Present were:	Israel ‘Bibo’ Ramirez	Mayor ProTem
	Jed Owens	Council Member
	Gregory Needham	Council Member
	Jay Smith	Council Member

Also present were:	BJ Potts	City Manager
	Kristina Solomon	City Secretary
	Russell Proctor	Public Works Director
	Brandon Franco	Chief of Police
	Brian West	Electric Director
	Slater Elza	City Attorney

Absent was:	Dusty George	Mayor
	Charla Nolen	Finance Director

1. Call to Order and Quorum Call

Bibo Ramirez called the meeting to order at 6:00 p.m. in the City Council Chambers

2. Presentations and Public Comment (Public Comment is limited to 3 minutes per speaker.)

No public comment

3. Consider action on the Consent Agenda (usually approval of council meeting minutes will be placed under consent agenda along with non-controversial items that may have already been discussed or routinely handled in the past. This may include resolutions but not ordinances. A council member may remove an item from the consent agenda and place it on the Discussion and Action agenda before a vote on the Consent Agenda

- CONSIDER AND APPROVE MINUTES FROM THE NOVEMBER 8, 2022 MEETING

Greg Needham made a motion to approve the minutes as presented. A second was made by Jay Smith and passed with a 4-0 vote

4. Items for Discussion and Action

a. DISCUSS, CONSIDER, AND TAKE ACTION ON AN AGREEMENT FOR ELECTION ADMINISTRATION BETWEEN THE CITY OF TULIA AND SWISHER COUNTY

Greg Needham made a motion to approve the agreement for Election Administration between the City of Tulia and Swisher County. A second was made by Jed Owens and passed with a 4-0 vote.

b. CONSIDERATION OF INTERLOCAL AGREEMENT WITH PANHANDLE REGIONAL PLANNING COMMISSION FOR APPLICATION ASSISTANCE FOR 2023 TXCDBG DOWNTOWN REVITALIZATION PROGRAM & ASSOCIATED ADMINISTRATION CONSIDERATION IF FUNDED

A downtown revitalization grant for \$500,000 is available to apply for which would require a 15% match from the city. Resolution 2022-09 is a resolution to approve the interlocal agreement for application development.

Greg Needham made a motion to approve Resolution 2022-09 a resolution to approve the interlocal agreement with PRPC for application assistance for 2023 TXCDBG downtown revitalization program and associated administration consideration if funded. A second was made by Jay Smith and passed with a 4-0 vote.

c. PRESENTATION OF SECTION 3 GOALS AND REQUIREMENTS AS IT RELATES TO THE CITY'S TEXAS COMMUNITY DEVELOPMENT BLOCK GRANT TO INCLUDE INFORMATION ON EMPLOYMENT OPPORTUNITIES OF LOW AND VERY LOW-INCOME PERSONS AS WELL AS RESIDENTS RESIDING IN THE COMMUNITY.

PRPC presented the section 3 goals and requirements as it relates to the city's TXCDBG to include information on employment opportunities of low and very low income persons as well as residents residing in the community.

d. CONSIDER ACTION TO APPROVE LEXIPOL POLICE DEPARTMENT POLICIES

Greg Needham made a motion to approve Lexipol Police Department Policies. A second was made by Jed Owens and passed with a 4-0 vote.

e. CONSIDER ACTION TO APPROVE GRANT APPLICATION FOR IN-CAR CAMERAS TULIA PD

Paul presented in car camera options to the council with possible grant application assistance.

Greg Needham made a motion to approve grant application for in car cameras for Tulia Police Department. A second was made by Jed Owens and passed with a 4-0 vote.

f. CONSIDER ACTION TO APPROVE RESOLUTION 2022-10 TULIA ECONOMIC DEVELOPMENT LOAN OF \$120,100 TO RAY DELOSSANTOS

Greg Needham made a motion to approve Resolution 2022-10 an Economic Development Corporation loan of \$120,100 to Ray Delossantos. A second was made by Jay Smith and passed with a 4-0 vote.

g. PRESENTATION BY TULIA VFD CHIEF, JEREMY EARL, REGARDING NEW FIRE TRUCKS

Jeremy was not present but BJ gave an update on the new fire trucks. We received 2 new trucks a tanker and brush truck.

h. CONVENE INTO EXECUTIVE SESSION IN ACCORDANCE WITH TEX. GOV'T CODE §551.071 TO REQUEST AND RECEIVE LEGAL ADVICE FROM THE CITY ATTORNEY REGARDING (1) LEGAL ANALYSIS OF EXISTING CONTRACT(S) AND (2) CONTEMPLATED LITIGATION RELATED TO ELECTRIC UTILITY PROCUREMENT ISSUES.

Council convened into executive session at 7:35 p.m.
Council reconvened at 8:15 p.m.

i. CONSIDER ACTION ON MATTERS DISCUSSED IN EXECUTIVE SESSION

No action taken at this time

5. Announcements

- BJ stated a City Charter update/amendment is in the process for this year
- Chief of Police Brandon Franco resigned effective 12/15/2022

6. Adjournment

With no further business to discuss the meeting was adjourned at 8:23 p.m.

Mayor, Dusty George

ATTEST:

City Secretary, Kristina Solomon

STATE OF TEXAS X

COUNTY OF SWISHER X

CITY OF TULIA X

ON the 17th day of December 2022, the City Council of the City of Tulia met in special session in the City Council Chambers at 9:00 a.m.

Present were:	Dusty George	Mayor
	Israel ‘Bibo’ Ramirez	Mayor ProTem
	Jed Owens	Council Member
	Gregory Needham	Council Member
	Jay Smith	Council Member

Also present were:	BJ Potts	City Manager
	Kristina Solomon	City Secretary
	Russell Proctor	Public Works Director

Absent were:	Brian West	Electric Director
	Charla Nolen	Finance Director
	Slater Elza	City Attorney

1. Call to Order and Quorum Call

Dusty George called the meeting to order at 9:05 a.m. in the City Council Chambers

2. Presentations and Public Comment (Public Comment is limited to 3 minutes per speaker.)

No public comment

3. Items for Discussion and Action

- a. SECOND READING TO APPROVE RESOLUTION 2022-10 TULIA ECONOMIC DEVELOPMENT LOAN OF \$120,100 TO RAY DELOSSANTOS

The second reading of resolution 2022-10 was read by Dusty George

4. Adjournment

With no further business to discuss the meeting was adjourned at 9:08 a.m.

Mayor, Dusty George

ATTEST:

City Secretary, Kristina Solomon

**SECOND AMENDMENT TO MARKET BASED RATE
PARTIAL REQUIREMENTS AGREEMENT**

THIS SECOND AMENDMENT is made effective January ___, 2023, by and between **AEP ENERGY PARTNERS, INC. (“Company”)** and **CITY OF TULIA, TX (“Customer”)**. Each of Company and Customer are sometimes referred to herein as a “Party” and collectively as the “Parties”.

- A. **WHEREAS**, Customer and Company are Parties to that certain Market Based Rate Partial Requirements Agreement dated as of July 28, 2016, as amended by that First Amendment dated May 20, 2020 (collectively, the “Agreement”); and
- B. **WHEREAS**, the Parties mutually desire to modify certain terms and conditions of the Agreement, as more fully set forth herein.

NOW THEREFORE, in consideration of the mutual promises, conditions, and covenants contained in the Agreement, including this Amendment hereto, the Parties agree as follows:

- A. **Article 1. Definitions.** A new definition Section 1.23(A) Energy Block Purchase shall state: “**Energy Block Purchase** shall mean Customer’s wholesale purchase from time to time exclusively from Company of Energy block(s) above the amounts set forth in Appendix A – Partial Requirements Quantities to supplement the Partial Requirements Service exclusively provided by Company.”
- B. **Section 3.1 Partial Requirements Service and Energy Block Purchase(s).** Section 3.1 is amended by inserting the following paragraphs as additional paragraphs at the end of the Section 3.1 and renaming the title for Section 3.1 as listed herein. “Customer has indicated an interest in being able to secure Block Energy amounts in excess of Appendix A fixed hourly quantities. The Parties have mutually agreed that from time-to-time Customer may request that Company secure Energy Block Purchases for Customer through a fully executed and signed Confirmation Letter – Energy Block Purchase Agreement, the form of which is set forth in Appendix F. Specifically, with respect to only Energy Block Purchases, all SPP charges are passed-thru to Customer, notwithstanding anything to the contrary in Appendix C (Pass-Through Items).

In addition to the foregoing, the Customer, through its City Council, has pre-authorized and delegated to Customer’s General Manager the authority to enter into Energy Block transactions with Company of up to a quantity of 3 MWs for five (5) days at a not to exceed cost of up to \$100,000.00 per purchase.”

- C. **Section 4.1 Monthly Payment.** Section 4.1 is amended by replacing the existing paragraph with the following paragraph: “In each month during the Delivery Period, Company shall calculate the Monthly Payment consisting of the Energy Charges, the Energy Block Purchase, Unit Firm Facility Capacity Charges, Pass-Through Items (as described in Section 3.1), and any taxes, fees and levies (as described in Section 4.4) associated with this Agreement. Because quantities determined under Article 4 may be estimated, and subject to a reconciliation process, quantities used in calculations shall be subject to adjustment, whether positive or negative, in subsequent months’ calculations. Company is not responsible for any SPP upgrade cost and/or redispatch costs associated with Customer’s SPP aggregate study for its Capacity resource(s).”
- D. **Section 4.2 Energy Charges.** The Hourly Energy Rate Table is deleted and replaced in its entirety with the following table:

<u>Hourly Energy Rate</u>	<u>Dates</u>
\$42.70 per MWh	June 1, 2019 – May 31, 2023

\$44.61 per MWh	June 1, 2023 – December 31, 2025
\$34.37 per MWh	January 1, 2026 – December 31, 2030

Section 4.2 is also modified and supplemented by adding the following provisions at the end of the existing Section 4.2 to address the Energy Block Purchase. “Customer shall pay Company an Energy Block Purchase equal to the Energy Block Price in \$ per MWh multiplied by the Energy Block Contract Quantity for the Billing Period as identified in a signed/fully executed Appendix F. The Contract Quantity for the Energy Block Purchase shall be paid at the Energy Block Price regardless of actual consumption, and any difference will be settled against the hourly market prices. Should Customer’s consumption of the Energy Block be less than the Appendix F Contract Quantity, Company will liquidate such unused portion of the Energy Block Contract Quantity, and credit Customer with the hourly market price at the Delivery Point, plus any imbalance costs. The Energy Block Purchase will also have all Pass-Thru Items (as described in Section 3.1) and be subject to the other components of the Energy Charge (i.e taxes), but it will be excluded from the Partial Requirements Retail Load portion of the monthly invoice.”

- E. **Appendix A.** The Fixed Hourly Load Shape Table in Appendix A entitled Partial Requirements Quantities is deleted in its entirety and replaced with the Appendix A attached hereto effective as of June 1, 2023.
- F. The Parties hereby renew to each other as of the date of this Second Amendment the representations and warranties set for in Article 11 of the Agreement.

Except as expressly modified herein, all other terms and conditions of the Agreement shall remain in full force and effect.

IN WITNESS WHEREOF, this Second Amendment has been duly executed by the Parties hereto.

CITY OF TULIA, TX

AEP ENERGY PARTNERS, INC.

By: _____

By: _____

Name: _____

Name: _____

Title: _____

Title: _____

Date: _____

Date: _____

APPENDIX A

PARTIAL REQUIREMENTS QUANTITIES

	12x24 Fixed Hourly Load Shape																							
	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24
Jan	1.6	1.7	1.7	1.7	1.6	1.6	1.7	1.9	2.1	2.3	2.4	2.4	2.5	2.5	2.5	2.4	2.3	2.1	1.9	1.8	1.7	1.6	1.6	1.5
Feb	1.5	1.7	1.8	1.8	1.7	1.7	1.7	1.8	2.0	2.1	2.1	2.1	2.2	2.4	2.3	2.3	2.1	1.9	1.6	1.4	1.3	1.3	1.3	1.3
Mar	0.7	0.9	1.0	1.1	1.1	1.2	1.2	1.4	1.6	1.6	1.6	1.5	1.5	1.6	1.7	1.8	1.7	1.5	1.2	0.9	0.7	0.6	0.5	0.5
Apr	0.2	0.4	0.5	0.7	0.8	0.8	0.9	1.0	1.3	1.4	1.4	1.5	1.5	1.5	1.6	1.7	1.8	1.6	1.3	1.0	0.6	0.5	0.4	0.3
May	0.4	0.5	0.7	0.9	1.0	1.2	1.4	1.7	2.0	2.1	2.3	2.5	2.7	2.7	2.6	2.6	2.6	2.4	2.0	1.6	1.2	0.9	0.7	0.6
Jun	1.2	1.1	1.2	1.5	1.8	2.1	2.5	2.9	3.3	3.6	4.0	4.4	4.6	4.6	4.6	5.3	5.1	4.9	4.5	4.0	3.4	3.0	2.6	1.4
Jul	1.5	1.4	1.5	1.8	2.2	2.6	3.1	3.6	4.0	4.3	4.6	5.1	5.4	5.4	5.3	5.9	5.6	5.4	4.9	4.4	3.9	3.4	3.0	1.7
Aug	1.7	1.7	1.8	2.0	2.4	2.8	3.3	3.9	4.4	4.7	5.1	5.5	5.8	5.8	5.6	6.2	5.9	5.6	5.1	4.6	4.0	3.5	3.2	1.9
Sep	1.1	1.2	1.2	1.4	1.6	1.8	2.1	2.5	2.9	3.2	3.4	3.6	3.7	3.7	3.6	4.6	4.5	4.2	3.8	3.3	2.8	2.5	2.3	1.1
Oct	0.4	0.6	0.7	0.8	0.9	1.0	1.2	1.4	1.6	1.9	2.0	2.1	2.0	1.9	2.0	2.0	1.9	1.7	1.5	1.1	0.8	0.7	0.6	0.5
Nov	0.9	1.0	1.1	1.2	1.3	1.3	1.3	1.4	1.7	1.9	1.9	1.8	1.8	2.0	2.0	2.0	2.0	1.9	1.5	1.3	1.1	1.0	1.0	0.9
Dec	1.7	1.8	1.8	1.8	1.8	1.8	1.8	1.9	2.1	2.3	2.5	2.6	2.8	2.7	2.6	2.6	2.4	2.2	2.0	1.9	1.7	1.7	1.6	1.6

**APPENDIX F
FORM OF
ENERGY BLOCK PURCHASE AGREEMENT**

AEP Energy Partners, Inc. ("AEPEP")
Confirmations Department
1 Riverside Plaza, 20th Floor
Columbus, OH 43215-2372

Reference Number: TBD
AEP Trade Number: _____
Trade Date: ____/____/202____

ENERGY BLOCK CONFIRMATION LETTER

The purpose of this Confirmation Letter is to confirm the terms and conditions of the electric power sales transaction ("Power Transaction") agreed upon by City of Tulia, Texas ("Brownfield") and AEP Energy Partners, Inc. ("AEPEP") on the Trade Date specified above. This Confirmation Letter constitutes a Confirmation Letter as referred to in the Market Based Rate Partial Requirements Agreement dated July 28, 2016, as amended and executed between the Buyer and Seller (the "Agreement"). This Confirmation Letter and the Agreement form a single integrated agreement between the parties.

We confirm the following Power Transaction for the Customer:

TERMS

Seller: AEP Energy Partners, Inc.
ATTN: Confirmations
Tel: 614-583-7048
Email: acclark2@aepep.com

Buyer: City of Tulia, Texas
ATTN:
Tel:
Email:

TRANSACTION TYPE:

Firm (LD) Energy.

QUANTITY AND PRICE:

Contract Quantity: See "Table A-1"

Total: _____ MWH

Energy Block Price: USD \$____.____ per MWH, includes Customer's broker fee.

DELIVERY:

Delivery Period: Monday to Sunday from hours ending 0100 through 2400 CPT (Central Prevailing Time) From ____/____/202____ through ____/____/202____ including NERC Holidays. See "Table A-1".

Delivery Point(s): SPP South Hub (settled Day Ahead LMP)

SCHEDULING AND SPECIAL CONDITIONS:

Energy Block Purchase will also be billed all Pass-Through Charges, including but not limited to Capacity, Transmission, and Ancillary Services Charges from SPP and Taxes, Levies, or Fees as set forth in the Agreement, and will receive a pass through of any Hourly Congestion charges from the SPP Hourly Market Price to the applicable Delivery Point(s). Any amounts of Energy consumed that are in excess of the Energy Block Purchase will be billed at the applicable SPP Hourly Market Price, and not as a part of the Energy Block Purchase.

Table A-1 Customer

Delivery Period	Energy Block Price \$/MWh	Contract Quantity [# of Days] x MW	Total All Hours MWhs
Delivery Period for [specify]			

City of Tulia, Texas

AEP Energy Partners, Inc. ("AEPEP")

By: _____
Its: _____

By: _____
Its: _____