

RESOLUTION NO. 2014-13

RESOLUTION OF THE CITY OF LA FERIA, TEXAS AUTHORIZING REVIEW OF TEXAS GAS SERVICE COMPANY'S, (TGS) COST OF SERVICE ADJUSTMENT (COSA) TARIFF; APPROVING OF A JOINT REVIEW OF TGS' APPLICATION ALONG WITH OTHER CITIES SERVED BY TGS; HIRING LEGAL AND CONSULTING SERVICES TO NEGOTIATE WITH THE COMPANY AND DIRECT ANY NECESSARY LITIGATION AND APPEALS; REQUIRING TGS TO REIMBURSE ALL REASONABLE COSTS ASSOCIATED WITH CITIES' EFFORTS IN THIS RATEMAKING EFFORT; FINDING THAT THE MEETING AT WHICH THIS RESOLUTION IS PASSED IS OPEN TO THE PUBLIC AS REQUIRED BY LAW; REQUIRING NOTICE OF THIS RESOLUTION TO TGS AND LEGAL COUNSEL

WHEREAS, on or about May 1, 2014, Texas Gas Service Company, a division of One Gas, Inc., (TGS or Company) filed with the City of La Feria (City) a Cost of Service Adjustment (COSA) Tariff seeking to increase natural gas rates to all customers residing in the City; and

WHEREAS, it is in the public interest for the City to participate with other Valley Cities Served by TGS in the COSA filing in order to protect the interests of the City as well as the interests of TGS customers residing and conducting business within the City; and

WHEREAS, the Cities Coalition will conduct a review of the Company's application and will hire and direct legal counsel and consultants to prepare a common response and to negotiate with the Company and direct any necessary litigation; and

WHEREAS, pursuant to a settlement agreement between the City and the Company dated August 14, 2009 provides that costs incurred by cities associated with this proceeding are to be reimbursed by the Company.

THEREFORE, BE IT RESOLVED BY THE CITY COMMISSION OF THE CITY OF LA FERIA, TEXAS:

1. That the City is authorized to participate with other Valley Cities in TGS' COSA filing to protect the interests of the City and protect the interests of TGS customers residing and conducting business within the municipal city limits.

2. That Subject to the right to terminate employment at any time, the City hereby authorizes the hiring of Geoffrey Gay of the law firm of Lloyd Gosselink Rochelle and

Townsend, P.C. and Karl J. Nalepa, of the consulting firm R.J. Covington Consulting, LLC to review the Company's filing, negotiate with the Company, make recommendations regarding reasonable rates and to direct any necessary administrative proceedings or court litigation associated with an appeal of the COSA filing.


3. That the City's reasonable legal and consulting expenses shall be reimbursed by TGS.

4. That it is hereby officially found and determined that the meeting at which this Resolution is passed is open to the public as required by law; and the public notice of the time, place, and purpose was given as required.

5. A copy of this Resolution shall be sent to Geoffrey Gay, at Lloyd Gosselink Rochelle & Townsend, P.C., P.O. Box 1725, Austin, Texas 78767-1725 and to Jose (Pepe) De Alba, Director of Operations Rio Grande Valley, Texas Gas Service, PO Box 531827; 5602 Grimes Rd. Harlingen, TX 78553-1827.

PASSED AND APPROVED this 27th day of May 2014.

APPROVED:



Victor Gonzalez, Jr., Mayor

ATTEST:



Olga Oberwetter, City Secretary

APPROVED AS TO FORM:



Richard S. Talbert, City Attorney