

ORDINANCE NO. 2018-04

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF LA FERIA, TEXAS, (“CITY”) APPROVING A NEGOTIATED RESOLUTION BETWEEN CITY AND TEXAS GAS SERVICE (“TGS” OR “THE COMPANY”) REGARDING THE COMPANY’S COST OF SERVICE ADJUSTMENT (“COSA”) TARIFF FILING; 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 THE CITY’S LEGAL COUNSEL.

WHEREAS, the City of La Feria, Texas (“City”) is a gas utility customer of Texas Gas Service (“TGS” or “the Company”), and a regulatory authority with an interest in the rates and charges of TGS; and

WHEREAS, the City and other municipalities within the Rio Grande Valley Service Area (“RGVSA”) and TGS worked collaboratively to develop the Cost of Service Adjustment (“COSA”) Tariff which allows for an expedited comprehensive rate review process for three years; and

WHEREAS, the COSA Tariff contemplates reimbursement of the City’s reasonable expenses associated with COSA applications; and

WHEREAS, on or about March 12, 2018, TGS filed with the City a COSA Tariff which would permit the TGS to implement annual rate changes to the Company’s RGVSA expenses, revenues, and plant investment beginning in August, 2018, without the need for filing a formal Statement of Intent to Increase Rates; and

WHEREAS, the City coordinated a review of the Company’s COSA Tariff and designated attorneys and consultants to resolve issues in the Company’s COSA Tariff; and

WHEREAS, the City's attorneys and consultant recommend that the City approve the COSA Tariff which is attached; and

WHEREAS, the negotiated resolution of the Company's COSA Tariff filing is in the public interest.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF LA FERIA, TEXAS:

Section 1. That the City Council finds that the Cost of Service Adjustment Tariff is reasonable and the new tariff attached to this Ordinance is just and reasonable and is hereby adopted.

Section 2. That to the extent any resolution or ordinance previously adopted by the Council is inconsistent with this Ordinance, it is hereby repealed.

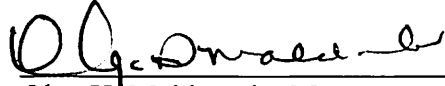
Section 3. That the meeting at which this Ordinance was approved was in all things conducted in strict compliance with the Texas Open Meetings Act, Texas Government Code, Chapter 551.

Section 4. 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 5. That tariff attached to this Ordinance is effective as of April 16, 2018.


Section 6. That a copy of this Ordinance shall be sent to TGS, care of Stephanie Houle, Managing Director, at 1301 S. Mopac Expressway, Suite 400, Austin, Texas 78746, and to Thomas Brocato, General Counsel to the City, at Lloyd Gosselink Rochelle & Townsend, P.C., 801 Congress Avenue, Suite 1900, Austin, Texas 78701.

PASSED AND APPROVED THIS 27TH DAY OF MARCH 2018.



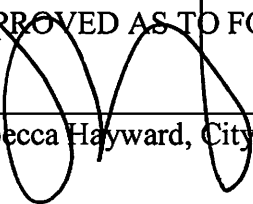
Olga H. Maldonado, Mayor

ATTEST:



Amanda Morales, City Secretary

APPROVED AS TO FORM:



Rebecca Hayward, City Attorney