

MINUTES

LANCASTER CITY COUNCIL REGULAR MEETING OF MARCH 12, 2018

The City Council of the City of Lancaster, Texas, met in a called Regular Session in the Council Chambers of City Hall on March 12, 2018 at 7:00 p.m. with a quorum present to-wit:

Councilmembers Present:

Stanley Jaglowski
 Marco Mejia
 Clyde C. Hairston
 Deputy Mayor Pro Tem Nina Morris

Councilmembers Absent:

Mayor Marcus E. Knight
 Mayor Pro Tem Carol Strain-Burk
 Spencer W. Hervey, Jr.

City Staff Present:

Opal Mauldin-Jones, City Manager
 Fabrice Kabona, Assistant to the City Manager
 Dale Jackson, Building Official/ Interim Development Director
 Baron Sauls, Finance Director
 Imelda Speck, ICMA Fellow for Economic Development
 Jasmine Carr, Community Programs Coordinator
 Brad Boulton, Assistant Police Chief
 David T. Ritter, City Attorney
 Sorangel O. Arenas, City Secretary

Call to Order:

Deputy Mayor Pro Tem Morris called the meeting to order at 7:00 p.m. on March 12, 2018.

Invocation:

Pastor Brown gave the invocation.

Pledge of Allegiance:

Deputy Mayor Pro Tem Morris led the pledge of allegiance.

Consent Agenda:

City Secretary Arenas read the consent agenda.

1. Consider approval of minutes from the City Council Special Meeting held on December 4, 2017.
2. Consider a resolution authorizing the filing of a project application in an amount not to exceed fifty-four thousand one hundred seventy-five dollars and forty-four cents (\$54,175.44) with the North Central Texas Council of Governments (NCTCOG).

MOTION: Councilmember Hairston made a motion, seconded by Councilmember Jaglowski to approve consent items 1 and 2. The vote was cast 4 for, 0 against [Knight, Strain-Burk and Hervey absent].

3. Discuss and consider a resolution to authorize the assignment and assumption of an Economic Development Agreement between the City of Lancaster and PIHV South Pointe Industrial, LLC to the City of Lancaster and LIT Industrial Limited Partnership.

City Manager Mauldin-Jones shared that item 3 is a request to authorize the assignment and assumption that was approved to PIHV South Pointe Industrial, LLC (Pauls Corp.). Clarion Partners, LIT Industrial Limited Partnership, is under contract to purchase the two properties in Lancaster, currently, owned by Pauls Corp. Clarion Partners has requested the Economic Development Agreement for this project/property by the Pauls Corporation be assigned from Pauls Corp. to Clarion. Per Section 6.11, in the Agreement, Pauls Corp.

may not assign the Agreement to a non-subsiary without the City's prior written consent. Staff recommends approval, as presented.

Councilmember Jaglowski inquired the start date of the grant. City Manager Mauldin-Jones stated that the Certificate of Occupancy was issued on January 4, 2018; therefore, this grant may be exercised starting next year.

MOTION: Councilmember Hairston made a motion, seconded by Councilmember Mejia to approve item 3. The vote was cast 4 for, 0 against [Knight, Strain-Burk and Hervey absent].

- 4. Discuss and consider a resolution approving a tariff authorizing an annual rate review mechanism ("RRM") as a substitution for the annual interim rate adjustment process and as negotiated between Atmos Energy Corp., Mid-Tex Division ("Atmos Mid-Tex" or "Company"), the Atmos Cities Steering Committee (ACSC); and requiring the company to reimburse the cities' reasonable rate making expenses.**

City Manager Mauldin-Jones shared that the City of Lancaster, along with 171 other cities are members of the Atmos Cities Steering Committee (ACSC). In 2007, the Cities and Atmos Mid-Tex settled a rate application filed by the Company for an interim rate adjustment referred to as a GRIP filing (arising out of the Gas Reliability Infrastructure Program legislation). That settlement created a substitute rate review process, referred to as Rate Review Mechanism ("RRM"). Since 2007, there have been several modifications to the original RRM Tariff. Negotiations have taken place over the past several months, and have resulted in a revised RRM Tariff that has been agreed to by the Company. Staff recommends approval of the resolution to adopt the new Rate Review Mechanism. The City Attorney and Atmos Cities Steering Committee have reviewed and approved the resolution as to form.

Councilmember Jaglowski requested comments from Atmos Energy's representative.

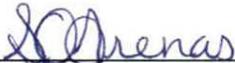
Al Hernandez, Atmos Energy representative, conferred with City Manager Mauldin-Jones and shared that the Rate Review Mechanism ("RRM") was inspired in 2017. Members of the Atmos Cities Steering Committee (ACSC) and legal counsel negotiated a Rate Review Mechanism and requested approval of item 4.

MOTION: Councilmember Jaglowski made a motion, seconded by Councilmember Hairston to approve item 4. The vote was cast 4 for, 0 against [Knight, Strain-Burk and Hervey absent].

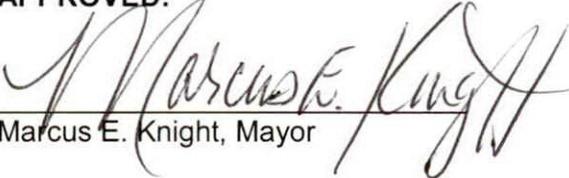
MOTION: Councilmember Hairston made a motion, seconded by Councilmember Mejia, to adjourn. The vote was cast 4 for, 0 against [Knight, Strain-Burk and Hervey absent].

The meeting was adjourned at 7:08 p.m.

ATTEST:


Sorangel O. Arenas, City Secretary

APPROVED:


Marcus E. Knight, Mayor