

MARCH 17, 2004

A SPECIAL MEETING OF THE CITY COMMISSION OF THE CITY OF KINGSVILLE, TEXAS WAS HELD ON WEDNESDAY , MARCH 17, 2004 AT 11:00 A.M. IN THE HONORABLE ROBERT H. ALCORN COMMISSION CHAMBERS CITY HALL 200 EAST KLEBERG AVENUE.

CITY COMMISSION PRESENT:

Charles E Wilson, Presiding Officer
Al Garcia, City Commissioner

CITY STAFF PRESENT:

Carlos Yerena, City Manager
Courtney Alvarez, City Attorney
George Bejarano, Finance Director
Stanley Fees, City Engineer
Edna S. Lopez, Interim City Secretary

I. Preliminary Proceedings.

OPEN MEETING

The meeting was opened at 11:00 A.M. by Presiding Officer Charles E Wilson.

INVOCATION / PLEDGE OF ALLEGIANCE - (Presiding Officer)

Commissioner Wilson led everyone in prayer, followed by the Pledge of Allegiance by Stanley Fees and the Texas Pledge.

MINUTES OF PREVIOUS MEETING(S) - Required by Law

None

II. Public Hearing - (Required by Law).¹

None.

III. Public Comment on Agenda Items.³

None

IV. Petitions, Grievances, and Presentations.²

1. City Manager's Report. (City Manager).

None

2. City Attorney's Report. (City Attorney).

Ms Courtney Alvarez stated that she has vacation scheduled for Thursday & Friday.

3. City Commission's Reports. (City Commission).

Commissioner Wilson stated that he wanted to recognize the Javelina Athletic Department for their Basketball team placing 3rd in the NCAA Regional Division II tournament. He also stated that the Brahma softball & baseball teams were doing very well, asked audience to congratulate them.

V. Items for consideration by Commissioners.⁴

1. Consider final passage of an ordinance finding, after reasonable notice and hearing, that AEP Texas Central Company's electric transmission and distribution rates and charges within the city should be changed; determining just and reasonable rates; adjusting street lighting charges; adopting recommendations of consultants; providing for recovery of rate case expenses; preserving regulatory rights of the city. (City Engineer).

Mr. Stanley Fees, City Engineer addressed the commission and stated that this item was a follow up from last meeting. He stated that this ordinance basically states the City of Kingsville does not support the rate increase for the City. He stated that section 2, stated that one of the demands being made is the company which is TCC shall reduce its electric transmission distribution rates charge to its customers within the city limits by 21% on the system wide basis and that the rate decrease shall be allocated to all customer classes on an equal percentage basis.

Upon a question from Mr. Fees, Commissioner Wilson stated that personally he did not need for him to go over percentages. Commissioner Garcia agreed.

Mr. Fees stated that staff recommendation along with our attorney with the STAP Board is recommending that this ordinance be approved not to allow AEP to go up on its rates.

Upon a question from Commissioner Wilson, Mr. Fees stated that other Cities in the STAP program have already passed this resolution. He also stated that he did not know how many, but does know that they are working on it.

Upon a question from Commissioner Wilson, Mr. Fees stated that the deadline is March 19th to pass or not act on this.

Upon a question from Commissioner Garcia, Mr. Fees stated that no changes have been made to this document from the last meeting. He stated that it is exactly as presented the first time.

Commissioner Wilson stated that he had a concern about statutory authority.

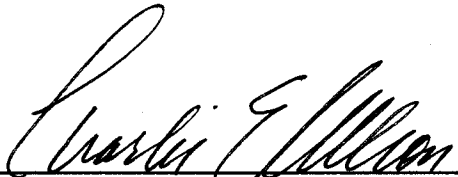
Ms. Courtney Alvarez, City Attorney stated that it is an administrative process and that are certain time lines that the City has to contest things, otherwise we waive them. She stated that this is one of the time lines that been set up based on filing date for the application for the rate increase and the time lines subsequent to that for response. She also stated that it is due largely to the fact that the state has not completed or isn't totally deregulated yet.

Upon a question from Commissioner Wilson if the resolution meets all the requirements that the City needs to have in place, Ms Alvarez stated it did. She also stated that at the last meeting it was double checked, the public hearing was on March 8th, at the last regular meeting. She stated that no publication was necessary and did advise the electric company.

A motion was made by Commissioner Garcia to adopt the ordinance as presented, seconded by Commissioner Wilson. The motion passed 2/0.

VI. Adjournment

The meeting was adjourned at 11:15 A.M.



Charles E. Wilson, Presiding Officer

ATTEST:



Edna S. Lopez, Interim City Secretary