

THE STATE OF TEXAS  
CITY OF RIO HONDO  
COUNTY OF CAMERON

Juan Garza, Commissioner Place 1  
Margaret Perez, Mayor Pro-Tem  
Jose S. Cavazos, Commissioner Place 5

Esteban Bocanegra, Place 2  
Olga Gallegos, Commissioner Place 4

Gustavo Olivares  
Mayor

Notice of a Regular Meeting of the  
City Commission of the City of Rio Hondo  
June 14, 2022

Pursuant to Chapter 551, Tittle 5 of the Texas Government Code/the Texas Open Meetings Act, notice is hereby given that the governing body of the City of Rio Hondo, Texas will convene for a **Regular Meeting at 6:30 p.m. on Tuesday June 14, 2022**, at the **City Commission Chambers** on the Second Floor of the Rio Hondo Municipal Building located at 121 N. Arroyo Blvd., Rio Hondo, Texas 78583.

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PLEDGE OF ALLEGIANCE

UNITED STATES PLEDGE

INVOCATION:


Regular Agenda:

1. Mayor's and Commissioner's Report
2. Administrator's Report
3. **Public Comment Period: *Please Note- The Public Comment Period is designated for hearing concerns regarding City of Rio Hondo Public Policy or City of Rio Hondo business that is or is not on the agenda or items listed on the agenda.***
4. Consideration and Action on Ordinance 2022-04 granting to One Gas, Inc, acting by and through its Texas Gas Service Company Division, a non-exclusive franchise and right to enter the public ways to install, operate, and maintain a distribution system within, along, across over and under the public ways of the City of Rio Hondo, Texas. (Ben Medina, Administrator).
5. Consideration and Possible Action allowing for the sale and consumption of alcoholic beverages on Colorado Blvd. between S. Arroyo and Miramar Street during the Bridge – fest celebration on August 13, 2022 between the hours of 6:00 p.m. to 10:00 p.m. ( Ben Medina, Administrator and Mayor Olivares)

6. Discussion and Action regarding the participation in the Texas Municipal Retirement System for the city employees and authorizing the City Administrator to develop the necessary agreements. (Ben Medina, Administrator)
7. Discussion on the Public Safety budget for the FY October 1, 2022, to September 30, 2023. (Ben Medina, William Bilokury, Public Safety Officer, Lucy Garza, Finance.)
8. Executive Session:  
  
**Item (A)** Closed session pursuant to the following sections of the Tex. Gov't Code: Section 551.072 and Section 551.087 (Deliberations about Real Property relating to lots 3-4 Block 22 of the Rio Hondo Original Townsite.  
  
**Item (B)** Closed session pursuant to the following sections of the Tex. Gov't Code Section 551.072 (Deliberations about Real Property) relating to McLeod Blk 142.4.
9. Consideration and Action on items discussed in Executive Session.
10. Adjournment

Note: The City Commission for the City of Rio Hondo reserves the right to adjourn into executive session at any time during this meeting to discuss any matters, as authorized by Texas Government Code Sections 551.071 (Consultation with Attorney), 551.072 (Deliberations about Real Property), 551.073 (Deliberations about Gifts and Donations), 551.074 (Personnel Matters), 551.076 (Deliberations about Security Devices) and 551.087 (Economic Development).

***Note: The Meeting is accessible to Americans with Disabilities. Persons with disabilities who plan to attend this meeting and who may need assistance, please call the City Secretary at (956) 748-2102, with at least twenty-four hours prior to the meeting.***

  
\_\_\_\_\_  
Gustavo Olivares  
Mayor of the City of Rio Hondo

POSTED

I, City Secretary for the City of Rio Hondo, do hereby certify that this Notice of Meeting is a true and correct record and was posted in the bulletin board outside City Hall, and the bulletin board in the City Hall lobby, at 121 N. Arroyo Blvd, Rio Hondo, Texas 78583 and remained so posted continuously for at least 72 hours preceding the scheduled time of said Meeting.

DATE:

TIME:

9/10/22 12:00 pm



June 9, 2022

Dear Potential Sponsor.

Thank you for taking the time to accommodate me. As I discussed with you, I am actively involved with the preparation of the Bridge-fest Celebration. This will be the fourth year that we celebrate the reopening of the Rio Hondo Lift Bridge. This historic structure was completely renovated four years ago and is only way of crossing the Arroyo Colorado in northern Cameron County.

The City of Rio Hondo and interested citizens are hosting this year's celebration on August 13, 2022, from 3:00 pm to 11:00 pm. The celebration will have music, food vendors, rides, and health promotion events. This year we are requesting your assistance to make this event more successful. By becoming a sponsor your name and logo will appear throughout the event as follows:

**Gold Sponsor \$1,500**

- Your Company name and logo will be recognized before, during and after the event.
- Sponsorship Signage
- Colored 6 x8 event banner on stage
- Logo on T-Shirts

**Silver Sponsor \$1,000**

- Your Company name and logo will be recognized before, during and after the event.
- Logo on T-Shirts
- Sponsorship Signage

**Bronze Sponsor \$ 500**

- Your company name and logo will be recognized before, during and after the event.
- Name on T-Shirts

Please review the attached information and let us know how you would like to participate by July 30, 2022 (date restraints are for the purpose of printing signs, logos, banners, etc.)

I hope that we can count on your help to make this year's event one of our best yet!

I would like to thank you in advance for your potential contribution.

Please do not hesitate to contact me directly at (956) 345-6496 or email me at [golivares@riohondo.us](mailto:golivares@riohondo.us) or contact Ben Medina at (956) 748-2102 or e-mail: [bmedina@riohondo.us](mailto:bmedina@riohondo.us); or contact Lucy Garza at (956) 748-2102 or email: [lgarza@riohondo.us](mailto:lgarza@riohondo.us).

Sincerely,  
Gustavo Olivares, Mayor

# Item 4

ORDINANCE NO. 2022-04

AN ORDINANCE GRANTING TO ONE GAS, INC., ACTING BY AND THROUGH ITS TEXAS GAS SERVICE COMPANY DIVISION, AND ITS SUCCESSORS AND ASSIGNS, FOR A PERIOD OF FIFTEEN (15) YEARS FROM APPROVAL AND ACCEPTANCE OF THIS ORDINANCE, A NON-EXCLUSIVE FRANCHISE AND RIGHT TO ENTER THE PUBLIC WAYS TO INSTALL, OPERATE AND MAINTAIN A DISTRIBUTION SYSTEM WITHIN, ALONG, ACROSS, OVER AND UNDER THE PUBLIC WAYS OF THE CITY OF RIO HONDO, TEXAS FOR THE TRANSPORTATION, DISTRIBUTION AND/OR SALE OF GAS TO CUSTOMERS AND THE PUBLIC GENERALLY IN THE CITY; DEFINING THE WORDS AND PHRASES THEREIN; PROVIDING FOR ASSIGNMENT, SALE OR LEASE OF THE FRANCHISE; PROVIDING THAT THE CITY MAY ENACT AN ORDINANCE CHARGING PERSONS TRANSPORTING GAS THROUGH GRANTEE'S DISTRIBUTION SYSTEM A FEE ON THE CALCULATED VALUE OF SUCH TRANSPORTED GAS; PROVIDING FOR USE AND REPAIR OF THE PUBLIC WAYS; PROVIDING FOR REGULATION OF SERVICE; ESTABLISHING DEPTH OF PIPELINES; ESTABLISHING RIGHTS AND DUTIES IN THE MOVEMENT AND ALTERATION OF PIPELINES; PROVIDING FOR INDEMNIFICATION OF THE CITY OF RIO HONDO; PROVIDING FOR GRANTEE'S RULES AND REGULATIONS; PROVIDING FOR INSPECTION OF GRANTEE'S RECORDS; REQUIRING GRANTEE TO PAY A FRANCHISE FEE; PROVIDING FOR CONDITIONS OF THE FRANCHISE; PROVIDING FOR ACCEPTANCE OF THIS FRANCHISE BY GRANTEE AND BOTH AN EFFECTIVE AND AN OPERATIVE DATE THEREOF; REPEALING ALL OTHER ORDINANCES DIRECTLY IN CONFLICT HEREWITH; AND PROVIDING FOR SEVERABILITY.

BE IT ORDAINED BY THE CITY COMMISSION OF THE CITY OF RIO HONDO, TEXAS:

SECTION 1. DEFINITIONS

As used in this Ordinance, the following words and phrases shall have the following meanings:

- A. "City" means the City of Rio Hondo, in Cameron County, Texas, a municipal corporation, hereinafter also referred to as "Grantor".
- B. "City Administrator" means the City Administrator of the City or such other chief administrative officer of the City designated to hear appeals from the decisions of other City officers.
- C. "City Commission" means the City Commission of the City as the governing body of the City.
- D. "City Engineer" means the City Engineer of the City or such other officer of the City designated to approve engineering plans and designs for construction within Public Ways.
- E. "City Secretary" means the City Secretary of the City or other such officer of the City designated to serve as the filing officer for official documents and records of the City.

- F. “Customer” means any individual person, corporation, company, partnership, firm, unincorporated association, trust, municipality, or public or private entity located within the municipal corporate limits of the City and serviced by the Grantee through any use of the Public Ways.
- G. “Franchise Fee” or “Franchise Fees” shall mean the sum of fees to be paid to the City by Grantee under Section 11 of this Ordinance.
- H. “Gas Sales” means the sale of natural gas to Grantee’s Customers located within the corporate limits of the City by use of the System.
- I. “Gas Transportation” means the transportation of Transport Gas for redelivery to Customers with re-delivery points located within the corporate limits of the City.
- J. “Grantee” shall mean ONE Gas, Inc., an Oklahoma corporation acting by and through its Texas Gas Service Company division, and its successors and assigns.
- K. “Gross Receipts from Gas Sales” shall constitute and include Grantee’s total receipts from the sale, distribution or transportation of gas to Grantee’s Customers. Grantee’s Gross Receipts from Gas Sales subject to the Franchise Fee shall specifically exclude, without limitation:
- [1] receipts from gas sales or services to Customers located at delivery points outside the corporate limits of the City;
  - [2] receipts from gas consumed or transported by Grantee for its own use;
  - [3] bad debt or uncollected accounts;
  - [4] receipts collected for gas utility taxes;
  - [5] receipts for any taxes, assessments, charges or fees of any kind charged by a governmental entity and collected by Grantee from the Customer by a pass through charge on the gas bill, except for Franchise Fees and gross receipts taxes;
  - [6] receipts for construction advances or contributions in aid of construction;
  - [7] receipts for maintenance of appliances, machinery or equipment;
  - [8] receipts for compensation for damage to Grantee’s property;
  - [9] receipts from sales of materials, appliances or equipment, and
  - [10] receipts from any non-regulated utility or non-regulated services or products.

L. "Gross Receipts from Gas Transportation" shall constitute and include Grantee's total receipts from its transportation of Transport Gas, consisting of receipts from cost of service. Grantee's Gross Receipts from Gas Transportation subject to the Franchise Fee shall specifically exclude, without limitation:

- [1] receipts from gas transportation services to Customers located at delivery points outside the corporate limits of the City;
- [2] receipts from gas transported by Grantee for its own use;
- [3] bad debt or uncollected accounts;
- [4] receipts collected for gas utility taxes;
- [5] receipts for any taxes, assessments, charges or fees of any kind charged by a governmental entity and collected by Grantee from the Customer by a pass through charge on the gas bill, except for Franchise Fees and gross receipts taxes;
- [6] receipts for construction advances or contributions in aid of construction;
- [7] receipts for maintenance of appliances, machinery or equipment;
- [8] receipts for compensation for damage to Grantee's property; and
- [9] receipts from any non-regulated utility or non-regulated services or products.

M. "Permit" means the authorization to Grantee:

- [1] for the opening of the streets, avenues, alleys, other public places or Public Ways shown on maps or plans submitted by Grantee to the City Engineer, showing the streets, avenues, alleys, and other public places and the locations thereon wherein Grantee proposes to construct new mains and pipes,
- [2] for the new construction or laying of the new mains and pipes by Grantee as shown on plans, and
- [3] to perform all work on existing Grantee facilities or the System within the Public Ways or other City rights-of-way.

N. "Public Ways" means the present and future streets, avenues, boulevards, parkways, lanes, alleys, bridges, sidewalks, parks, easements, highways, and any other public place within the municipal corporate limits of the City, whether dedicated or not.

O. "System" means Grantee's system of mains, pipelines, conduits, valves, feeders, regulator stations, laterals, service lines, measuring devices, and all other necessary plants, attachments, land, structures, facilities and appurtenances for the purpose of selling,



storing, supplying, conveying, transmitting, distributing, and/or transporting natural gas and any gas, including the equivalent substitutes, for all other lawful purposes in, through, upon, under, and along the present and future streets, avenues, alleys, bridges, sidewalks, parks, easements, highways, and any other public place within the municipal corporate limits of the City.

P. "Transport Gas" means gas owned or controlled by a user or its designee (i.e., gas that is purchased or otherwise acquired by a user from someone other than Grantee) and delivered by such user or its designee to Grantee at a point on Grantee's System, such point of delivery to be defined by Grantee, and carried, delivered or transported through Grantee's System at a point of redelivery within the municipal corporate limits of the City by Grantee to the user for a fee.

Q. "Utility Regulated Service Charges" shall consist of charges for services (but not for natural gas sales or transportation services) that:

[1] Grantee provides to its Customers located within the corporate limits of the City and

[2] which are or may, from time to time, become subject to the rate regulation of the applicable regulatory authority.

Such Utility Regulated Service Charges shall not include receipts by Grantee from its Customers in the City, if applicable, for appliance sales, appliance light-ups, maintenance of Customer equipment or facilities and any other receipts that are not legally subject to the rate regulation of the applicable regulatory authority.

## SECTION 2. GRANT OF NON-EXCLUSIVE FRANCHISE

A. The Grantor hereby grants to Grantee for an initial term of fifteen (15) years from the passage and approval of this Ordinance and the filing of a written acceptance by the Grantee, the right to enter upon the Public Ways to install, operate and maintain a System along, across, over and under the Public Ways for the privilege of transporting, distributing and/or selling gas to Customers and the public generally within the municipal corporate limits of the City, and including any territory that the City may hereafter annex, acquire, purchase; and to distribute, sell, store, supply, transport, carry and/or convey natural gas and any gas through Grantee's System in the City to other cities, towns, communities and areas outside the City and to inhabitants thereof, for the full term of this Franchise Ordinance. The Franchise may be renewed under the same terms and conditions for up to two (2) additional five-year terms. The five-year renewal terms will automatically renew unless either Party to this Agreement notifies the other party in writing of a desire not to renew the Franchise at least 60 days prior to the expiration of the initial Franchise term or the renewal term in the event the Franchise is renewed.

- B. The Ordinance shall have the effect of and shall be a contract between Grantor and Grantee and shall be the measure of the rights and liabilities of Grantor as well as Grantee consistent with and to the extent allowed by Texas law.
- C. The Franchise granted by this Ordinance shall in no way affect or impair the present or future rights, obligations, or remedies of the City or Grantee under the Texas Gas Utility Regulatory Act, as amended.

### SECTION 3. FRANCHISE ASSIGNMENT, SALE OR LEASE

Grantee is expressly given the power and privilege to sell, lease or assign the franchise granted hereby, or any part of this franchise, to any person, entity or corporation upon approval by the City governing body, the approval of which shall not be unreasonably withheld.

### SECTION 4. USE AND REPAIR OF THE PUBLIC WAYS

A. Grantee's System shall be erected, placed, and laid or otherwise installed, operated and maintained in such a manner as will, consistent with reasonable necessity, least interfere with other public uses of the Public Ways. This Ordinance shall constitute the Permit to perform all work on existing Grantee facilities or the System within the Public Ways or rights of way.

B. Grantee's business operations shall be subject to its ability, by use of due diligence and normal business methods, to obtain and place in service the necessary materials and facilities. Moreover, Grantee shall be excused from failure or delay in performing such obligations if and to the extent occasioned by an act of nature or "act of God," fire, explosion, flood, act of a public enemy, contagion or contamination hazardous to human life or health, legal restraints, labor difficulties, material shortages, interruption or deficiency of gas supply not attributable to default of Grantee or, without limitation, any other cause or combination of causes not reasonably within Grantee's ability to anticipate or control. The Company shall notify the City promptly and in no case less than thirty days of its intent to utilize this provision of this Ordinance.

C. Except in the case of an emergency, within the City's full purpose jurisdiction, when Grantee desires to lay any new mains hereunder, and before commencing its new construction work on mains, it shall submit to the City Engineer, or other proper City authority, a map or plan showing the streets, avenues, alleys, and other public places and the locations thereon wherein it proposes to construct such new mains and pipes. The City Engineer, or other proper authority and consistent with City ordinances and regulations, shall by written notice, either issue or deny the Permit to Grantee. Permits shall be granted in accordance with City ordinances and regulations governing the same for the opening of the streets, avenues, alleys and other public places shown on the map or plan, and for the new construction or laying of the new mains and pipes by Grantee as shown on the plan. In the event that the Permit is denied, the City Engineer, or other proper authority, shall advise Grantee of the reasons for the denial and all necessary steps to secure approval of the Permit. Grantee shall have the right to immediately appeal the non-issuance of the Permit to the City Administrator, and if not approved within ten (10) calendar days by the City Administrator, Grantee may appeal to the City Council and be heard at a public meeting held in

compliance with applicable law. If the City Council fails to act on the appeal within a reasonable time, the appeal will be deemed to be denied unless agreed otherwise in writing by Grantee and the City. Grantee may appeal any decision made by the City Council regarding the permit to a court of competent jurisdiction with venue in Cameron County Texas. The City does not waive any defenses or immunities with respect to any claims or causes of action by Grantee should it appeal the permit decision to a court of competent jurisdiction. in accordance with City ordinances and regulations.

This Subsection 4 (B) shall also apply to all other facilities and equipment of Grantee to be constructed or installed on public property within the City's full purpose jurisdiction.

- D. It shall not be necessary for Grantee to secure a Permit for the laying of service pipes from the mainline pipes of Grantee to its Customers.
- E. After any excavation or disturbance, Grantee shall, with due diligence and dispatch, place the Public Way in a condition in compliance with the Grantor's reasonable standards and specifications.

#### SECTION 5. REGULATION OF SERVICE

The System of Grantee shall at all times be installed, operated and maintained in accordance with accepted good practice and in such condition as will enable the Grantee to furnish adequate and continuous service as required by the orders, rules and regulations of the Railroad Commission of Texas or other regulatory authority having jurisdiction. The requirements set forth in this Section shall not relieve Grantee of any other obligations set forth herein.

#### SECTION 6. DEPTH OF PIPELINES

After the operative date of this franchise, Grantee's main or lateral lines installed or replaced in Public Ways shall be installed or replaced at depths which comply with all applicable state and federal rules and regulations establishing minimum safety standards for the design, construction, maintenance and operation of pipelines. Depth shall be measured from the lower of existing grade or proposed future grade as set forth on plans or other specifications existing at the time such lines are installed or replaced.

#### SECTION 7. DUTY TO MOVE OR ALTER LINES

A. Grantor reserves the right to lay or permit to be laid cables, electric conduits, water, sewer, gas or other pipelines and to do or permit to be done any underground work deemed necessary and proper by the Grantor, along, across, over or under the Public Ways. In permitting such work to be done, the Grantor shall be liable to the Grantee for any damage to Grantee's pipelines and facilities caused by Grantor or its agents' or contractors' negligence.

B. When Grantee is required by Grantor to remove or relocate its mains, laterals, and other facilities to accommodate construction of streets and alleys by the Grantor, and Grantee is eligible under federal, state, county, local or other programs for reimbursement of costs and expenses incurred by Grantee as a result of such removal or relocation, and such reimbursement is required

to be handled through Grantor, then Grantee's costs and expenses shall be included in any application by Grantor for reimbursement. Grantee will provide the Grantor its appropriate cost and expense documentation prior to the filing of the application.

C. When Grantee is required to remove or relocate its mains, laterals or other facilities to accommodate construction of streets or alleys by the Grantor without reimbursement, Grantee shall have the right to seek a surcharge to recover relocation costs pursuant to Section 104.112 of the Texas Utilities Code or any other applicable law or regulations.

D. If Grantor shall require the Grantee to adapt or conform its System or in any way to alter, relocate or change its property to enable any other person, firm, corporation or entity (whether public or private), other than the Grantor, to use the Public Ways, the Grantee shall be reimbursed by the person, firm corporation or entity desiring or occasioning such change for any and all loss, cost or expense occasioned thereby.

#### SECTION 8. INDEMNIFICATION

Grantee shall indemnify, save and hold City harmless from and against any and all claims for damages for which the City shall or might become liable to the extent caused by any negligent act or omission of Grantee, its agents or contractors in the construction and operation of the System; provided, however, that in the event of such claim or claims being prosecuted against the City, Grantee shall have the right to defend against the same, and to settle or discharge same in such manner as it may see fit, and the City shall give prompt written notice to Grantee of the presentation or prosecution of such claims. The indemnity provided for in this paragraph shall not apply to any liability resulting from the acts, omissions, or negligence of the City, its employees, agents or contractors.

#### SECTION 9. GRANTEE'S RULES AND REGULATIONS

The Grantee shall have the right to make and enforce such reasonable rules and regulations as it may deem necessary for the extension of its facilities, the sale of its gas and the conduct of its business, provided that such rules and regulations shall neither be in conflict with the laws of the State of Texas, with the orders, rules or regulations of the Railroad Commission of Texas or other regulatory authority having jurisdiction, nor with the ordinances and regulations of the Grantor insofar as they are consistent with the jurisdiction of the Railroad Commission of Texas or such other regulatory authority. Grantee shall supply natural gas and provide regulated services at the rates and under the terms and conditions specified by such rules, its tariffs filed with the City, and as provided herein.

#### SECTION 10. INSPECTION OF RECORDS

Grantee shall permit Grantor or its agents to inspect, during regular business hours, the books, papers and records kept by Grantee in the ordinary course of business and pertaining to the natural gas business carried on by it in the City, such as plats, maps and atlases identifying Grantee's pipelines in the City, and the books and records necessary to verify the franchise fee payment provided for in Section 11 hereof. Notwithstanding the obligation herein, Grantee shall have the right to the reasonable protection of proprietary information and to provide redacted documents or

require Grantor or its agents to enter into such agreements pertaining to confidentiality as may reasonably protect the proprietary information of Grantee but which do not unreasonably frustrate the purposes of this Section or conflict with Texas law. Grantor shall promptly notify Grantee in writing of areas newly annexed into or de-annexed from the corporate limits of Grantor, and Grantee shall update its records for the purpose of payment of franchise fees as soon as reasonably practicable after receiving such notice.

#### SECTION 11. CONSIDERATION FOR FRANCHISE: FRANCHISE FEE

A. As full consideration for the rights and privileges conferred by this Ordinance, Grantee agrees to pay Grantor as follows:

- (1) Grantee shall collect the Franchise Fee from its Customers and shall pay Grantor a Franchise Fee the sum of which is equal to four percent (4%) of the Gross Receipts received by Grantee, per billing period, from the transportation, distribution, and sale of natural gas for consumption within the municipal corporate limits of the City. The Franchise Fee shall include only Gross Receipts from Gas Sales to Customers located in the City; Gross Receipts from Gas Transportation to Transport Gas Customers with re-delivery points located in the City; plus, Gross Receipts from Utility Regulated Service Charges. All sums due from Grantee shall be in lieu of all other franchise fees, licenses, or occupational taxes, which may be levied or attempted to be levied on Grantee by the City.
- (2) Grantee shall pay such Franchise Fee collected from its Customers to the Grantor under the terms of this Ordinance, based upon meters read on or after the effective date of this Ordinance. During the term of this Ordinance, Grantee shall collect from its Customers and pay the City in January and July for the preceding six months. Grantee shall include with the Franchise Fee payment a statement showing its collections of Gross Receipts from Gas Sales and Gas Transportation in the City, and Utility Regulated Service Charges in the City, including the calculation of the Franchise Fee for the subject time period. Collection and payment of Franchise Fee shall be final as to both parties unless questioned by written notice provided by one party to the other within one year after payment thereof has been made.

It is expressly agreed that the Franchise Fee payments shall be in lieu of any payments for the right to use the Public Ways or other public rights-of-way of the City, including expressly the charge permitted to be levied by the Texas Tax Code Sections 182.021-182.026 and 182.081-182.082, or any successor statute permitting such a charge, however designated. The Franchise Fee shall be in lieu of and accepted as payment of all of Grantee's obligations to pay all other franchise fees, licenses, easement or occupation taxes, levies, exactions, rentals, street-cut fees, inspection fees, right of way inspection fees, permit fees, franchise fees, easement taxes, or charges of any kind whatsoever which may be levied or attempted to be levied in general by the City for the use of City's Public Ways and other rights-of-way, with the sole exception of sales taxes, ad valorem taxes and special assessments which are made without reference to or dependence upon Grantee's franchise or occupancy of the streets and public right of way, e.g., special assessment paving liens.

The rights, privileges, and franchises granted by this Ordinance are not to be considered exclusive, and City hereby expressly reserves the right to grant, at any time as it may see fit, like privileges, rights, and franchises to any other person or corporation for the purpose of furnishing gas in the City. In the event any entity (other than Grantee) providing gas sales or gas transportation service to Customers within the City is subject to a lesser franchise fee than is required to be collected and paid by Grantee in this Ordinance, then with respect to such gas sales or transportation service to those Customers, Grantee's Franchise Fee obligation on sales or transportation service to those Customers will be reduced to a rate equal to the franchise fee rate required to be paid by such other entity.

Unless expressly set forth herein, or otherwise provided by law, by accepting this Ordinance, Grantee does not agree to be responsible for the payment of franchise fees other than as expressly set forth herein, or for the payment of franchise fees owed to the City by any other entity, corporation or firm.

#### SECTION 12. CONDITIONS OF FRANCHISE

This contract, franchise, grant and privilege is granted and accepted under and subject to all applicable laws and under and subject to all of the orders, rules, and regulations now or hereafter adopted by governmental bodies now or hereafter having jurisdiction.

To the extent that all or any other existing ordinance shall conflict with any provision of this Ordinance, this Ordinance shall prevail upon passage, adopting and acceptance of this Ordinance.

#### SECTION 13. INVALIDITY OF ORDINANCE

If any clause, sentence, or section of this Ordinance shall be held to be invalid, it shall not affect the remaining portions of this Ordinance, which shall remain valid and effective as if such invalid provision did not exist, although the parties shall be entitled to a judicial interpretation or construction of this Ordinance to address the validation of such provision by minimal amendment thereof. Further, should any governmental body now or hereafter having jurisdiction determine that Grantee shall not be permitted to collect in whole or in part the compensation due Grantor by others for Transport Gas as set forth in Paragraph (2) of Subsection A of Section 11 of this Ordinance, Grantee shall thereafter have no obligation to make such payment to Grantor and Paragraph (2) of Subsection A of Section 11 shall be of no force and effect with regard to the sale of Transport Gas.

#### SECTION 14. EFFECTIVE DATE AND TERM

This Ordinance shall take effect and be in full force from and after its final passage and approval by the City Council and the acceptance hereof in writing by Grantee as herein provided. This Franchise Ordinance shall continue and remain in full force and effect for a period of twenty-five years from the effective date.

SECTION 15. ACCEPTANCE BY GRANTEE

Grantee shall have sixty days from the execution of this Ordinance within which to file in the office of the City Clerk its consent to and written acceptance of provisions and conditions of this Franchise Ordinance.

SECTION 16. REPEALER

Each and every other ordinance or part thereof which is directly in conflict with any provision herein as to the grant of a franchise for natural gas services and the regulation thereof is hereby repealed.

SECTION 17. SEVERABILITY

The provisions of this Ordinance are severable, and if any part or provision hereof shall be adjudged invalid by any court of competent jurisdiction, such adjudication shall not affect or impair any of the remaining parts or provisions hereof.

READ, PASSED, ADOPTED AND APPROVED by the City Commission of the City of Rio Hondo, Texas, this \_\_\_\_ day of \_\_\_\_\_, 2022.

\_\_\_\_\_  
GUSTAVO OLIVARES  
Mayor

ATTEST:

\_\_\_\_\_  
[-----]  
City Secretary

APPROVED:

\_\_\_\_\_  
[-----]  
City Attorney

The above and forgoing Franchise Ordinance and the grants, franchise, powers, rights and privileges thereto were accepted by Grantee this \_\_\_\_\_, 2022.

TEXAS GAS SERVICE COMPANY, a division of ONE Gas, Inc.

By: \_\_\_\_\_

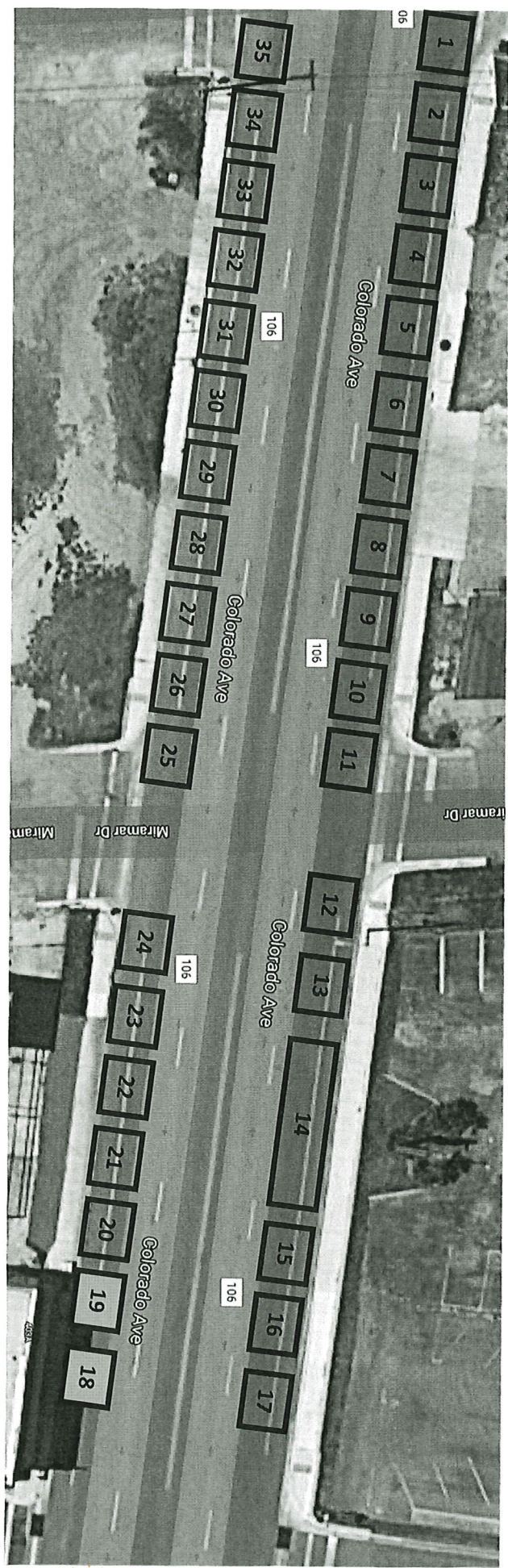
SHANTEL NORMAN

Vice President-Operations, Texas Gas Service Company



# Item 5

*Bridge Lost  
Location*





36

37

38

39

40

17.20 ft  
2.80 ft (3.72 m)

45

41

42  
301

43

44

47

46

106

106

ve

mar Dr



RESTROOMS

Miramar Dr

48

Miramar Dr

49

50

N Reynolds St

N Reynolds St

N Reynolds St

N Reynolds St

# Item 6



**Actuarial Study for City Participation**

**City of Rio Hondo**

**Proposed Participation Date – 04/01/2022**

5% Employee Deposit Rate Contributions – 100% Prior Service Allocation  
2022-2023 Required Contributions

	Plan 1	Plan 2	Plan 3
Estimated Payroll - \$595,680			
Employee Contribution Rate	5%	5%	5%
City's Matching Ratio	1 to 1	1.5 to 1	2 to 1
Supplemental Death Benefits Active Employees and Retirees	Yes	Yes	Yes
Prior Service Credit Allocation	100%	100%	100%
City's Contribution Rate			
Normal Cost	2.01%	3.64%	5.28%
Prior Service Cost	2.18%	2.75%	3.33%
Supplemental Death Benefits	<u>0.14%</u>	<u>0.14%</u>	<u>0.14%</u>
Total	4.33%	6.53%	8.75%
City's Estimated Annual Contribution	\$25,793	\$38,898	\$52,122
City's Estimated Unfunded Actuarial Liability	\$179,213	\$226,331	\$273,448

**Assumptions:**

Number of Current Eligible Employees	17
Average Age	45.21
Average Years of Service	7.66
Average Monthly Employee Salary	\$2,920
Assumed Retirement Eligibility	20 years of service at any age; or Age 60 with 5 years of service, if earlier
Assumed Annual Rate of Payroll Increase	2.75%
Assumed Valuation Interest Rate	6.75%
Amortization Period for Unfunded Actuarial Liability (Years)	20

2/25/2022



**Actuarial Study for City Participation  
City of Rio Hondo  
Proposed Participation Date – 04/01/2022**

5% Employee Deposit Rate Contributions – 50% Prior Service Allocation  
2022-2023 Required Contributions

	Plan 1	Plan 2	Plan 3
Estimated Payroll - \$595,680			
Employee Contribution Rate	5%	5%	5%
City's Matching Ratio	1 to 1	1.5 to 1	2 to 1
Supplemental Death Benefits Active Employees and Retirees	Yes	Yes	Yes
Prior Service Credit Allocation	50%	50%	50%
City's Contribution Rate			
Normal Cost	2.01%	3.64%	5.28%
Prior Service Cost	1.16%	1.48%	1.79%
Supplemental Death Benefits	<u>0.14%</u>	<u>0.14%</u>	<u>0.14%</u>
Total	3.31%	5.26%	7.21%
City's Estimated Annual Contribution	\$19,717	\$31,333	\$42,949
City's Estimated Unfunded Actuarial Liability	\$95,255	\$121,383	\$147,511

**Assumptions:**

Number of Current Eligible Employees	17
Average Age	45.21
Average Years of Service	7.66
Average Monthly Employee Salary	\$2,920
Assumed Retirement Eligibility	20 years of service at any age; or Age 60 with 5 years of service, if earlier
Assumed Annual Rate of Payroll Increase	2.75%
Assumed Valuation Interest Rate	6.75%
Amortization Period for Unfunded Actuarial Liability (Years)	20

2/25/2022



**Actuarial Study for City Participation**

**City of Rio Hondo**

**Proposed Participation Date – 04/01/2022**

**6% Employee Deposit Rate Contributions – 100% Prior Service Allocation**

**2022-2023 Required Contributions**

	<u>Plan 1</u>	<u>Plan 2</u>	<u>Plan 3</u>
Estimated Payroll - \$595,680			
Employee Contribution Rate	6%	6%	6%
City's Matching Ratio	1 to 1	1.5 to 1	2 to 1
Supplemental Death Benefits Active Employees and Retirees	Yes	Yes	Yes
Prior Service Credit Allocation	100%	100%	100%
City's Contribution Rate			
Normal Cost	2.41%	4.37%	6.33%
Prior Service Cost	2.62%	3.30%	3.99%
Supplemental Death Benefits	<u>0.14%</u>	<u>0.14%</u>	<u>0.14%</u>
Total	5.17%	7.81%	10.46%
City's Estimated Annual Contribution	\$30,797	\$46,523	\$62,308
City's Estimated Unfunded Actuarial Liability	\$215,056	\$271,597	\$328,138

**Assumptions:**

Number of Current Eligible Employees	17
Average Age	45.21
Average Years of Service	7.66
Average Monthly Employee Salary	\$2,920
Assumed Retirement Eligibility	20 years of service at any age; or Age 60 with 5 years of service, if earlier
Assumed Annual Rate of Payroll Increase	2.75%
Assumed Valuation Interest Rate	6.75%
Amortization Period for Unfunded Actuarial Liability (Years)	20

2/25/2022





**Actuarial Study for City Participation  
City of Rio Hondo  
Proposed Participation Date – 04/01/2022**

7% Employee Deposit Rate Contributions – 100% Prior Service Allocation  
2022-2023 Required Contributions

	Plan 1	Plan 2	Plan 3
Estimated Payroll - \$595,680			
Employee Contribution Rate	7%	7%	7%
City's Matching Ratio	1 to 1	1.5 to 1	2 to 1
Supplemental Death Benefits Active Employees and Retirees	Yes	Yes	Yes
Prior Service Credit Allocation	100%	100%	100%
City's Contribution Rate			
Normal Cost	2.81%	5.10%	7.39%
Prior Service Cost	3.05%	3.85%	4.66%
Supplemental Death Benefits	<u>0.14%</u>	<u>0.14%</u>	<u>0.14%</u>
Total	6.00%	9.09%	12.19%
City's Estimated Annual Contribution	\$35,741	\$54,147	\$72,613
City's Estimated Unfunded Actuarial Liability	\$250,899	\$316,863	\$382,828

**Assumptions:**

Number of Current Eligible Employees	17
Average Age	45.21
Average Years of Service	7.66
Average Monthly Employee Salary	\$2,920
Assumed Retirement Eligibility	20 years of service at any age; or Age 60 with 5 years of service, if earlier
Assumed Annual Rate of Payroll Increase	2.75%
Assumed Valuation Interest Rate	6.75%
Amortization Period for Unfunded Actuarial Liability (Years)	20

2/25/2022