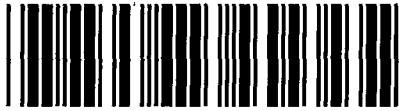




Control Number: 46436



Item Number: 1

Addendum StartPage: 0

46436

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2016 OCT 12 PM 2:34

PUBLIC UTILITY COMMISSION
FILING CLERK

October 12, 2016

Public Utility Commission of Texas
Water Utility Division
ATTN: Filing Clerk
P.O. Box 13326
Austin, TX 78711-3326

**VIA HAND DELIVERY AND
ELECTRONIC SUBMISSION**

Re: Petition to the Public Utility Commission of Texas to Protest and Appeal the Decision of the City of Overton to Increase the Water and Sewer Rates for the Billy Moore Correctional Center

Dear Filing Clerk:

The undersigned ratepayer, Management & Training Corporation ("MTC"), files this petition with the Public Utility Commission of Texas ("Commission") to protest and appeal the decision of the City of Overton ("City") to increase the water and sewer rates for the Billy Moore Correctional Center pursuant to TEXAS WATER CODE SECTION 13.043(b).

Management & Training Corporation is a private company based in Centerville, Utah that contracts with the Texas Department of Criminal Justice to operate several correctional centers in Texas, one of which is the Billy Moore Correctional Center (the "Prison"). Pursuant to MTC's contract with the State of Texas, MTC receives a per diem for its administration of the Prison and assumes all responsibility for paying the Prison's water and sewer bill, regardless if the bill exceeds MTC's monthly per diem. The Prison receives commercial retail water and sewer service from the City although it is located approximately three miles outside the City's corporate boundaries. The Prison's service address is 8500 North FM 3053, Overton, TX 75684. Once the Prison receives the City's utility bill, the Prison's Business Manager processes the invoice and coordinates payment with the MTC Finance Department.

On June 10, 2016, the City Manager, Charles Cunningham, emailed David Hudson, the Warden at the Prison, to notify him that the City's commercial retail water and sewer rates charged to the Prison would be "increased significantly" due to a rate study conducted by the City. See Exhibit A. Mr. Cunningham explained that the study combined all expenses incurred by the City to provide water and sewer service, including debt service expenses, and subsequently allocated those expenses to customers based on the amount of water consumed by each customer class. See Exhibit A. Mr. Cunningham further explained that the Prison's rates must be increased because the Prison was not paying its fair share based upon the amount of water consumed by the Prison. See Exhibit A.

On July 14, 2016, the City Council held a Special Called Meeting wherein the City Council adopted Ordinance No. 2016-05-19B ("Ordinance"). See Exhibit B. The Ordinance, among other

Filing Clerk
October 12, 2016
Page 2

things, amends the City's retail water and sewer rates for commercial customers with meters six inches or larger. Specifically, the water base rate was increased by 27%, the water volume rate was increased by 10%, the sewer base rate was increased by 52% and the sewer volume rate was increased by 52%. See Exhibit B. The effective date of the new rates was August 1, 2016. See Exhibit B.

It is very clear from the minutes of this Special Meeting that the rate increase for commercial customers with lines six inches or larger applies only to the Prison. See Exhibit C. As stated in the minutes of the Special Meeting, the City Manager "presented a review of the methods used to calculate the prison's new water and sewer rates[.]" See Exhibit C. The other rates adopted at the Special Meeting pertained to contractor permits, fence and retaining wall permits, swimming pool and spa permits, and other building permits. See Exhibit B.

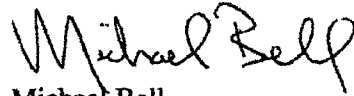
The minutes also provide an explanation of the debt service expenses the City included in its rate study. See Exhibit C. Mr. Cunningham explained that the debt service on the bonds, the proceeds of which were used to extend service to the Prison and improve City streets, "had been structured so that principal payments were back loaded." See Exhibit C. Mr. Cunningham elaborated on the reason to include the debt service expenses in the rate study by saying that "in the beginning the City was only paying interest and very little principal" and "now the City is having large principal payments come due." See Exhibit C.

Therefore, pursuant to TEX. WATER CODE SECTION 13.043(b), MTC protests and appeals the decision of the City to increase the water and sewer rates for the Billy Moore Correctional Center and respectfully requests the Commission review the decision of the City and determine if the newly adopted rates are just and reasonable. As evidenced by the City Council's Special Meeting minutes, held on July 14, 2016, the Prison is the only customer subject to the new rates for commercial customers with six-inch lines. Therefore, the Prison consists of 100% of the ratepayers whose rates have been changed and who are eligible to appeal by virtue of being outside the City's corporate jurisdictional limits as per TEX. WATER CODE SECTION 13.043(b). To the extent there are other customers residing outside of the City's jurisdictional limits, they are not subject to the new rates. The City's newly adopted rates were effective on August 1, 2016, thus this appeal is timely filed. However, MTC and the Prison have not received a written notice from the City regarding the effective date of the rates, the new rate and the location where additional information on the rates can be obtained. We also include a transmittal letter, evidencing that the City shall receive a copy of this protest and appeal.

The undersigned designate Morgan Johnson of McGinnis Lochridge as their representative on this matter and before the Commission and appropriate courts of law. If you have any further questions or additional correspondence regarding this Petition or to the undersigned ratepayer, Management & Training Corporation, please direct it to: Morgan Johnson, 600 Congress Ave., Suite 2100, Austin, TX 78701, 512-495-6030, mjohnson@mcginnislaw.com.

Filing Clerk
October 12, 2016
Page 3

Sincerely,



Michael Bell
Vice President, Regional Operations Corrections
Management & Training Corporation
2995 Dawn Dr., # 106,
Georgetown, TX 78628

Enclosures:

- EXHIBIT A: Email from the City's General Manager to David Hudson, the Warden of the Prison, informing Mr. Hudson that the Prison's Rates must be increased
- EXHIBIT B: Ordinance No. 2016-05-19B, adopted and executed by the City of Overton City Council on July 14, 2016
- EXHIBIT C: Minutes from the City of Overton City Council Special Called Meeting, dated July 14, 2016, which also includes Exhibit B
- EXHIBIT D: Transmittal Letter to the City's Manager, Mr. Charles Cunningham

cc: Mr. Charles Cunningham, City Manager for the City of Overton

EXHIBIT A

David Hudson

From: Charles Cunningham <ccunningham@ci.Overton.tx.us>
Sent: Friday, June 10, 2016 11:24 AM
To: David Hudson
Cc: CR Evans; p.everett@ci.Overton.tx.us; Blake Thompson
Subject: Consideration of Rate Increases for Water and Sewer Services by City Council

David,

I have been working on a rate study for the last several weeks to try and make sure the City's Water and Sewer costs are adequately covered by existing rates for residential and commercial customers. Based on preliminary results of this study, we reviewed some provisional rates with the Council at its last Council meeting but additional data needed to be processed to arrive at more specific recommendations. The proposed changes in rates are going to be considered by the City Council at a meeting to be held on Thursday June 16th.

The rate study itself, was based on average consumption by customer class, over the twelve months ending in April of this year. Monthly billings and collections for the same time frame were also compiled. In the study, costs for water and sewer operations and debt service expenses were allocated based on the percentage of water used by each customer class. It was found that the prison consumes over 30% of the water produced but the City does not receive sufficient payment from the prison to cover its allocated cost of service based on rates currently charged. As a result, the rates charged to the prison must be increased significantly.

I wanted to give you a heads up that this item will be on the agenda for the Council meeting next week. I will also be pleased to meet with you any time next week before the meeting, to go over specifics of the proposed rates and give you an opportunity to ask whatever questions you would like to raise.

You and representatives of your company are of course invited to attend the Council meeting itself where you will be allowed to provide input to the Council on this decision.

Please let me know if you would like to meet next week to discuss this issue.

Regards,

Charles L. Cunningham
City Manager
Tel 903-834-3171
Cell 903-424-9895

EXHIBIT B

Attachment A

City of Overton

ORDINANCE NO. 2016-05-19B

ORDINANCE NO. 2016-05-19B

APPENDIX A
City of Overton - Schedule of Fees

AN ORDINANCE AMENDING ORDINANCE NO. 2014-07-29B - "APPENDIX A" CITY OF OVERTON - SCHEDULE OF FEES, BY UPDATING FEES IMPOSED BY THE CITY FOR WATER AND SEWER AND OTHER CITY SERVICES; CONTAINING A SAVINGS CLAUSE; REPEALING ALL ORDINANCES IN CONFLICT HEREWITH; PROVIDING FOR PUBLICATION AND AN EFFECTIVE DATE

WHEREAS, it is desirable that the departments of the City of Overton providing services to residents and businesses remain on a sound financial basis and said services are provided in a fair and equitable manner; and

WHEREAS, it is necessary that the provisions, policies and fees for the services provided by the City be amended in order that departments of the City of Overton remain on a sound financial basis and provide said services in a fair and equitable manner; and

WHEREAS, an analysis was made of certain water and sewer rates for "Commercial 3" customers that are designed to cover the costs of services to this class of customer in a fair and equitable manner based on the demands said customer places on the system; and

WHEREAS, an analysis was made of certain permits required for construction projects performed within the City of Overton to determine appropriate fees to cover the costs of processing the permits and maintaining required records for said projects;

NOW THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF OVERTON, TEXAS;

SECTION 11: That the City of Overton hereby adopts amendments to Section K.4, subsection K.4.1 and K.4.2 (Water Rates - Commercial 3: Meter size $\geq 6"$); Section N.4, subsections N.4.1 and N.4.2 (Sewer Rates - Commercial 3: Meter size $\geq 6"$); Section U.3 (Contractor Permits)- subsections U.3.1 through U.3.5; Section U.4 (Fence and Retaining Wall Permits)- subsection U.4.1; Section U.6 (Swimming Pool and Spa Permits)- subsections U.6.1 through U.6.3; and Section U.7 (Building Permits) - subsections U.7.1 and U.7.2 of the schedule of fees attached hereto and incorporated herein as Exhibit "A", updating fees imposed by the city for water, sewer and other city permitting services.

SECTION 21: That this Ordinance shall be and is hereby declared to be cumulative of all other Ordinances of the City of Overton, and this Ordinance shall not operate to repeal or affect the Code of Ordinances of the City of Overton or any Ordinances except insofar as the provisions thereof might be inconsistent or in conflict with the provisions of this Ordinance, in which event such conflicting provisions, if any, in such Code of Ordinances are hereby repealed. That all

City of Overton

ORDINANCE NO. 2016-05-19B

ordinances or parts of ordinances in conflict herewith be, and the same are hereby, repealed to the extent of such conflict.

SECTION 3: Should any provision of the Ordinance be held invalid or unconstitutional the remainder of such Ordinance shall not be deemed to affect the validity of any other provision of said Ordinance.

SECTION 4: That the provision of all City services outside the city limits, including sewer and garbage, as they may be available, are allowed, only when they accompany an active water meter account, within the same guidelines as are required for those services provided within the city limits of the City of Overton.

SECTION 5: The City Secretary is hereby authorized and directed to cause the publication of the descriptive caption and penalty clauses of this Ordinance as an alternative method of publication provided by law.

SECTION 6: This Ordinance shall take effect August 1, 2016.

PRESENTED ON FIRST READING on the 19th day of May, 2016

PRESENTED ON SECOND READING AND APPROVED ON THIS 14th DAY OF July, 2016 BY A VOTE OF 3 AYES, 1 NAYS, 0 ABSTENTIONS, AT A REGULAR CALLED MEETING OF THE CITY COUNCIL OF THE CITY OF OVERTON, TEXAS.

CITY OF OVERTON

C.R. Evans, Jr.
C.R. Evans, Jr., Mayor



ATTEST:
Richard Gafford
Richard Gafford, City Secretary

APPROVED AS TO FORM AND LEGALITY:

Blake Thompson
Blake Thompson, City Attorney

City of Overton

ORDINANCE NO. 2016-05-19B

EXHIBIT A

“APPENDIX A”

CITY OF OVERTON
SCHEDULE OF FEES
As amended herein

APPENDIX A
CITY OF OVERTON - SCHEDULE OF FEES
ORD. NO. 2014-07-29B
Amended by ORDINANCE 2016-05-19B

SECTION	ACTIVITY	FEES, RATES OR CHARGES Charges Effective 6/30/2016	ORD. NO. Amending Ordinance
K	WATER RATES		
K.4	COMMERCIAL 3/4 METER SIZE ≥ 6"		
K.4.1	Base Rate - Consumption in billing period of < 1,000,000 gallons	\$7,994.50	2016-05-19B
K.4.2	Volume Rate - per 1,000 gallons of consumption in billing period in excess of 1,000,000 gallons	\$4.75 per 1,000 gal. \$5.20 per 1,000 gal.	2016-05-19B
N	SEWER RATES		
N.4	COMMERCIAL 3/4 METER SIZE ≥ 6"		
N.4.1	Base Rate - Consumption in billing period of < 1,000,000 gallons	\$7,994.50	2016-05-19B
N.4.2	Volume Rate - per 1,000 gallons of consumption in billing period in excess of 1,000,000 gallons	\$4.75 per 1,000 gal. \$6.00 per 1,000 gal.	2016-05-19B
U.3	CONTRACTOR PERMITS		
U.3.1	Electrical Permit - Fee is based on per inspection required <i>Electrical Rough - Electrical Power - Electrical Final</i>	Charges Effective 7/31/2016 \$10.00 per \$1,000 of cost of work to be performed (\$75.00 Minimum Fee)	1st Inspection - \$75.00 2nd Inspection - \$65.00 3rd Inspection - \$65.00 2016-05-19B
U.3.2	Irrigation Permit - Fee is based on per inspection required	\$10.00 per \$1,000 of cost of work to be performed (\$75.00 Minimum Fee)	1st Inspection - \$75.00 2nd Inspection - \$65.00 3rd Inspection - \$65.00 2016-05-19B
U.3.3	Mechanical Permit - Fee is based on per inspection required <i>Mechanical Rough - Mechanical Final</i>	\$10.00 per \$1,000 of cost of work to be performed (\$75.00 Minimum Fee)	1st Inspection - \$75.00 2nd Inspection - \$65.00 3rd Inspection - \$65.00 2016-05-19B
U.3.4	Plumbing Permit - Fee is based on per inspection required <i>Plumbing Rough - Plumbing Top Out - Plumbing Final</i>	\$10.00 per \$1,000 of cost of work to be performed (\$75.00 Minimum Fee)	1st Inspection - \$75.00 2nd Inspection - \$65.00 3rd Inspection - \$65.00 2016-05-19B
U.3.5	Private Sewer System Permit - Fee is based on per inspection	\$10.00 per \$1,000 of cost of work to be performed (\$75.00 Minimum Fee)	1st Inspection - \$75.00 2nd Inspection - \$65.00 3rd Inspection - \$65.00 2016-05-19B
U.3.6	Water Heater Permit	\$75.00	2016-05-19B
U.3.7	Gas Test	\$75.00	2016-05-19B

Adopting Ordinance - 2014-07-29B
Amending Ordinance - 2014-11-20A
Amending Ordinance - 2015-01-15A
Amending Ordinance - 2015-12-17A
Amending Ordinance - 2016-05-19C
Amending Ordinance - 2016-05-19B

**APPENDIX A
CITY OF OVERTON - SCHEDULE OF FEES**

ORD. NO. 2014-07-29B

SECTION	ACTIVITY	FEES, RATES OR CHARGES	ORD. NO.
U.3.8	Reset Electric Meter Gas Meter	\$10.00 per \$1,000 of cost of work to be performed (\$75.00 Minimum Fee)	2016-05-19B
U.3.9	HVAC Change Out	\$10.00 per \$1,000 of cost of work to be performed (\$75.00 Minimum Fee)	2016-05-19B
SECTION U.4 FENCE & RETAINING WALL PERMITS			
U.4.1	Residential Fence over 7'	Charge Effective 6/30/2016 \$50.00	Amending Ordinance 8/1/2016
U.4.1	Residential Fence over 7'	Charge Effective 8/1/2016 \$75.00	2016-05-19B
SECTION U.6 SWIMMING POOL & SPA PERMITS			
U.6.1	In Ground Swimming Pool	Charge Effective 7/1/2016 \$150.00	Amending Ordinance 7/1/2016
U.6.2	Permanent - Above Ground Swimming Pool (over 24" deep)	\$150.00 + 30% Plan Review Fee	2016-05-19B
U.6.3	Temporary - Above Ground Swimming Pool (over 24" deep)	\$75.00 + 30% Plan Review Fee	2016-05-19B
U.6.4	Spa Permit	New \$75.00	2016-05-19B
U.6.4	Spa Permit	Plan Review Fee \$75.00 - 30%	2016-05-19B
SECTION U. BUILDING PERMITS (Cont.)			
U.7	OTHER PERMITS	Charge Effective 7/31/2016	Amending Ordinance 8/1/2016
U.7.1	Certificate of Occupancy	\$100.00	2016-05-19B
U.7.2	Operating a Business without a Certificate of Occupancy	\$200.00	2016-05-19B

TABLE 1: BUILDING PERMIT FEES

TOTAL JOB VALUATION	PERMIT FEE
\$1.00 to \$500.00	\$75.00
\$500.00 to \$1,000.00	\$100.00 for the first \$500.00 plus \$8.33 for each additional \$100.00, or fraction thereof, to and including \$1,000.00
\$1,000.00 to \$25,000.00	\$125.00 for the first \$1,000.00 plus \$14.00 for each additional \$1,000.00, or fraction thereof, to and including \$25,000.00
\$25,000.00 to \$50,000.00	\$400.00 for the first \$25,000.00 plus \$10.00 for each additional \$1,000.00, or fraction thereof, to and including \$50,000.00
\$50,000.00 to \$100,000.00	\$875.00 for the first \$50,000.00 plus \$7.50 for each additional \$10,000.00, or fraction thereof, to and including \$100,000.00
\$100,000.00 to \$250,000.00	\$1,400.00 for the first \$100,000.00 plus \$5.00 for each additional \$50,000.00, or fraction thereof, to and including \$250,000.00
\$250,000.00 to \$500,000.00	\$2,450.00 for the first \$250,000.00 plus \$3.00 for each additional \$100,000.00, or fraction thereof, to and including \$500,000.00
\$500,000.00 to \$1,000,000.00	\$5,850.00 for the first \$500,000.00 plus \$3.00 for each additional \$100,000.00, or fraction thereof, to and including \$1,000,000.00
\$1,000,000.00 and up	\$10,000.00, or fraction thereof
OTHER INSPECTIONS & FEES	
Inspections outside normal business hours (Minimum 2 hour charge)	\$5.00 per hour
Re-inspection Fee	\$5.00 per hour
Inspection for which no fee is specifically indicated (Minimum one-half hour)	\$5.00 per hour
Additional plan review required by changes, additions or revisions to plans	\$550.00 Commercial & Multi-Family
For use of outside consultants for plan review and inspection or both	\$100.00 Residential
Actual Costs	

EXHIBIT C



SPECIAL CALLED CITY COUNCIL MEETING
July 14, 2016

MINUTES OF THE SPECIAL CALLED MEETING OF THE CITY COUNCIL OF THE CITY OF OVERTON, TEXAS THAT WAS HELD JULY 14, 2016 AT 7:00 P.M. PM IN THE COUNCIL CHAMBER, CITY HALL, 1200 SOUTH COMMERCE, OVERTON, TEXAS.

PRESENT:

C. R. Evans Jr., Mayor
Philip Cox, Mayor Pro Tem
Jerry Clark
John Posey
Michael Paul Williams

ABSENT:

Lawrence Davis

Also in attendance were Charles Cunningham, City Manager; Rachél Gafford, City Secretary, Pamela Raney, Finance Director and Clyde Carter, Chief of Police representing staff; Michael Bell representing MTC., and Dudley Hickman representing the public.

I. CALL TO ORDER – Mayor Evans called the meeting to order at 7:00 p.m.

1. Invocation was given by Councilman Posey.
2. Pledge of Allegiance was led by Councilman Williams.

II. CITIZEN FORUM - No one spoke**III. CITIZEN'S REQUEST** – There were no requests to be heard.**IV. CONSENT AGENDA**

1. Approval of the Minutes of a Special Called Joint Workshop of the Overton City Council and the Overton Municipal Development District held on June 12, 2016.
2. Approval of the Minutes of a Regular Meeting of the Overton City Council held on June 19, 2016.
3. Approval of **Resolution No. 2016-06-16A**; A Resolution of the City Council of the City of Overton, Texas, to ratify action of the Overton City Council to move the July 2016 Regular Called City Council Meeting from Thursday, July 21, 2016 to Thursday, July 14, 2016.

Mayor Pro Tem Cox made a motion to approve the Consent Agenda as submitted.

Councilman Posey seconded the motion.

Mayor Evans called for a vote.

Motion carried 4 – 0 – 0; Councilman Davis absent.

Mayor Evans asked the Council members if there were no objections; the next item for discussion would be Item # VI.2

Mayor Evans introduced Agenda item VI.2 by reading the caption, then stated that consideration would begin with a report from the City Manager.

1. VI.2. City Council to hear, review, consider and/or take action on second reading of **Ordinance No. 2016-05-19B**; an Ordinance amending Ordinance No. 2014-07-29B "Appendix A" City of Overton- Schedule of Fees, by updating fees imposed by the City for Water and Sewer Service and other services; containing a severability clause; repealing all ordinances in conflict herewith; providing for publication and an effective date.

City Manager Cunningham quickly presented a review of the methods used to calculate the prison's new water and sewer rates stating that he had originally included the entire cost of the bonds sold for extending services to the prison not realizing that a portion of the bonds went specifically for street improvements. The revised calculations used lower costs for debt service than were presented at the last meeting.

- *The new proposed water base rate for the prison would be \$10,139.00 (an increase of 27%) and the volume rate would increase to \$5.20 (an increase of 10%).*
- *The new proposed sewer base rate for the prison would be \$11,145.00 (an increase of 52%) and the volume rate would increase to \$6.00 (an increase of 52%).*

Michael Bell, MTC, stated that he just wanted to go on the record stating that he believes it to be unfair and unjust for a single business to incur this type of percentage increase. Mr. Bell further requested another postponement by council of the rate increases until the City could hire an outside independent entity to do a rate study

Councilman Posey asked Mr. Bell what he felt like would be a fair increase.

Mr. Bell responded that he thought it would only be fair to spread the debt of the bonds across all the consumers of water and sewer services provided by the City.

City Manager Cunningham responded that the debt service on the bonds had been structured so that principal payments were back loaded. In the beginning the City was only paying interest and very little for principal. Now the City is having large principal payments come due. Cunningham went on to say that there is some relief on the horizon. Once the City is able to complete the audits it will be able to refinance the debt and lower annual debt service requirements. Cunningham further stated that he is in the process of setting up a computation model that will run all of the water and sewer customers against this same module each year to determine where the water and sewer rates should be.

Councilman Posey asked Mr. Bell what was the State's response.

Mr. Bell responded that the State felt that since the City had requested that a facility be built here in the community then the City should not expect the State and the Management Company to take on the full responsibility of the debt incurred of brining the facility to the community.

Councilman Posey asked City Manager Cunningham how much more time would City Staff need to complete the audits and be able to rerun the computation module across all the classes of customers?

City Manager Cunningham responded that it should be another six to twelve months.

Councilman Clark asked if we could reduce the increase amounts on the prison to a 10% increase on Water and a 25% increase on the Sewer.

City Manager Cunningham stated that the City Council sets the rates; however, staff provides a recommendation of what the rates need to be in order to maintain the water and sewer systems and supply these city services to its customers.

Councilman Posey made a motion to approve Ordinance No. 2016-05-19B Amending the Schedule of Fees; Appendix A of the City of Overton Code of Ordinances with the proposed rate increases as submitted with the stipulation that within the next twelve (12) months that the water and sewer rates be reevaluated for all classes of customers and if any reduction in rates are due to anyone that city staff present an ordinance that will lower the rates accordingly.

Councilman Williams seconded the motion.

Mayor Evans called for discussion from Council.

Mayor Pro Tem Cox asked if the Council should not delay the vote for another thirty (30) days.

City Manager Cunningham responded there is no reason to delay the vote; there is no more data at this point to review that would impact this recommendation.

Mayor Evans called for any additional comments or discussion.

There being no further discussion, the Mayor called for a vote.

Motion carried 3 – 1 – 0; Councilman Clark Opposed and Councilman Davis absent.

V. PUBLIC HEARING

- **Mayor Evans opened the public hearing at 7:35 p.m.**

Mayor Evans introduced Agenda item V.1 by reading the caption, then stated that consideration would begin with a report from the City Secretary.

1. **City Council to hear public comments regarding first reading of Ordinance No. 2016-DRAFT; an Ordinance of the City Council of the City of Overton, Texas; an Ordinance amending Ordinance No. 2014-10-07A Chapter 96 City of Overton Zoning Ordinance; Section 6; District "SF" Single Family Residential and Section 7; District "MF" Multi-Family Residential, by adding Minimum Area Per Dwelling Unit Standards; and amending Section 2.34, the definition of Multiple-Family Dwelling, providing for a penalty of up to \$500.00, as defined in Appendix B "Schedule of**

Mayor Evans asked the Council members if there were no objections; the next item for discussion would be Item # VI.2

Mayor Evans introduced Agenda item VI.2 by reading the caption, then stated that consideration would begin with a report from the City Manager.

1. VI.2. City Council to hear, review, consider and/or take action on second reading of Ordinance No. 2016-05-19B; an Ordinance amending Ordinance No. 2014-07-29B "Appendix A" City of Overton- Schedule of Fees, by updating fees imposed by the City for Water and Sewer Service and other services; containing a severability clause; repealing all ordinances in conflict herewith; providing for publication and an effective date.

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Mr. Bell responded that the State felt that since the City had requested that a facility be built here in the community then the City should not expect the State and the Management Company to take on the full responsibility of the debt incurred of bringing the facility to the community.

Councilman Posey asked City Manager Cunningham how much more time would City Staff need to complete the audits and be able to rerun the computation module across all the classes of customers?

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Councilman Clark asked if we could reduce the increase amounts on the prison to a 10% increase on Water and a 25% increase on the Sewer.

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Councilman Williams seconded the motion.

Mayor Evans called for discussion from Council.

Mayor Pro Tem Cox asked if the Council should not delay the vote for another thirty (30) days.

City Manager Cunningham responded there is no reason to delay the vote; there is no more data at this point to review that would impact this recommendation.

Mayor Evans called for any additional comments or discussion.

There being no further discussion, the Mayor called for a vote.

Motion carried 3 – 1 – 0; Councilman Clark Opposed and Councilman Davis absent.

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- **Mayor Evans opened the public hearing at 7:35 p.m.**

Mayor Evans introduced Agenda item V.1 by reading the caption, then stated that consideration would begin with a report from the City Secretary.

1. City Council to hear public comments regarding **first** reading of **Ordinance No. 2016-DRAFT**; an Ordinance of the City Council of the City of Overton, Texas; an Ordinance amending Ordinance No. 2014-10-07A Chapter 96 City of Overton Zoning Ordinance; Section 6; District "SF" Single Family Residential and Section 7; District "MF" Multi-Family Residential, by adding Minimum Area Per Dwelling Unit Standards; and amending Section 2.34, the definition of Multiple-Family Dwelling, , providing for a penalty of up to \$500.00, as defined in Appendix B "Schedule of

Fines” of the Overton Code of Ordinances, a repealer, a severability clause, providing for publication and an effective date.

City Secretary Gafford presented staff report.

Mayor Evans recognized Dudley Hickman, 610 Garland Street, to address City Council.

Dudley Hickman opened by stating that he wanted to be sure that City Council was aware that when the Council had adopted the Zoning Ordinance amendment with the Allowable Use Schedule in it in 2014 that a Manufactured Modular Home was defined under section 30.2.10 and that they would only be allowed in a Manufactured Home Park (or zoning district). He went on to say that wouldn't the “Tiny House” that was moved in on Lamar Street meet that definition.

City Secretary Gafford responded not necessarily, there would be several factors that may cause this not to meet a “Manufactured Modular Home”; however, the proposed Ordinance to limit the size dwelling living area allowable being added to the Zoning Ordinance would better protect property owners property valuations.

City Gafford stated that the Planning and Zoning Commission, has voted to make a recommendation to City Council for approval of Ordinance No. 2016-08-18A; 4 – 0 -0; with the proposed minimum size dwelling living area for Single Family Residential and Multi-Family Residential zoning districts to be as follows:

Section 6.05 – MINIMUM AREA PER DWELLING UNIT”

Zoning District	Lot Size	Minimum Sq. Ft. of Living Area	Maximum Building(s) Footprint
SF	Lots with 6,000 sq. ft. or more	1,000 sq. ft.	40% lot coverage
SF	Lots with less than 6,000 sq. ft.	750 sq. ft.	40% lot coverage

That Section 7.05 of the Comprehensive Zoning Ordinance of the City of Overton shall be hereby amended to add the following:

“Section 7.05 – MINIMUM AREA PER DWELLING UNIT”

Zoning District	Lot Size	Minimum Sq. Ft. of Living Area	Maximum Building(s) Footprint
MF	Lots with 6,000 sq. ft. or more	600 sq. ft. per dwelling unit (each additional bedroom must be a minimum of 100 additional sq. ft.)	40% lot coverage
MF	Lots with less than 6,000 sq. ft.	500 sq. ft. per dwelling unit; (each additional bedroom must be a minimum of 100	40% lot coverage

		additional sq. ft.)	
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- *Mayor Evans closed the public hearing at 7:47 p.m. OLD BUSINESS*

VI. OLD BUSINESS

1. Present revised meeting schedule for the City Council as updated July 8, 2016.

City Manager Cunningham presented the revised meeting calendar through August to Council.

City Council discussed the meeting schedule and determined that a quorum should be able to be met for each of the August meetings.

- a *Mayor asked if anyone needed to request a leave of absence from any Council Member for future meetings.*

Mayor Pro Tem Cox stated that he would have to look at his September calendar for conflicts but would contact City Secretary Gafford if he had any work conflicts with the September schedule.

VII. NEW BUSINESS

1. City Council to hear, review, consider and/or take action on **Resolution No. 2016-07-14A**; a Resolution to authorize the City of Overton to join The Local Government Cooperative by executing an Inter-local Participation Agreement as authorized by Section 271.101, et seq., of the Texas Local Government Code.

Mayor Evans introduced Agenda item VII.1 by reading the caption, then stated that consideration would begin with a report from the City Manager.

City Manager Cunningham stated that this Resolution would authorize the Mayor, on behalf of the City, to renew our membership with the Buy Board to avoid having to go out to bid on certain purchasing items if listed on the Buy Board.

Councilman Williams offered a motion to approve the Resolution No. 2016-07-14A as presented.

Mayor Pro Tem Cox seconded the motion.

Mayor Evans called for discussion, no discussion

Mayor Evans called for a vote.

Motion carried 4 - 0 - 0; Councilman Davis absent.

2. City Council to hear, review, consider and/or take action on **Resolution No. 2016-07-14B**; a Resolution authorizing the City's application to the Texas Facilities Commission Federal Surplus Property Program (FSP) for the purpose of purchasing surplus federal property through said program.

Mayor Evans introduced Agenda item VII.2 by reading the caption, then stated that consideration would begin with a report from the City Manager.

City Manager Cunningham stated that this Resolution would authorize the Mayor, on behalf of the City, to renew our membership in the Federal Surplus Property Program to purchased used Federal Surplus Equipment (such as Generators).

Mayor Pro Tem Cox offered a motion to accept the Resolution No. 2016-07-14B as presented.

Councilman Posey seconded the motion.

Mayor Evans called for discussion; there was no discussion.

Mayor Evans called for a vote.

Motion carried 4 – 0 - 0; Councilman Davis absent.

3. City Council to hear, review, consider and/or take action on **Resolution No. 2016-07-14C**; a Resolution authorizing the Mayor to execute the Section 125 Flex Plan Service Agreement with TML Multistate intergovernmental Employee Benefits Pool for the Plan Year October 1, 2016 at 12:01 A.M. through September 30, 2017.

Mayor Evans introduced Agenda item VII.3 by reading the caption, then stated that consideration would begin with a report from the City Secretary.

City Secretary Gafford stated that this Resolution would authorize the Mayor, on behalf of the City, to implement the Flexible Spending Plan for the Employees insurance that was voted on by Council in June. The resolutions were not submitted for approval by TML_IEBP in June.

Councilman Posey offered a motion to accept the Resolution No. 2016-07-14C as presented.

Mayor Pro Tem Cox seconded the motion.

Mayor Evans called for discussion; there was no discussion.

Mayor Evans called for a vote.

Motion carried 4 – 0 - 0; Councilman Davis absent.

4. City Council to hear, review, consider and/or take action on **Resolution No. 2016-07-14D**; a Resolution authorizing the Mayor to execute the Cobra Continuation of Coverage Agreement with TML Multi-state Intergovernmental Employee Benefits Pool for Coverage Year October 1, 2016 at 12:01 A.M. through September 30, 2017.

Mayor Evans introduced Agenda item VII.4 by reading the caption, then stated that consideration would begin with a report from the City Secretary.

City Secretary Gafford stated that this Resolution would authorize the Mayor, on behalf of the City, to implement an Agreement with TML_IEBP to administer the (COBRA) Continuation of Coverage mandate to offer coverage to employees who separate from employment from the City.

Mayor Pro Tem Cox offered a motion to accept the Resolution No. 2016-07-14D as presented.

Councilman Posey seconded the motion.

Mayor Evans called for discussion; there was no discussion.

Mayor Evans called for a vote.

Motion carried 4 - 0 - 0; Councilman Davis absent.

VIII. CITY ADMINISTRATION'S MONTHLY REPORTS

1. Fire Department Monthly Report
2. Police Department Monthly
3. Department of Finance Monthly Report
4. City Manager's Monthly Report

City Manager Cunningham presented monthly departmental reports.

No Action Taken

VIII. ADJOURNMENT

Councilman Clark made a motion to adjourn.

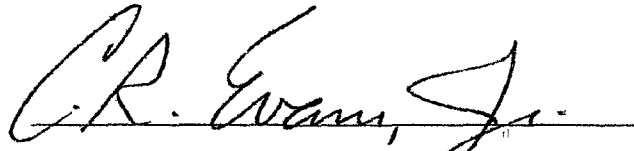
Councilman Posey seconded the motion.

Mayor Evans called for a vote.

Motion carried 4 - 0 - 0; Councilman Davis absent.

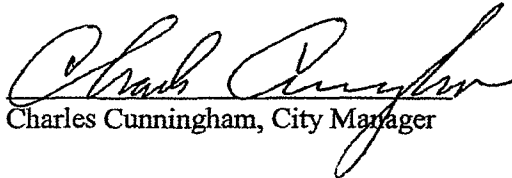
With no further business, the meeting was adjourned at 8:20 P. M.

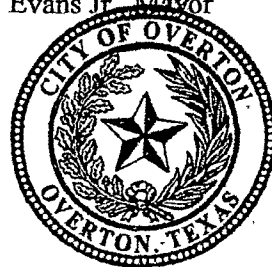
Minutes approved and submitted and/or corrected this 11th day of August, 2016.



C. R. Evans Jr., Mayor

Attested by:


Charles Cunningham, City Manager





Attachment A

City of Overton

ORDINANCE NO. 2016-05-19B

ORDINANCE NO. 2016-05-19B

APPENDIX A
City of Overton - Schedule of Fees

AN ORDINANCE AMENDING ORDINANCE NO. 2014-07-29B - "APPENDIX A" CITY OF OVERTON - SCHEDULE OF FEES, BY UPDATING FEES IMPOSED BY THE CITY FOR WATER AND SEWER AND OTHER CITY SERVICES; CONTAINING A SAVINGS CLAUSE; REPEALING ALL ORDINANCES IN CONFLICT HEREWITH; PROVIDING FOR PUBLICATION AND AN EFFECTIVE DATE

WHEREAS, it is desirable that the departments of the City of Overton providing service to residents and businesses remain on a sound financial basis and said services are provided in a fair and equitable manner; and

WHEREAS, it is necessary that the provisions, policies and fees for the services provided by the City be amended in order that departments of the City of Overton remain on a sound financial basis and provide said services in a fair and equitable manner; and

WHEREAS, an analysis was made of certain water and sewer rates for "Commercial 3" customers that are designed to cover the costs of services to this class of customer in a fair and equitable manner based on the demands said customer places on the system; and

WHEREAS, an analysis was made of certain permits required for construction projects performed within the City of Overton to determine appropriate fees to cover the costs of processing the permits and maintaining required records for said projects;

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF OVERTON, TEXAS;

SECTION 1: That the City of Overton hereby adopts amendments to Section K.4, subsection K.4.1 and K.4.2 (Water Rates - Meter size \geq 6"); Section N.4, subsections N.4.1 and N.4.2 (Sewer Rates - Commercial 3; Meter size \geq 6"); Section U.3 (Contractor Permits)- subsections U.3.1 through U.3.9; Section U.4 (Fence and Retaining Wall Permits)- subsection U.4; Section U.6 (Swimming Pool and Spa Permits)- subsections U.6.1 through U.6.3; and Section U.7 (Building Permits) - subsections U.7.1 and U.7.2 of the schedule of fees attached hereto and incorporated herein as Exhibit "A", updating fees imposed by the city for water, sewer and other city permitting services.

SECTION 2: That this Ordinance shall be and is hereby declared to be cumulative of all other Ordinances of the City of Overton, and this Ordinance shall not operate to repeal or affect the Code of Ordinances of the City of Overton or any Ordinances except insofar as the provisions thereof might be inconsistent or in conflict with the provisions of this Ordinance, in which event such conflicting provisions, if any, in such Code of Ordinances are hereby repealed. That all

City of Overton

ORDINANCE NO. 2016-05-19B

ordinances or parts of ordinances in conflict herewith be, and the same are hereby, repealed to the extent of such conflict.

SECTION 3: Should any provision of the Ordinance be held invalid or unconstitutional the remainder of such Ordinance shall not be deemed to affect the validity of any other provision of said Ordinance.

SECTION 4: That the provision of all City services outside the city limits, including sewer and garage, as they may be available, only when they accompany an active water meter account, within the same guidelines as are required for those services provided within the city limits of the City of Overton.

SECTION 5: The City Secretary is hereby authorized and directed to cause the publication of the descriptive caption and penalty clauses of this Ordinance as an alternative method of publication provided by law.

SECTION 6: This Ordinance shall take effect August 1, 2016.

PRESENTED ON FIRST READING on the 12th day of Nov. 2016

PRESENTED ON SECOND READING AND APPROVED ON THIS 14th DAY OF July, 2016 BY A VOTE OF 3 AYES, 1 NAYS, 0 ABSTENTIONS, AT A REGULAR CALLED MEETING OF THE CITY COUNCIL OF THE CITY OF OVERTON, TEXAS.

CITY OF OVERTON

C.R. Evans, Jr.
C.R. Evans, Jr., Mayor



ATTEST:
Richard Gafford
Richard Gafford, City Secretary

APPROVED AS TO FORM AND LEGALITY:

Blake Thompson
Blake Thompson, City Attorney

City of Overton

ORDINANCE NO. 2016-05-19B

EXHIBIT A

“APPENDIX A”

CITY OF OVERTON
SCHEDULE OF FEES
As amended herein

APPENDIX A
CITY OF OVERTON - SCHEDULE OF FEES
ORD. NO. 2014-07-29B

Amended by ORDINANCE 2016-05-19B

SECTION	ACTIVITY	FEES, RATES OR CHARGES	ORD. NO.
K	WATER RATES	Charge Effective 8/1/2016	Amending Ordinance
K.4	COMMERCIAL 3/4" METER SIZE \geq 6"		
K.4.1	Base Rate - Consumption in billing period of \leq 1,000,000 gallons	\$7,994.50	2016-05-19B
K.4.2	Volume Rate - per 1,000 gallons of consumption in billing period in excess of 1,000,000 gallons	\$4.75 per 1,000 gal. \$5.20 per 1,000 gal.	2016-05-19B

SECTION	ACTIVITY	FEES, RATES OR CHARGES	ORD. NO.
N	SEWER RATES	Charge Effective 7/31/2016	Amending Ordinance
N.4	COMMERCIAL 3/4" METER SIZE \geq 6"		
N.4.1	Base Rate - Consumption in billing period of \leq 1,000,000 gallons	\$7,994.50	2016-05-19B
N.4.2	Volume Rate - per 1,000 gallons of consumption in billing period in excess of 1,000,000 gallons	\$4.75 per 1,000 gal. \$6.00 per 1,000 gal.	2016-05-19B

SECTION	ACTIVITY	FEES, RATES OR CHARGES	ORD. NO.
U.3	CONTRACTOR PERMITS	Charge Effective 7/31/2016	Amending Ordinance
U.3.1	Electrical Permit - Fee is based on per inspection required <i>Electrical Rough - Electrical Power - Electrical Final</i>	\$10.00 per \$1,000 of cost of work to be performed 1st Inspection - \$75.00 2nd Inspection - \$45.00 3rd Inspection - \$65.00	2016-05-19B
U.3.2	Irrigation Permit - Fee is based on per inspection required	\$10.00 per \$1,000 of cost of work to be performed 1st Inspection - \$75.00 2nd Inspection - \$45.00 3rd Inspection - \$65.00	2016-05-19B
U.3.3	Mechanical Permit - Fee is based on per inspection required <i>Mechanical Rough - Mechanical Final</i>	\$10.00 per \$1,000 of cost of work to be performed 1st Inspection - \$75.00 2nd Inspection - \$45.00 3rd Inspection - \$65.00	2016-05-19B
U.3.4	Plumbing Permit - Fee is based on per inspection required <i>Plumbing Rough - Plumbing Top Out - Plumbing Final</i>	\$10.00 per \$1,000 of cost of work to be performed 1st Inspection - \$75.00 2nd Inspection - \$45.00 3rd Inspection - \$65.00	2016-05-19B
U.3.5	Private Sewer System Permit - Fee is based on per inspection	\$10.00 per \$1,000 of cost of work to be performed 1st Inspection - \$75.00 2nd Inspection - \$45.00 3rd Inspection - \$65.00	2016-05-19B
U.3.6	Water Heater Permit	\$75.00	2016-05-19B
U.3.7	Gas Test	\$75.00	2016-05-19B

Adopting Ordinance - 2014-07-29B
Amending Ordinance - 2014-11-20A
Amending Ordinance - 2015-01-15A
Amending Ordinance - 2015-12-17A
Amending Ordinance - 2016-05-19C
Amending Ordinance - 2016-05-19B

APPENDIX A
CITY OF OVERTON - SCHEDULE OF FEES
ORD. NO. 2014-07-29B

U.S.8	Reset Electric Meter, Gas Meter	\$10.00 per \$1,000 of cost of work in the performed (\$75.00 Minimum Fee)	\$75.00	2016-05-19B
U.S.9	HVAC Change Out	\$10.00 per \$1,000 of cost of work to be performed (\$75.00 Minimum Fee)	\$75.00	2016-05-19B

SECTION	ACTIVITY	FEEs, RATES OR CHARGES	ORD. NO.
U.4	FENCE & RETAINING WALL PERMITS	Charges Effective 6/1/2016	Amending Ordinance
U.4.1	Residential Fence over 7'	\$50.00	2016-05-19B

SECTION	ACTIVITY	FEEs, RATES OR CHARGES	ORD. NO.
U.6	SWIMMING POOL & SPA PERMITS	Charges Effective 7/1/2016	Amending Ordinance
U.6.1	In Ground Swimming Pool	\$150.00 \$150.00 + 30% Plus Review Fee	2016-05-19B
U.6.2	Permanent - Above Ground Swimming Pool (over 24" deep)	\$75.00	2016-05-19B
U.6.3	Temporary - Above Ground Swimming Pool (over 24" deep)	New \$25.00 Plus Review Fee	2016-05-19B
U.6.4	Spa Permit	\$75.00 - 30% Plus Review Fee	2016-05-19B

SECTION	ACTIVITY	FEEs, RATES OR CHARGES	ORD. NO.
U	BUILDING PERMITS (Cont.)	Charges Effective 7/1/2016	Amending Ordinance
U.7	OTHER PERMITS		
U.7.1	Certificate of Occupancy	\$100.00	2016-05-19B
U.7.2	Operating a Business without a Certificate of Occupancy	\$200.00	2016-05-19B

TABLE 1: BUILDING PERMIT FEES

TOTAL JOB VALUATION		PERMIT FEE
\$1,000.00 to \$500.00		\$75.00
\$500.00 to \$1,000.00		\$100.00 for the first \$500.00 plus \$3.25 for each additional \$100.00, or fraction thereof, to and including \$1,000.00
\$1,000.00 to \$2,000.00		\$150.00 for the first \$1,000.00 plus \$1.00 for each additional \$100.00, or fraction thereof, to and including \$25,000.00
\$2,000.00 to \$25,000.00		\$405.00 for the first \$2,000.00 plus \$10.00 for each additional \$100.00, or fraction thereof, to and including \$50,000.00
\$25,000.00 to \$50,000.00		\$675.00 for the first \$25,000.00 plus \$7.50 for each additional \$100.00, or fraction thereof, to and including \$100,000.00
\$50,000.00 to \$100,000.00		\$1,045.00 for the first \$50,000.00 plus \$5.90 for each additional \$100.00, or fraction thereof, to and including \$500,000.00
\$100,000.00 to \$500,000.00		\$3,954.00 for the first \$100,000.00 plus \$5.00 for each additional \$100.00, or fraction thereof, to and including \$1,000,000.00
\$500,000.00 to \$1,000,000.00		\$5,838.00 for the first \$500,000.00 plus \$3.35 for each additional \$100.00, or fraction thereof
\$1,000,000.00 and over		\$100.00 or, at fraction thereof
OTHER INSPECTIONS & FEES		
Pre-project site outside normal business hours (minimum 2 hour charge)		75.00 per hour
Inspection for vehicle not specifically indicated on schedule		75.00 per hour
Additional site review required by city, state, or federal agencies for the purpose of obtaining a permit for use of outside consultants for plan review and inspections or both		75.00 per hour \$150.00 Consultant & Sub-Fee \$100.00 Residential Actual Costs

Attachment B

RESOLUTION NO. 2016-07-14A



BOARD RESOLUTION

of
CITY OF OVERTON, TEXAS
(Name of Local Government)

Cooperative Member

WHEREAS, the City of Overton, Texas (hereinafter "Cooperative Member") desires to participate in a local government cooperative purchasing program pursuant to the authority granted by Chapter 791 of the Texas Government Code, the Interlocal Cooperation Act ("Act");

WHEREAS, the City of Overton, Texas has elected to be a Cooperative Member in the The Local Government Purchasing Cooperative ("Cooperative"), a local government purchasing cooperative program created by local governments in accordance with and pursuant to the Act and Section 271.101, et seq., of the Texas Local Government Code;

WHEREAS, the Cooperative Member, is of the opinion that participation in the Cooperative's purchasing program will be highly beneficial to the taxpayers of the local government through the efficiencies and potential savings to be realized; and

WHEREAS, the Cooperative Member desires to participate and join with other local governments in an Interlocal Participation Agreement ("Agreement") for the purposes of fulfilling and implementing their respective public and governmental purposes, needs, objectives, programs, functions and services;

NOW, THEREFORE, BE IT RESOLVED, that the Cooperative Member requests that the Cooperative include its stated needs for all categories, including but not limited to, instructional, maintenance, custodial, and food service goods and services, in the Cooperative's purchasing program and select vendors for those items, whereby the Cooperative Members may be allowed to purchase those items from the Cooperative's contracts; and that Cooperative is authorized to sign and deliver necessary requests and other documents in connection therewith for and on behalf of the Cooperative Members that have elected to participate.

FURTHER, BE IT RESOLVED, that the Board of Trustees of the Cooperative Member authorizes its Board President, Superintendent or other officer to execute the Interlocal Participation Agreement which includes the adoption and approval of the Organizational Interlocal Agreement previously executed and adopted by two or more local governments.

As revised by the Cooperative Board of Trustees on January 23, 2016.

FINALLY, BE IT RESOLVED that the execution of this Resolution shall evidence the election of Cooperative Member and eligible local governments to become members of the Cooperative upon the terms and conditions stated. The Board of Trustees has, and at the time of adoption of this Resolution had, full power and lawful authority to adopt the foregoing Resolution and to confer the obligations, powers, and authority to the persons named, who are hereby granted the power to execute the same.

I certify that the foregoing is a true and correct copy of the resolution duly adopted by the City of Overton, Texas, on the 14th day of July, in the year 2016, and that the same now appears of record in its official minutes.

City of Overton, Texas
(Name of Local Government)
By: [Signature], Date: 7/14/2016
Authorized Representative

Mayor
(Title)



ATTEST:
[Signature] Date: 7/14/2016
Secretary of the Board

As revised by the Cooperative Board of Trustees on January 23, 2016.

City of Overton
201301



INTERLOCAL PARTICIPATION AGREEMENT

This Interlocal Participation Agreement ("Agreement") is made and entered into by and between The Local Government Purchasing Cooperative ("Cooperative"), an administrative agency of cooperating local governments, acting on its own behalf and the behalf of all participating local governments, and the undersigned local government of the State of Texas ("Cooperative Member").

I. RECITALS

WHEREAS, a local government entity is authorized by the Interlocal Cooperation Act, Chapter 791 of the Texas Government Code, to agree with other local government entities to form a purchasing cooperative; and

WHEREAS, the Cooperative is further authorized as a local purchasing cooperative organization as set forth in Section 271.101, et seq., of the Texas Local Government Code; and

WHEREAS, the purpose of this Agreement is to facilitate compliance with state procurement requirements, to identify qualified vendors of commodities, goods and services, to relieve the burdens of the governmental purchasing function, and to realize the various potential economies, including administrative cost savings, for Cooperative Members;

NOW THEREFORE, in consideration of the mutual covenants, promises and obligations contained herein, the undersigned Cooperative Member and the Cooperative agree as follows.

II. TERMS AND CONDITIONS

1. Adopt Organizational Interlocal Cooperation Agreement. The Cooperative Member by the execution and acceptance of this Agreement hereby adopts and approves the Organizational Interlocal Agreement dated January 26, 1994, which agreement is incorporated herein by reference (and is available from the Cooperative upon request). The Organizational Interlocal Agreement established the Cooperative as an administrative agency of its collective participants, and Cooperative Member agrees to become a participant or additional party to that Organizational Interlocal Agreement.

2. Term. The initial term of this Agreement shall commence on the date it is executed by both parties and shall automatically renew for successive one-year terms unless sooner terminated in accordance with the provisions of this Agreement. If the Cooperative Member is an existing Cooperative Member that joined the Cooperative by executing a participation agreement which authorized amendment upon the Cooperative providing 60 days notice, then this Agreement will be deemed an Amendment by Notice.

¹
As revised by the Cooperative Board of Trustees on January 23, 2008.

which will be effective on the 61st day that the Cooperative Member is sent notice of this document. In addition, this Agreement will continue to automatically renew for successive one-year terms on the anniversary date of the Cooperative Member's initial term (not the effective date of the Amendment by Notice), unless the Agreement is sooner terminated in accordance with the provisions herein.

3. Termination.

(a) By the Cooperative Member. This Agreement may be terminated by the Cooperative Member at any time by thirty (30) days prior written notice to the Cooperative, provided any amounts owed to the Cooperative and any vendor have been fully paid.

(b) By the Cooperative. The Cooperative may terminate this Agreement by:

(1) Giving ten (10) days notice by certified mail to the Cooperative Member if the Cooperative Member breaches this Agreement; or

(2) Giving thirty (30) days notice by certified mail to the Cooperative Member with or without cause.

(c) Termination Procedure. If the Cooperative Member terminates its participation under this Agreement or breaches this Agreement, or if the Cooperative terminates participation of the Cooperative Member, the Cooperative Member shall bear the full financial responsibility for all of its purchases made from vendors under or through this Agreement. The Cooperative may seek the whole amount due, if any, from the terminated Cooperative Member. In addition, the Cooperative Member agrees it will neither be entitled to a refund of any membership dues paid nor a distribution which may occur after the Cooperative Member terminates from the Cooperative.

4. Payments by Cooperative Member.

(a) The Cooperative Member agrees to pay membership fees as may be required by the Cooperative. The Cooperative will provide the Cooperative Member with 60 days prior written notice of any change in its membership fee before such fee becomes effective. Membership fees are payable by Cooperative Member within 30 days of receipt of an invoice from the Cooperative or its designee, unless otherwise provided by law. A late charge amounting to the maximum interest allowed by law, but not less than the rate of interest under Section 2251.021, et seq., Texas Government Code, shall begin to accrue daily on the 46th day following the due date and continues to accrue until the membership fees and late charges are paid in full. The Cooperative reserves the right to collect all funds that are due to the Cooperative in the event of termination by Cooperative Member or breach of this Agreement by Cooperative Member.

(b) In addition to membership fees, the Cooperative Member will make timely payments to the vendor for the goods, materials and services received in accordance with the terms and conditions of the bid invitation, instructions, and all other applicable procurement documents. Payment for goods, materials and services and inspection and acceptance of goods, materials and services ordered by the procuring Cooperative Member shall be the exclusive obligation of

²
As revised by the Cooperative Board of Trustees on January 21, 2008.

the procuring Cooperative Member, and not the Cooperative. Furthermore, the Cooperative Member is solely responsible for negotiating and securing auxiliary agreements from the vendor on such other terms and conditions, including provisions relating to insurance or bonding, that the Cooperative Member deems necessary or desirable under state or local law, local policy or rule, or within its business judgment.

5. **Payments by Vendors.** The parties agree that the Cooperative will require payment from vendors which are selected to provide goods, materials or services to Cooperative Members. Such payment (hereafter "Vendor Fee") may be up to two percent (2%) of the purchase price paid by Cooperative Members or a flat fee amount that may be set from time to time by the Cooperative Board of Trustees. Cooperative Member agrees that these Vendor Fees fully compensate the Cooperative for the services and functions performed under this Agreement and that these Vendor Fees enable the Cooperative to pay the administrative, endorsement, licensing, marketing, and other expenses involved in successfully operating a program of electronic commerce for the Cooperative Members. Further, Cooperative Member affirmatively disclaims any rights to such Vendor Fees, acknowledging all such fees are the property of the Cooperative. Similarly, in no event shall a Cooperative Member be responsible for payment of Vendor Fee.

6. **Distribution.** From time to time, and at the sole discretion of the Cooperative Board of Trustees, the Cooperative may issue a distribution to Cooperative Members under a plan developed by the Cooperative Board of Trustees. Cooperative Member acknowledges that a distribution is never guaranteed and will depend on the overall financial condition of the Cooperative at the time of the distribution and the purchases made by the Cooperative Member.

7. **Administration.** The Cooperative may enter into contracts with others, including non-profit associations, for the administration, operation and sponsorship of the purchasing programs provided by this Agreement. The Cooperative will provide reports, at least annually, to the Cooperative Member electronically or by mail. Cooperative Member will report purchase orders generated under this Agreement to the Cooperative or its designee, in accordance with instructions of the Cooperative.

8. **BuyBoard®.** Cooperative Member will have a non-exclusive license to use the BuyBoard electronic purchasing application during the term of this Agreement. Cooperative Member acknowledges and agrees that the BuyBoard electronic application and trade name are owned by the Texas Association of School Boards, Inc. and that neither the Cooperative nor the Cooperative Member has any proprietary rights in the BuyBoard electronic application or trade name. Cooperative Member will not attempt to resell, rent, or otherwise distribute any part of the BuyBoard to any other party; nor will it attempt to modify the BuyBoard programs on the server or acquire the programming code. Cooperative Member may not attempt to modify, alter, translate, distribute, reverse engineer, decompile, or disassemble any component of the application. Cooperative Member will use the BuyBoard in accordance with instructions from the Cooperative (or its designee) and will discontinue use upon termination of participation in the Cooperative. Cooperative Member will maintain equipment, software and conduct testing to operate the BuyBoard system at its own expense.

As revised by the Cooperative Board of Trustees on January 23, 2002.

3

III. GENERAL PROVISIONS

1. **Amendment by Notice.** The Board may amend this Agreement, provided that prior written notice is sent to the Cooperative Member at least 60 days prior to the effective date of any change described in such amendment and provided that the Cooperative Member does not terminate its participation in the Cooperative before the expiration of said 60 days.
2. **Authorization to Participate and Compliance with Local Policies.** Each Cooperative Member represents and warrants that its governing body has duly authorized its participation in the Cooperative and that the Cooperative Member will comply with all state and local laws and policies pertaining to purchasing of goods and services through its membership in the Cooperative.
3. **Bylaws.** The Cooperative Member agrees to abide by the Bylaws of the Cooperative, as they may be amended, and any and all written policies and procedures established by the Cooperative.
4. **Cooperation and Access.** The Cooperative Member agrees that it will cooperate in compliance with any reasonable requests for information and/or records made by the Cooperative. The Cooperative reserves the right to audit the relevant records of any Cooperative Member. Any breach of this provision shall be considered material and shall make the Agreement subject to termination on ten (10) days written notice to the Cooperative Member.
5. **Coordination.** The Cooperative Member agrees to appoint a program coordinator who shall have express authority to represent and bind the Cooperative Member, and the Cooperative will not be required to contact any other individual regarding program matters. Any notice to or any agreements with the coordinator shall be binding upon the Cooperative Member. The Cooperative Member reserves the right to change the coordinator as needed by giving written notice to the Cooperative. Such notice is not effective until actually received by the Cooperative.
6. **Current Revenue.** The Cooperative Member hereby warrants that all payments, fees, and disbursements required of it hereunder shall be made from current revenues budgeted and available to the Cooperative Member.
7. **Defense and Prosecution of Claims.** The Cooperative Member authorizes the Cooperative to regulate the commencement, defense, intervention, or participation in a judicial, administrative, or other governmental proceeding or in an arbitration, mediation, or any other form of alternative dispute resolution, or other appearances of the Cooperative in any litigation, claim or dispute which arises from the services provided by the Cooperative on behalf of its members, collectively or individually. Neither this provision nor any other provision in this Agreement will create a legal duty for the Cooperative to provide a defense or prosecute a claim; rather, the Cooperative may exercise this right in its sole discretion and to the extent permitted or authorized by law. The Cooperative Member shall reasonably cooperate and supply any information necessary or helpful in such prosecution or defense. Subject to specific revocation, the Cooperative Member hereby designates the Cooperative to act as a class representative on its behalf in matters arising out of this Agreement.

As revised by the Cooperative Board of Trustees on January 23, 2002.

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8. Governance. The Board of Trustees (Board) will govern the Cooperative in accordance with the Bylaws.
9. Jurisdiction/Venue. This Agreement shall be governed by and construed in accordance with the laws of the State of Texas and, to the extent permitted by law, venue for all disputes arising under this Agreement shall lie in Travis County, Texas.
10. Legal Authority. The Cooperative Member represents and warrants to the Cooperative the following:
 - a) It meets the definition of "Local Government" or "State Agency" under the Intergovernmental Cooperation Act ("Act"), Chapter 791 of the Texas Government Code.
 - b) The functions and services to be performed under the Agreement will be limited to "Administrative Functions" as defined in the Act, which includes purchasing.
 - c) It possesses the legal authority to enter into this Agreement and can allow this Agreement to automatically renew without subsequent action of its governing body.
 - d) Purchases made under this Agreement will satisfy all procedural procurement requirements that the Cooperative Member must meet under all applicable local policy, regulation, or state law.
 - e) All requirements—local or state—for a third party to approve, record or enforce the Agreement have been met.
11. Disclaimer. THE COOPERATIVE, ITS ENDORSERS (TEXAS ASSOCIATION OF SCHOOL BOARDS, INC., TEXAS ASSOCIATION OF COUNTIES, AND TEXAS MUNICIPAL LEAGUE) AND SERVING CONTRACTOR (TEXAS ASSOCIATION OF SCHOOL BOARDS, INC.) DO NOT WARRANT THAT THE OPERATION OR USE OF COOPERATIVE SERVICES WILL BE UNINTERRUPTED OR ERROR FREE.
12. THE COOPERATIVE, ITS ENDORSERS AND SERVING CONTRACTORS, HEREBY DISCLAIM ANY AND ALL WARRANTIES, EXPRESS OR IMPLIED, IN REGARD TO ANY INFORMATION, PRODUCT OR SERVICE FURNISHED UNDER THIS AGREEMENT, INCLUDING WITHOUT LIMITATION, ANY AND ALL IMPLIED WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE.
13. Limitation of Liability. Without waiver of the disclaimer or other limitation of liability in this Agreement, the parties agree that:
 - (a) Neither party waives any immunity from liability afforded under law;
 - (b) In regard to any lawsuit or formal adjudication arising out of or relating to this Agreement, neither party shall be liable to the other under any circumstances for special, incidental, consequential, or exemplary damages;
 - (c) The maximum amount of damages recoverable will be limited to the amount of fees which the Cooperative received as a direct result of the Cooperative Member's membership fee and purchase activity, within 24 months of when the lawsuit or action was filed; and
 - (d) In the event of a lawsuit or formal adjudication the prevailing party will be entitled to recover reasonable attorney's fees pursuant to Section 271.159 of the Texas Local Government Code.
- Without waiver of the disclaimer or other limitation of liability in this Agreement, the parties further agree to limit the liability of the Cooperative's servicing contractor, endusers and opinions (including,

As revised by the Cooperative Board of Trustees on January 23, 2008.

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- but not limited to, the Texas Association of School Boards, Inc., Texas Association of Counties, Texas Municipal League, and educational service centers) up to the maximum amount each received from or through the Cooperative, as a direct result of the undersigned Cooperative Member's membership fee and purchase activity, within 24 months of the filing of any lawsuit or action.
14. Limitation of Rights. Except as otherwise expressly provided in this Agreement, nothing in this Agreement is intended to confer upon any person, other than the parties hereto, any benefits, rights, or remedies under or by reason of this Agreement.
15. Mergers/Consolidation. This Agreement, together with the Cooperative's Bylaws and Organizational Interlocal Agreement, represents the complete understanding of the Cooperative and Cooperative Member. To the extent there exists any conflict between the terms of this Agreement and that of prior agreements, the terms of this Agreement shall control and take precedence over all prior participation agreements.
16. Notice. Any written notice to the Cooperative shall be made by first class mail, postage prepaid, and delivered to the Board Administrator, Texas Association of School Boards, Inc., P.O. Box 400, Austin, Texas 78767-0400. Notices to Cooperative Member may be made by first class mail, postage prepaid, and delivered to the Cooperative Member's Coordinator or chief executive officer (e.g., superintendent, city manager, county judge or mayor).
17. Severability. If any portion of this Agreement shall be deemed illegal or held unenforceable for any reason, the remaining portions shall continue in full force and effect.
18. Signatures/Counterparts. The failure of a party to provide an original, manually executed signature to the other party will not affect the validity, enforceability or binding effect of this Agreement because either party may rely upon a facsimile signature as if it were an original. Furthermore, this Agreement may be executed in several separate counterparts, each of which shall be an original and all of which shall constitute one and the same instrument.
19. Warranty. By the execution and delivery of this Agreement, the undersigned individuals warrant that they have been duly authorized by all requisite administrative action required to enter into and perform the terms of this Agreement.

As revised by the Cooperative Board of Trustees on January 23, 2008.

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IN WITNESS WHEREOF, the parties, acting through their duly authorized representatives, accept this Agreement.

TO BE COMPLETED BY THE COOPERATIVE:

The LOCAL GOVERNMENT PURCHASING COOPERATIVE,
as acting on behalf of all other Cooperative Members

By: James B. Crow, Secretary Date: 7-25-16

TO BE COMPLETED BY COOPERATIVE MEMBER:

(Signature required unless accepted as an Amendment by Notice as described in the Agreement.)

By: C. R. Evans, Jr. Date: 7/14/2016

(Name of Local Government)

City of Overton, Texas

Printed name and title of authorized representative

Signature of authorized representative of Cooperative Member

City Manager

Title

1200 S. Commerce Street

Mailing Address

Overton

City

Texas

75684

(zip)

903-834-3171

Telephone

903-834-3172

Fax

cunningham@ci.overton.tx.us

Email

Attachment C

Resolution No. 2016-07-14B
Page 2 of 7

City of Overton

Resolution No. 2016-07-14B
Page 1 of 7

City of Overton

RESOLUTION NO: 2016-07-14B

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF OVERTON, TEXAS, AUTHORIZING THE CITY'S APPLICATION TO THE TEXAS FACILITIES COMMISSION FEDERAL SURPLUS PROPERTY PROGRAM (FSP) FOR THE PURPOSE OF PURCHASING SURPLUS FEDERAL PROPERTY THROUGH SAID PROGRAM.

WHEREAS, the City of Overton, Texas desires to participate in the Federal Surplus Property Program (FSP) as administered by and under the State of Texas Facilities Commission; and

WHEREAS, in order to participate in this program the City is required to authorize execution of certain agreements and assurances that are required for enrolling in and exercising the rights of participation; and

WHEREAS, the City Council is of the opinion that participation in this program will be highly beneficial to the taxpayers of the City of Overton, through efficiencies and potential savings to be realized;

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF OVERTON, TEXAS THAT:

Section 1: The City Council of the City of Overton authorizes submittal of the "Application for Eligibility" as shown in Attachment A and execution by the Mayor of Overton.

Section 2: The City Council of the City of Overton authorizes submittal of the "Authorized Representative" form as shown in Attachment B and execution by the Mayor of Overton.

Section 3: The City Council of the City of Overton authorizes submittal of the "Nondiscrimination Assurance" form as shown in Attachment C and execution by the Mayor of Overton.

Section 4: The City Council of the City of Overton authorizes submittal of the "Donce Certifications and Agreements" form as shown in Attachment D and execution by the Mayor of Overton.

Section 5: The City Council of the City of Overton authorizes submittal of the Property Compliance Period" form as shown in Attachment E and execution by the Mayor of Overton.

Section 6: All Attachments submitted herewith are incorporated herein for all purposes.

APPROVED AND RESOLVED BY THE CITY COUNCIL OF THE CITY OF OVERTON, INTRODUCED, READ AND APPROVED FOR ADOPTION AT A REGULAR MEETING OF THE CITY COUNCIL OF THE CITY OF OVERTON, TEXAS ON THIS 14th DAY OF JULY, 2016.



CITY OF OVERTON

C.R. Evans, Jr.
C.R. Evans, Jr., Mayor

ATTEST:

Rachel Gafford
Rachel Gafford, City Secretary

Blake Thompson
Blake Thompson, City Attorney

TEXAS FACILITIES COMMISSION
FEDERAL SURPLUS PROPERTY PROGRAM (FSP)
P.O. Box 13047, Austin, Texas 78711
TEL: (512) 463-4551 - FAX: (512) 238-6173
EMAIL: federal.surplus@tfc.state.tx.us
www.tfc.state.tx.us/fsp/index.html

APPLICATION FOR ELIGIBILITY

INSTRUCTIONS FOR COMPLETING THE APPLICATION FOR ELIGIBILITY FORM TO RECEIVE FEDERAL SURPLUS PROPERTY (41 CFR 101-44.207)

See pages 7-11 for list of required supporting documentation that must be submitted with application.

All donors must complete these (3) items. To receive a donor must submit a completed Application for Eligibility along with all required supporting documentation.

SECTION I: Provide the full legal name of your organization on the first line of this section. Provide the Federal Employer ID# Provide the complete mailing address of your organization as recognized by the U.S. Postal Service, including the nine-digit Zip Code. Provide the street address, if different from mailing address, or provide directions if located on a rural route or in other remote area. List a business telephone number with area code, and a fax number. Provide the fiscal year ending date and an email address. Email addresses provided will receive broadcast e-mails about account status, new arrivals, specials and discounts.

SECTION II: Check the appropriate box that describes your organization

SECTION III: Check the appropriate box or boxes (check as many as apply) that indicate the type or purpose of your organization. If you are unable to determine which status to check, please contact this office for assistance. Please see pages 7-11 for additional requirements for specific types of organizations.

SECTION IV: Indicate source(s) of funding for your organization and provide supporting documentation if appropriate. Depending on your organization type, you may need to include a comprehensive written description of all programs or services and a description of the operational facilities. Please see pages 7-11 to determine if this requirement applies to your organization. Public agencies (i.e. cities, counties, state agencies, public schools) are not required to submit additional documentation for this section.

SECTION V: Nonprofit organizations must provide a copy of current, valid IRS Tax Exemption Letter indicating your organization is exempt under Section 501(c)(3) of the Internal Revenue Code. The name of the organization on this IRS letter must match the name provided in Section I of this application. If not, applicant must include sufficient evidence such as amendments to Articles of Incorporation, or Assumed Name filing certificate to establish an audit trail or names showing the legal connection. Please see pages 7-11 to determine if this requirement applies to your organization. Public agencies (i.e. cities, counties, state agencies, public schools) and VFDs are not required to submit documentation for this section.

SECTION VI: Nonprofit organizations are required to submit evidence that they are currently approved, accredited or licensed by a nationally recognized accrediting or licensing organization. Recreation, social service, referral only, religious and counseling services programs are not eligible to participate in the program. Please see pages 7-11 to determine if this requirement applies to your organization. Public agencies (i.e. cities, counties, state agencies, and public schools) and VFDs are not required to submit additional documentation for this section.

SECTION VII: Annulate date and provide an original signature of applicant's Authorizing Official (i.e. County Judge, Mayor, City Manager, Superintendent, Fire Chief, Executive Director, CEO/President, Board Chairman, or other person with signature authority to execute legal documents for the applicant). Applications submitted by counties must be signed by the County Judge. Type or print the name and title of authorizing official on the lines provided.

NOTE: INCOMPLETE APPLICATIONS WILL NOT BE PROCESSED. IF YOU HAVE QUESTIONS OR NEED ASSISTANCE, PLEASE CALL (512) 463-4551.

SEND ALL APPLICATIONS TO:

Applicants may be emailed, faxed or mailed.

TEXAS FACILITIES COMMISSION
FEDERAL SURPLUS PROPERTY PROGRAM
P.O. Box 13047, Austin, Texas 78711
TEL: (512) 463-4551
FAX: (512) 238-6173
EMAIL: federal.surplus@tfc.state.tx.us

SIGNATURE FROM AUTHORIZING OFFICIAL IS REQUIRED ON PAGES 2-6

ATTACHMENT B

TEXAS FACILITIES COMMISSION
FEDERAL SURPLUS PROPERTY PROGRAM (FSP)
P.O. Box 13047, Austin, Texas 78711
TEL: (512) 463-4551 - FAX: (512) 238-6173
EMAIL: federal.surplus@tfc.state.tx.us
www.tfc.state.tx.us/fsp/index.html

APPLICATION FOR ELIGIBILITY

PLEASE TYPE OR PRINT LEGIBLY IN BLUE OR BLACK INK WHEN APPROPRIATE

I. ORGANIZATION NAME & INFORMATION: Payments must be in the name of donee or parent company.

City of Overton, TX
LEGAL NAME OF ORGANIZATION
1200 South Commerce Street
STREET ADDRESS
1200 South Commerce Street
CITY
OVERTON
TX
75684
MAILING ADDRESS (P.O. Box #)
Rusk / Smith
COUNTY
903-434-3171
TELEPHONE #
903-434-3174
FAX #
FISCAL YEAR END DATE: September 30th
FEDERAL EMPLOYER ID
75-600630
TX
75684
TX
75684

II. APPLICANT STATUS (CHECK ONE):

☒ Public Agency, including Public Schools (Tax Supported) ☐ SBA (8a) Business Development Program
☐ Nonprofit, tax-exempt organization

III. TYPE OR PURPOSE OF ORGANIZATION: (see pages 7-11 for requirements for specific types of organizations)

☒ City ☐ Child Care Center ☐ Program Funded for Older Americans
☐ County ☐ Preschool ☐ Provider of Assistance to the Homeless
☐ State Agency ☐ Elementary School ☐ Provider of Assistance to the Impoverished
☐ Education past, present, or future ☐ Middle or High School ☐ Emergency Services District
☐ Economic Development ☐ School District ☐ Volunteer Fire Dept., EMS or Rescue Squad
☐ Library ☐ College or University ☐ Public Safety (specify) _____
☐ Museum ☐ Civic or Hospital ☐ Veterans' Organization
☐ Zoo or Aquarium ☐ Other health center (specify) _____☐ Service Educational Agency
☐ Radio or TV Station ☐ SBA (8a) Business ☐ Other _____

IV. SOURCE(S) OF FUNDING: ☒ Tax-supported ☒ Grants ☒ Contributions ☒ Other ☐ Utility Services Provided

V. (For non-profit organizations only) HAS THE ORGANIZATION BEEN DETERMINED TO BE TAX EXEMPT UNDER SECTION 501 OF THE INTERNAL REVENUE CODE OF 1987? ☒ Yes ☐ No

VI. IS THE ORGANIZATION APPROVED, ACCREDITED, OR LICENSED? ☒ Yes ☐ No

IF YES, BY WHAT AUTHORITY? Subdivision of the State of Texas

VII. SIGNATURE & TITLE OF AUTHORIZING OFFICIAL FOR ORGANIZATION (ex. Mayor, County Judge, Superintendent, President, CEO, Fire Chief)

C. R. Bivins, Jr.
Mayor

PRINTED NAME OF AUTHORIZING OFFICIAL

SIGNATURE OF AUTHORIZING OFFICIAL

7/14/2016
DATE

ATTACHMENT C

AUTHORIZED REPRESENTATIVES

I. An "Authorized Representative" is a person from your organization that has been authorized to sign for the release of property on your behalf.

II. An authorized representative must sign in the provided space below in order to sign for the release of property. Only those representatives listed on this application will be allowed to acquire property. All others listed below may visit our warehouse locations and will be included in email broadcasts from our office, but will not be able to sign for the release of property.

III. If you wish to have the Authorizing Official included as an Authorized Representative on your account, please be sure to include number in the list below.

NAME	TITLE	TELEPHONE and EMAIL ADDRESS	Authorized Representative's Signature
(example) John Doe	County Judge	(512) 123-4567 jdoe@jag.com	John Doe
Charles L. Cunningham	City Manager	(903) 834-3171 ccunningham@ci.loverton.tx.us	<i>Charles Cunningham</i>
Clyde Carter	Chief of Police	(903) 834-3145 ccarter@ci.loverton.tx.us	<i>Clyde Carter</i>
Rachel Gafford	City Secretary	(903) 834-3171 rgafford@ci.loverton.tx.us	<i>Rachel Gafford</i>
Paul Everett	PW Superintendent	(903) 834-3171 p.everett@ci.loverton.tx.us	<i>Paul Everett</i>

The applicant hereby certifies the information provided is correct and complete and hereby understands and agrees to all terms and conditions.

City of Overton

NAME OF APPLICANT ORGANIZATION: C. R. EVANS, JR.
PRINTED NAME OF AUTHORIZED OFFICIAL: C. R. EVANS, JR.
DATE: 7/14/2016

X *C.R. Evans, Jr.*
SIGNATURE OF AUTHORIZING OFFICIAL: *C.R. Evans, Jr.*
DATE: 7/14/2016

SEND ALL APPLICATIONS TO:
Applications may be emailed, hand or mailed

TEXAS FACILITIES COMMISSION
FEDERAL SURPLUS PROPERTY PROGRAM
P.O. BOX 13047
AUSTIN, TX 78711-3047
TEL: (512) 463-4851 - FAX: (512) 236-6173
EMAIL: Federal.Surplus@tfc.state.tx.us

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ATTACHMENT D

NONDISCRIMINATION ASSURANCE

City of Overton

(Legal Name of Organization)

the donee, agrees that the program for or in connection with which any property is donated to the donee will be conducted in compliance with, and the donee will comply with and will require any other person (any legal entity) who through contractual or other arrangements with the donee is authorized to provide services or benefits under said program to comply with all requirements imposed by or pursuant to the regulations of the General Services Administration (41 C.F.R. 101-4.2 and 101-4) issued under the provisions of Title VI of the Civil Rights Act of 1964, as amended; Section 504 of Title VI of the Federal Property and Administrative Services Act of 1949, as amended; Section 504 of the Rehabilitation Act of 1973, as amended; Title IX of the Education Amendments of 1972, as amended; Section 503 of the Age Discrimination Act of 1975, and the Civil Rights Restoration Act of 1987, to the end that no person in the United States shall be on the ground of race, color, national origin, sex, or age, or that no otherwise qualified individual shall be denied any program or activity for which the donee receives Federal assistance from the General Services Administration; and hereby gives assurance that it will immediately take any measures necessary to effectuate this agreement.

The donee further agrees (1) that this agreement shall be subject in all respects to the provisions of said Federal statutes and regulations (2) that this agreement obligates the donee for the period during which it retains ownership or possession of the property, (3) that the United States shall have the right to seek judicial enforcement of this agreement, and (4) that this agreement shall be binding upon any successor in interest of the donee and the word "donee" as used herein includes any such successor in interest.

COUNTY/COUNTIES SERVED BY APPLICANT ORGANIZATION: Rust & Smith Counties
DATE: 7/14/2016

X *C.R. Evans, Jr.*
SIGNATURE OF AUTHORIZING OFFICIAL: *C.R. Evans, Jr.*
DATE: 7/14/2016

SEND ALL APPLICATIONS TO:
Applications may be emailed, hand or mailed

TEXAS FACILITIES COMMISSION
FEDERAL SURPLUS PROPERTY PROGRAM
P.O. BOX 13047
AUSTIN, TX 78711-3047
TEL: (512) 463-4851 - FAX: (512) 236-6173
EMAIL: Federal.Surplus@tfc.state.tx.us

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ATTACHMENT F

DONOR CERTIFICATIONS & AGREEMENTS

7/14/2016
DATE

ATTACHMENT F

PROPERTY COMPLIANCE PERIOD

7/14/2016
DATE

SIGNATURE OF AUTHORIZING OFFICIAL'S WIFE (e.g., Mary Judge, Ernst Dr. Superintendent)

7/14/2016

**TEXAS FACILITIES COMMISSION
FEDERAL SURPLUS PROPERTY PROGRAM
P.O. BOX 13047
AUSTIN, TX 78711-3047
TEL: (512) 463-4551 - FAX: (512) 238-6173
EMAIL: federal.surplus@tfc.state.tx.us**

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- Abstract**

DETAILED REQUIREMENTS FOR SPECIFIC TYPES OF ORGANIZATIONS

Please review to determine which of the following eligibility category your organization falls under, and if you are required to submit additional documentation. Questions? Please contact us at (512)463-4551 or fiduciary@nursingcenter.org.

Provider of Assistance to Older Americans

1. Required additional documentation that must be submitted with application:
 - a. Letter from IRS certifying your tax-exempt status as a 501(C) non-profit. IRS ruling letter must include current name and address.
 - b. Payment Account Information - Payment for property must be in the form of a check drawn on the account of your organization or parent/charter organization.
 - i. Voided check or deposit slip.
 - ii. Letter from bank certifying account name and status.
 - c. If a parent/charter organization will be submitting payment on your behalf, then you must also provide an explanation of the relationship between your organization and parent organization.
 - d. Certificate of incorporation, approval or licensing (Exempt/Charitable) (i.e. medical center).
 - e. Complete narrative about your organization, including:
 - i. Description of facilities
 - ii. Overview of key staff and their qualifications
 - iii. Number of individuals receiving assistance and frequency of assistance (daily, weekly or monthly)
 - iv. Proof of current accreditation, approval or licensing (Exempt/Charitable) (i.e. medical center)
 - v. Articles of incorporation, bylaws, charter or other organizing document (optional)

Provider of Assistance to Homeless Persons

1. Services to the homeless must be the primary function of the organization. If any activity operates a broad spectrum of programs through which assistance to the homeless is peripheral and incidental, the activity must not be eligible. Property donated must be used in a program primarily for homeless persons. Examples of eligible programs include:
 - a. Overnight, daytime and around-the-clock shelter.
 - b. Halfway houses or transitional housing for temporary residence of homeless persons, mental patients, and/or children.
 - c. Food banks that provide food directly to facilities where homeless people are fed may be eligible.
 - d. Food banks that provide food directly to facilities where homeless people are fed may be eligible.
2. Required additional documentation that must be submitted with application:
 - a. Letter from IRS certifying your tax-exempt status as a 501(C) non-profit. IRS ruling letter must include current name and address.
 - b. Payment Account Information - Payment for property must be in the form of a check drawn on the account of your organization or parent/charter organization.
 - i. Voided check or deposit slip.
 - ii. Letter from bank certifying account name and status.
 - c. If a parent/charter organization will be submitting payment on your behalf, then you must also provide an explanation of the relationship between your organization and parent organization.
 - d. Public Recognition as a Homeless Assistance Provider. Provide a letter from an official (i.e. Mayor, Head of Welfare Dept., Social Services Director, county supervisor, head of agency that oversees program, etc.) indicating services provided by applicant. The letter must indicate that assistance to the homeless is the organization's primary focus, and the name must match the IRS document. You may also include documented receipt of Federal/State Block Grant Funds for poverty programs, or proof of membership or affiliation with national organization that provides support for impoverished (i.e. Second Harvest National Food Bank Network, Habitat for Humanity, Salvation Army).
 - e. Complete narrative about your organization, including:
 - i. Description of facilities
 - ii. Overview of key staff and their qualifications
 - iii. Number of individuals receiving assistance and frequency of assistance (daily, weekly or monthly)
 - iv. Proof of current accreditation, approval or licensing (Exempt/Charitable) (i.e. child care or medical/health center)
 - v. Signed Articles of incorporation, bylaws, charter or other organizing document
 - vi. Brochures (or other printed materials) or link to website (Optional)

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Not to exceed

DETAILED REQUIREMENTS FOR SPECIFIC TYPES OF ORGANIZATIONS

Please review to determine which of the following eligibility category your organization falls under, and if you are required to submit additional documentation. Questions? Please contact us at (512)463-4551 or fiduciary@nursingcenter.org.

Health Organization (Non-Profit)

1. Required additional documentation that must be submitted with application:
 - a. Letter from IRS certifying your tax-exempt status as a 501(C) non-profit. IRS ruling letter must include current name and address.
 - b. Payment Account Information - Payment for property must be in the form of a check drawn on the account of your organization or parent/charter organization.
 - i. Voided check or deposit slip.
 - ii. Letter from bank certifying account name and status.
 - c. If a parent/charter organization will be submitting payment on your behalf, then you must also provide an explanation of the relationship between your organization and parent organization.
 - d. Complete narrative about your organization, including:
 - i. Description of services provided
 - ii. Number and type of patients served
 - iii. Overview of key staff and their qualifications
 - iv. Certificate of accreditation, license, or letter of approval from a nationally recognized accrediting or licensing agency OR research grant from National Institutes of Health or similar national voluntary organization.
 - v. Articles of incorporation, bylaws, charter or other organizing document (optional)
 - vi. List of additional research grants awarded (optional)

Provider of Assistance to Homeless Persons

1. Services to the homeless must be the primary function of the organization. If any activity operates a broad spectrum of programs through which assistance to the homeless is peripheral and incidental, the activity must not be eligible. Property donated must be used in a program primarily for homeless persons. Examples of eligible programs include:
 - a. Overnight, daytime and around-the-clock shelter.
 - b. Halfway houses or transitional housing for temporary residence of homeless persons, mental patients, and/or children.
 - c. Food banks that provide food directly to facilities where homeless people are fed may be eligible.
 - d. Food banks that provide food directly to facilities where homeless people are fed may be eligible.
2. Required additional documentation that must be submitted with application:
 - a. Letter from IRS certifying your tax-exempt status as a 501(C) non-profit. IRS ruling letter must include current name and address.
 - b. Payment Account Information - Payment for property must be in the form of a check drawn on the account of your organization or parent/charter organization.
 - i. Voided check or deposit slip.
 - ii. Letter from bank certifying account name and status.
 - c. If a parent/charter organization will be submitting payment on your behalf, then you must also provide an explanation of the relationship between your organization and parent organization.
 - d. Public Recognition as a Homeless Assistance Provider. Provide a letter from a local city official (i.e. Mayor, Head of Welfare Dept., Social Services Director, etc.) indicating services provided by applicant. The letter must indicate that assistance to the homeless is the organization's primary focus, and the name must match the IRS document. You may also include:
 - i. Decency permit or other safety inspection certificate.
 - ii. Comprehensive description of services provided (assistance to homeless must be primary mission)
 - iii. Number of individuals receiving assistance and frequency of assistance (daily, weekly or monthly)
 - iv. Requirements for clients to be eligible to receive services, including any required fees.
 - v. Description of facilities, including hours/days of operation
 - vi. Overview of staff and their qualifications
 - vii. Proof of current accreditation, approval or licensing (Exempt/Charitable) (i.e. child care or medical/health center)
 - viii. Signed Articles of incorporation, bylaws, charter or other organizing document (Optional)
 - ix. Brochures (or other printed materials) or link to website (Optional)

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Not to exceed

DETAILED REQUIREMENTS FOR SPECIFIC TYPES OF ORGANIZATIONS

Please review to determine which of the following eligibility category your organization falls under, and if you are required to submit additional documentation. Questions? Please contact us at (512) 463-4551 or federal.funding@utdallas.edu.

Service Educational Activities

1. The following Service Organizations (SEO) are eligible: American National Red Cross, Armed Services, VFWA of the USA, Big Brothers/Big Sisters of America, Boys and Girls Clubs of America, Boy Scouts of America, Camp Fire, Inc., Center for Excellence in Education, Girl Scouts of the USA, Little League Baseball, Inc., Marine Cadets of America, National Association for Equal Opportunity in Higher Education, National Civilian Community Corps, National SSI Patient System, Inc., Naval Sea Corps, Operation Raleigh, United Service Organizations, Inc., U.S. Olympic Committee, Young Marines of the Marine Corps, Legionnaires of the Corps, United States Marine Corps, United States Coast Guard, and United States Coast Guard Auxiliary.
2. Proof of association with the national organization (ex. Boy Scouts of America charter)
3. Payment Account Information - Payment for property **MUST** be in the form of a check drawn on the account of your organization or passbook/savings organization.
 - a. Acceptable forms of supporting documentation includes:
 1. Voided check or deposit slip.
 2. Copy of recent bank statement, or
 3. Print from bank confirming the account name and address.
 - b. If it is a personal account, you must provide a statement on your behalf, then you must also provide an explanation of the relationship between your organization and personal organizations.

Veterans' Organizations

1. Select veterans' service organizations are eligible for FSP following the passage of the FOR VETS Act of 2013

- [illegible]

SEND ALL APPLICATIONS TO:

END ALL AFFILIATIONS!

**TEXAS FACILITIES COMMISSION
FEDERAL SURPLUS PROPERTY PROGRAM
P.O. BOX 13047, AUSTIN, TX 78711-3047
TEL: 812-463-4551 FAX: 512-236-6173
EMAIL: federal.surplus@tsc.state.tx.us**

Attachment C

RESOLUTION NO: 2016-07-14C

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF OVERTON, TEXAS AUTHORIZING THE MAYOR TO EXECUTE THE SECTION 125 FLEX PLAN SERVICE AGREEMENT WITH TML MULTISTATE INTERGOVERNMENTAL EMPLOYEE BENEFITS POOL (ATTACHMENT A) FOR THE PLAN YEAR OF OCTOBER 1, 2016 AT 12:01 A.M. THROUGH SEPTEMBER 30, 2017.

City Of Overton
Overton, Texas

WHEREAS, the undersigned Employer is an Employer Member of the TML MultiState Intergovernmental Employee Benefits Pool (hereinafter referred to as the "Pool"); and

WHEREAS, the undersigned Employer sponsors and employee benefits plan; and

WHEREAS, the undersigned Employer is responsible for the administration of its employee benefit plan as the Plan Administrator; and

WHEREAS, the undersigned Employer wants the Pool to assist the Employer in complying with the requirements of the Section 125 Flex Plan Year is 10/01/2016 to 09/30/2017.

NOW, THEREFORE, in consideration of the promises, mutual covenants and agreements contained in ATTACHMENT A, the undersigned Employer and the Pool agree to the terms as outlined in ATTACHMENT A.

INTRODUCED, READ AND APPROVED FOR ADOPTION AT A REGULAR MEETING OF THE CITY COUNCIL OF THE CITY OF OVERTON, TEXAS ON THIS THE 14th DAY OF JULY, 2016

CITY OF OVERTON

C.R. Evans, Jr.
C. R. Evans, Jr., MAYOR



ATTEST:
Richard Gafford
Richard Gafford, CITY SECRETARY

Incidental Agreement

(rev. 1.31.14)

Page 1 of 6

ATTACHMENT A

Service Agreement for Plan Administrator

This SERVICE AGREEMENT between the City of Overton, Texas, (Plan Sponsor) and TML MultiState Intergovernmental Employee Benefits Pool, (Plan Administrator) will be effective on 10/01/2016.

WITNESSETH:

Section I The Plan

1. The Plan Sponsor has adopted an Employee Flexible Benefits Plan under Section 125 of the Internal Revenue Code. This Plan is offered to all eligible employees who are qualified by employment status.
2. The Plan Participants are the employees enrolled in the Plan.
3. All contributions to the Plan shall be deposited in the name of the Plan with a Bank designated by the Plan Administrator subject to approval of the Plan Sponsor if requested by the Plan Sponsor.
4. The Plan Sponsor agrees that a healthcare expense reimbursement arrangement is a health plan under Title II of the Health Insurance Portability and Accountability Act of 1996 (HIPAA). The Plan Sponsor agrees that it is the Plan Sponsor's, and not the Plan Administrator's, responsibility to ensure that its healthcare expense reimbursement arrangement plan, if any, is compliant with all relevant sections of HIPAA Title II or any other law.

Section II The Plan Administrator

1. The Plan Administrator shall provide consulting services, and shall assist the Plan Sponsor in the administration of the Flexible Benefits Plan.
2. The Plan Administrator shall have the full responsibility for maintaining accounts for each eligible person electing to participate in the Plan. The Plan Administrator shall arrange for eligible claims payments from funds deposited by the Plan Sponsor as directed by their participating employees. The claims payments shall be made by the Plan Administrator by issuing a check or draft to the participant upon the Plan Bank Account, if such account is provided for this purpose, in an amount equal to the qualified charges from the submitted claim. The claims submitted by the Plan Participants shall be paid within ten days of receipt by the Plan Administrator.
3. To the extent that information is available to the Plan Administrator, the Plan Administrator shall assist the Plan Sponsor in the preparation of any report, tax return or similar papers required by state or the Federal Government pertaining to the operation or management of the Flexible Benefits Plan; however, the ultimate responsibility for filing any governmental document shall be with the Plan Sponsor.
4. The Plan Administrator shall render periodic reports to each participant, which shall include the following:
 - a. Receipts of the Participant's Plan Contributions;
 - b. Disbursement of Plan Contributions through claims payments; and
 - c. Statements of (a) and (b) above shall automatically be provided each Participant following the submission and payment of a qualified claim.

Incidental Agreement

(rev. 1.31.14)

Page 2 of 6

5. The Plan Administrator shall prepare a Plan Document for the Flexible Benefits Plan sponsored by the Plan Sponsor. The Plan Sponsor shall assume the responsibility of obtaining legal review of the Plan Document.
6. Unless otherwise provided, the Plan Administrator is authorized to do all the things necessary or convenient to carry out the terms and purposes of the Plan.

Section III

Procedure for Making and Payment of Claims for Benefits from the Fund

1. Any covered person may make application for benefits from the Plan as provided by the Plan upon the form or forms provided by the Plan Administrator. The applicant shall fully and truthfully complete such application for benefits and the applicant shall supply all such pertinent information including copies of paid receipts, as may be required under the Section 125 rules and specified by the Plan Administrator.
2. The Plan Administrator shall accept copies of any application for benefits made in the appropriate manner shall duly investigate and verify the statements made on the application and determine benefit eligibility. If the facts as stated in such application entitle the covered person to receive payment of benefits from the Plan, the Plan Administrator shall forthwith arrange for the proper payment.
3. Claims filings shall be mailed/faxed to the person or department designated by the Plan Administrator. If appropriate, claims could be submitted through the debit card transaction. Claims checks are processed each week. During the last month, eligible claims of any amount shall be processed by the Plan Administrator.
4. All Plan benefits processed by the Plan Administrator shall be mailed to the qualified Plan Participant within ten (10) days of approval.
5. If the Plan Administrator finds that the Plan Participant is not entitled to a claim payment under the Plan, the claim application shall be denied, all or in part, and returned to the Plan Participant with the Plan Administrator's reason for denial. The Plan Participant may appeal a denial by the Plan Administrator to the Plan Sponsor. The Plan Sponsor's determination is final and conclusive upon the covered person.
6. The Plan Administrator shall not be liable for any failure or refusal to pay or honor any application for benefits made pursuant to this Agreement, and to the extent allowed by law, the Plan Administrator must be indemnified by the Plan Sponsor for any liability related to its duties herein, and shall be reimbursed by the Plan Sponsor for any expense, loss, damage, or legal fees incurred by the Plan Administrator in defending any claims or demands made against the Plan Sponsor, the Plan Administrator or the Plan. This paragraph will not apply for any loss due to the gross negligence or willful misconduct of the Plan Administrator.

Section IV

Costs of Administrator

1. The Plan Administrator shall be entitled to a fee or fees for its service to the Plan and, under this Agreement, the fee shall be paid in the form of an advance start-up costs, a pass through of printing or printing preparation costs and monthly service fee.

Item	Cost	Payable
Setup Fee	\$50.00/Group	One time(1)
Monthly Service Fee(2)	\$3.70/Participant Debit \$5.00/Participant Paper	Monthly

Interlock Agreement

(rev.1.31.10)

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Special Reports(3)	As agreed upon	30 days following receipt of report
Grace Period/Carryover		
Transition Fee	No additional charge	

1. One time set up fee for each group that enrolls in the Section 125 Flexible Spending Plan.
2. Monthly Service Fee includes:
- a. processing contributions;
 - b. paying claims (review and verification);
 - c. paying claims (direct mail to employee);
 - d. paying dependent premium (if applicable);
 - e. employee fund balance statement with each reimbursement; and
 - f. statement of fund balances and projected year-end balance at close of Plan Year.
- The flexible spending arrangement (FSA) participants have up to an additional two and a half (2½) months to spend money leftover in the FSAs at year's end on qualified health and dependent care expenses pursuant to IRS Notice 2005-42. Expenses for qualified benefits incurred during the grace period may be paid or reimbursed from benefits or contributions remaining unused at the end of the immediately preceding plan year. Upon exhaustion of that benefit monies can be accessed from current year contributions. The period must not extend beyond the fifteenth (15th) day of the third calendar month after the end of the immediately preceding plan year to which it relates. The plan cannot permit cash-out or conversion of unused benefits or contributions during the grace period, to any other taxable or nontaxable benefit. (Fourteen (14) months and fifteen (15) days before the amounts are forfeited under the "use it or lose it" authorization in Notice 2005-42 for the current calendar plan). If the employee at any time becomes covered under a high deductible health plan ("HDHP"), as prescribed by Section 223 of the Internal Revenue Code) with an accompanying health savings account ("HSA") then the FSA will automatically convert from a general purpose FSA to a post-deductible FSA for any amounts incurred when the HDHP is in effect. This means that expenditure for non-preventive medical costs will not be paid until the deductible for the HDHP has been met, and then only to the extent that those costs exceed the deductible.
3. Normal Reports to the Plan Sponsor, at no additional cost are:
- a. initial enrollment verification;
 - b. quarterly fund balance;
 - c. projected year-end fund balance at the close of the Plan Year fourth quarter; and
 - d. two and a half (2½) month grace period will be included in fund balance, plus interest earned if any.

Interlock Agreement

(rev.1.31.10)

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Section V The Plan Sponsor

1. As of the effective date of this Agreement, the Plan Sponsor shall provide the Plan Administrator with a complete list of all employees who are eligible for benefits under the Plan. The Plan Sponsor shall arrange for enrollment meetings and, with the Plan Administrator's assistance, complete Plan enrollment.
2. The Plan Sponsor shall collect funds in accordance with authorized payroll reductions or deductions and shall remit these monies to the Plan Administrator on a monthly (or pay period) basis.
3. The Plan Sponsor shall forward the appropriate service fees to the Plan Administrator on the first of each calendar month or in conjunction with the monthly plan fund collections.
4. The Plan Sponsor shall assist in the enrollment of eligible employees in the Plan, notify the Plan Administrator of any change of eligibility, cooperate with the Plan Administrator with regard to proper claim settlement, transmit to the Plan Administrator proper claim settlement and transmit to the Plan Administrator all inquiries pertaining to the Plan.
5. The Plan Sponsor shall be responsible for filing any documents required by the Internal Revenue Service.
6. The Plan Sponsor limits contributions to the Plan to \$2,550 per employee (January 2015 and thereafter), unless otherwise specified below the signature line on this agreement. (Unreimbursed Healthcare Spending maximum \$2,530)

Section VI Termination of the Agreement

1. This Agreement may be terminated by the Plan Sponsor or the Plan Administrator by written notice of intention to terminate given to the other party, to be effective as of an annual plan anniversary date. Said written notice shall be given not less than thirty (30) days prior to such termination. The thirtieth (30th) day shall coincide with the last day of a calendar month. The Plan Administrator may also terminate this agreement following the termination of any medical, dental, or vision coverage provided by the Plan Administrator to the Plan Sponsor, to be effective upon ten (10) days written notice sent to the Plan Sponsor, effective on the date specified in the notice. All obligations of the Plan Administrator related to the relevant rights of the covered Participant to payments of benefits from the Plan will be terminated and extinguished on the effective date of termination given in the notice whether or not the claim for such benefits arose prior to or following the termination of this Agreement. Absent a written notice of termination this agreement will annually renew on the effective date set forth at inception. In no case shall termination by the Plan Administrator relieve the Plan Sponsor of its obligation to maintain the Plan.

Section VII Qualifications

1. To qualify the Plan Sponsor must have on file a current Interlocal Agreement with the TML MultiState Intergovernmental Employee Benefits Pool. The Plan Sponsor must have ten (10) percent of the eligible employees participate in the Plan. Should these qualifications not be met, or maintained, the Plan Administrator may terminate this agreement pursuant to Section VI.

Interlocal Agreement

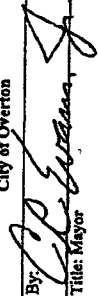
(rev 1.31.14)

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Section VIII Miscellaneous Provisions

1. In the event of resignation or inability to serve as the Plan Administrator, the Plan Sponsor may appoint a successor.
2. If during the operation of the Plan, the United States Government, the government of any state or any instrumentality or either shall assess any tax against the Plan and the Plan Administrator is required to pay such tax, the Plan Administrator shall report the payment to the Plan Sponsor who will reimburse the Plan Administrator for such tax or assessment.
3. The Plan Administrator shall incur no liability to the Plan Sponsor or to an employee or dependent of the Plan Sponsor for any act or failure to act not directly connected with processing and payment of claims as provided in this Agreement, except where the liability is proximately caused solely by the gross negligence or willful misconduct of the Plan Administrator. To the extent allowed by law, the Plan Sponsor shall hold the Plan Administrator harmless from and indemnify it against any and all liability, claims, damages (including punitive or consequential damages), costs, expenses, or fees (legal or otherwise) incurred or paid in connection therewith which might be asserted by the Plan, the Plan Sponsor's employees or other persons for which the Plan Administrator would not be liable to the Plan Sponsor as set forth above.
4. Where the context of the Agreement requires, the singular shall include the plural and the masculine gender shall include the feminine.
5. This Agreement may be amended by the Plan Sponsor and the Plan Administrator at any time by mutual written consent of said parties.
6. The Plan Sponsor hereby is designated the agent for service of legal process on behalf of the Plan, in its principal office.

IN WITNESS THEREOF, the Plan Sponsor and the Plan Administrator have executed this Agreement this 14th day of JULY, 2016.

City of Overton	TML MultiState Intergovernmental Employee Benefits Pool
By: 	By: Susan L. Smith
Title: Mayor	Title: Executive Director
Address: 1200 S. Commerce Overton, TX 75684	

Healthcare Limitation amounts are limited to \$2,550.

(standard maximum \$2,550 (January 2015 and thereafter) or amount established by Employer)
The Section 125 Flex Plan Year is 10/01/2016 to 09/30/2017.

Interlocal Agreement

(rev 1.31.14)

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Attachment D

RESOLUTION NO: 2016-07-14D

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF OVERTON, TEXAS AUTHORIZING THE MAYOR TO EXECUTE THE COBRA CONTINUATION OF COVERAGE ADMINISTRATIVE AGREEMENT WITH TML MULTI-STATE INTERGOVERNMENTAL EMPLOYEE BENEFITS POOL (ATTACHMENT A) FOR THE COVERAGE YEAR OF OCTOBER 1, 2016 AT 12:01 A.M. THROUGH SEPTEMBER 30, 2017.

City Of Overton
Overton, Texas

WHEREAS, the undersigned Employer is an Employer Member of the TML MultiState Intergovernmental Employee Benefits Pool (hereinafter referred to as the "Pool"); and

WHEREAS, the undersigned Employer sponsors an employee benefit plan; and

WHEREAS, the undersigned Employer is responsible for the administration of its employee benefit plan as the Plan Administrator; and

WHEREAS, the undersigned Employer wants the Pool to assist the Employer in complying with the requirements of Continuation of Coverage as required by Federal law.

NOW, THEREFORE, in consideration of the promises, mutual covenants and agreements contained in ATTACHMENT A, the undersigned Employer and the Pool agree to the terms as outlined in ATTACHMENT A.

INTRODUCED, READ AND APPROVED FOR ADOPTION AT A REGULAR MEETING OF THE CITY COUNCIL OF THE CITY OF OVERTON, TEXAS ON THIS THE 14th DAY OF July, 2016

CITY OF OVERTON

C.R. Evans, Jr.
C.R. Evans, Jr., Mayor



ATTEST:

Rachel Gifford
Rachel Gifford, City Secretary

(rev. 1.31.14)

Page 1 of 3

Interlocal Agreement

ATTACHMENT A

1. Effective Date

As of the first day of October, 2016, the Pool will commence COBRA Continuation of Coverage administration for the undersigned Employer for all qualifying events occurring thereafter and during the term of this agreement.

2. Employer Duties

- The undersigned Employer will notify the Pool's Billing/Eligibility Representative assigned to the Employer via FAX or Telephone (with a written follow up) within one (1) business day of a qualifying event, as defined by the COBRA Continuation of Coverage statute and its amendments, or a termination for gross misconduct of a Covered Employee for which the Employer has knowledge. Examples of qualifying events include termination; lump sum or severance settlement; resignation; death; retirement if the employee does not enroll for retiree coverage when offered under the Employer's benefit plan; reduction in hours (including reduction to zero (0) hours); call to duty for military service and absence from work for an injury or illness after all earned sick leave, vacation leave and FMLA has been exhausted.
- The undersigned Employer will distribute Attachment A, which advises each Covered Individual of their rights and responsibilities under COBRA Continuation of Coverage. The Employer will certify through a letter to the Pool that Attachment A was distributed to all Covered Individuals as of the date the Pool commenced COBRA Continuation of Coverage Administration.
- The undersigned Employer will distribute Attachment A to all employees who become covered by the Employer's benefit plan after the date the Pool commenced COBRA Continuation of Coverage administration and include verification of the distribution with the enrollment card when it is submitted to the Pool.
- The undersigned Employer will notify the Pool via FAX or Telephone (with a written follow-up) within one (1) business day of gaining knowledge that a Covered Individual has legally separated, divorced or is no longer eligible for coverage. e.g., the Covered employee or dependent is voluntarily dropped from coverage.
- The undersigned Employer will notify the Pool at least ten (10) business days prior to any open enrollment period. The notice to the Pool will include the dates of the open enrollment.
- The undersigned Employer will immediately notify the Pool of any suspected claim, demand or suit arising from the administration of COBRA Continuation of Coverage.
- To the extent allowed by law, the undersigned Employer will indemnify and hold harmless the Pool and its officers, agents, employees and representatives from all suits, actions, losses, damages (including punitive damages), claims or liability of any type, including without limiting the generality of the foregoing all expenses of litigation, court costs, and attorney's fees, resulting from the failure of the undersigned Employer to give any notice required by this Agreement. The foregoing reimbursement obligation shall specifically include any medical claim

(rev. 1.31.14)

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Interlocal Agreement

costs incurred by the Pool because of the failure of the Employer to give any notice of an employee termination or other qualifying event. The undersigned Employer will fund this obligation out of current revenues in the year the obligation is determined or will levy a tax to fund the obligation if current revenues are insufficient.

8. Any decision of whether an Employee was terminated because of gross misconduct will be made by the Employer no later than (a) the forty-fifth (45th) day following the termination or (b) the date a COBRA election notice is mailed to the Employee, whichever is earlier. Any determination of gross misconduct shall be based only on events prior to the termination of employment.

3. Pool Duties

1. The Pool staff will monitor changes in COBRA Continuation of Coverage and the case law which develops interpreting COBRA Continuation of Coverage.
2. The Pool will provide election notices within fourteen (14) days of the receipt of notices of qualifying events sent by the Employer.
3. The Pool will provide the appropriate notification letters to the employee or their dependent(s) as required by COBRA Continuation of Coverage statutes. These letters may include any or all of the following:

1. benefit availability - initial notice, enrollment card and cost;
2. confirmation of enrollment and payment coupons
3. notice of termination letters:
 - Failure to reply
 - Failure to make initial payment
 - Failure to make regular payment
 - End of eligibility (no longer qualified)
 - End of eligibility period
4. open enrollment
5. contribution change and revised payment coupons
6. conversion to an individual policy
7. Medicare eligibility
8. verification of incapacitated child status

4. The Pool will provide the COBRA Continuation of Coverage participants with ID cards, a benefit booklet, and other materials as the need may arise.
5. The Pool will maintain records that all required notifications were sent and copies are available to the Employer upon request.
6. The Pool will collect the required contributions at the maximum amount allowed by law. Upon notice for the Employer under II.1, the Pool has fourteen (14) days to send the COBRA Continuation of Coverage election notice. Once the election notice is mailed the qualifying beneficiary has sixty (60) days to elect COBRA Continuation of Coverage. If the qualified beneficiary elects COBRA Continuation of Coverage the qualified beneficiary has forty-five (45) days from election to make the first payment. If partial payments are made and the payment deficiency is insignificant, Pool contacts the qualified beneficiary for full payment. The qualified beneficiary has thirty (30) days from deficiency notification to make payment. Insignificant payment deficiency is the lesser of \$50 or 10% of amount due.
7. The Pool will periodically provide the Employer, for their review, with the text of the letter and notices to be used in administering this Agreement. The Pool maintains final authority over the text of these letters and notices. The Pool reserves unto itself the right to modify the letters and notices as may be required

Initial Pool Agreement

(rev.1.31.14)

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8. To the extent allowed by law, the Pool will indemnify, defend, reimburse, and hold harmless the Employer and its employees from any and all liabilities, claims, demands, or suits arising from or related to the provision of COBRA Continuation of Coverage administrative services unless those liabilities, claims, demands, or suits arise out of the Employer's failure to give any notice as required in II.1, 2, 3, 4, 5 and 6 of this Agreement. This notice is required by the agreement or by law. The Pool, upon notice by the Employer will immediately investigate, handle, respond to and defend any such claims, demands or suits at the Employer's sole expense. If the liability, claim, demand or suit is based on negligence this contract of indemnity shall apply and the negligence of the Employer and the Pool will be on a percentage basis as in a pure comparative negligence situation under the law. The Pool's responsibilities under this contract are for COBRA Continuation of Coverage that the Employer is required to provide under Federal law, and does not have any responsibility for other benefits such as group life insurance or disability.

4. Notice

- Any notice to be given under this Agreement, other than those in II.1, 2, 3, 4 and 5 of this Agreement, shall be deemed given and received on the first to occur of the following: (a) actual receipt by the party to be notified; or (b) five days after deposit of such notice in the US Mail system if sent by Certified Mail, Return Receipt Requested, postage prepaid, and addressed to the party to be notified at the address of such party set forth below or as designated from time to time in writing by giving not less than ten days in advance notice to the other party. The initial addresses for the Pool and Employer shall be as follows:

Address of Pool	Address of Employer
Executive Director	City of Overton
TML MultiState Intergovernmental Employee Benefits Pool	1200 S. Commerce
Texas Municipal Center	Overton, TX 75684
1821 Rutherford Lane, Suite 300	
Austin, Texas 78754-5151	

5. Compensation

1. The Employer will pay the Pool a one-time \$50.00 set up fee and a \$0.50 Per Participant per Month fee for each participating participant per month that enrolls in COBRA Continuation of Coverage.
2. Other special services which may be requested by the Employer but are not contained in this Agreement will be billed at a mutually agreeable hourly rate.

6. Miscellaneous Provisions

1. This Agreement represents the complete understanding of the parties and may not be modified or amended without the written agreement of both parties.
2. The parties agree that venue for any dispute arising under the terms of this Agreement shall be in Austin, Travis County, Texas.
3. The parties agree that venue for any dispute arising out of the performance under their Agreement shall be in Austin, Travis County, Texas.
4. In performing the administrative services under this Agreement, the Pool may rely without qualification on the information provided by the Employer.

(rev.1.31.14)

Page 4 of 5

5. The Pool agrees to take over the remaining COBRA Continuation of Coverage administration for any of the Employer's current COBRA Continuation of Coverage participants, without Employer compensation, so long as the Employer furnishes the information necessary to effectuate the transfer.
6. This Agreement is entire as to all of the performance to be rendered under it. If any term or provision of this Agreement is held by a court of competent jurisdiction to be invalid, void or unenforceable, the remainder of the provision of this Agreement shall be void and of no force and effect.
7. It is understood that the Pool will charge the COBRA Continuation of Coverage participant the administration fee allowed by the COBRA Continuation of Coverage statute.
7. Termination
1. Term of this initial Agreement shall be from its effective date through 09/30/2017, at 12:00 a.m. The Employer may annually renew the Agreement for the subsequent twelve (12) month period by executing and returning the Pool's renewal notice and benefit selection for each year.
 2. Either party may terminate this Agreement at any time by giving the other party written notice at least thirty (30) days prior to the specified date.
 3. This Agreement terminates, without further notice, on the date the undersigned Employer is no longer an Employer of the Pool.
 4. All records in possession of the Pool relating to COBRA Continuation of Coverage administration at termination of the Agreement will be transferred to the Employer within forty-five (45) business days.
 5. Should this Agreement terminate for any reason it does not relieve either party of their duties nor obligations during the period when this Agreement was in full force and effect.

This Agreement is entered into for the Employer under authorization of City of Overton, at a duly called meeting held on the 14th day of JULY, 2016.

 City of Overton
(Signature) (Employer/Group Name)

Mayor July 14, 2016
(Authorized Official Title) (Date)

This Agreement Entered Into and Accepted By:

TML MULTISTATE INTERGOVERNMENTAL EMPLOYEE BENEFITS POOL

By: _____ (Executive Director) at Austin, Texas on _____

EXHIBIT D

MCGINNIS LOCHRIDGE

Morgan Johnson
mjohnson@mcginnislaw.com
(512) 495-6030 o
(512) 505-6330 f

October 12, 2016

Mr. Charles Cunningham
City Manager
1200 S. Commerce
City of Overton, Texas 75684

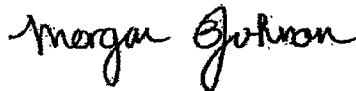
CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Re: Petition to the Public Utility Commission of Texas to Protest and Appeal the Decision of the City of Overton to Increase the Water and Sewer Rates for the Billy Moore Correctional Center

Dear Mr. Cunningham:

Enclosed is your service copy of the documents that we are filing with the Public Utility Commission of Texas today in response to the City of Overton's City Council approval of Ordinance No. 2016-05-19B, wherein the City of Overton adopted new water and sewer rates solely applicable to the Billy Moore Correctional Facility.

Sincerely,



Morgan Johnson

Enclosure