

**MINUTES
OF
CITY OF WHARTON
CITY COUNCIL REGULAR MEETING
JUNE 24, 2024**

Mayor, Tim Barker declared a Regular Meeting duly open for the transaction of business at 7:00 P.M. at City Hall 120 E. Caney Street Wharton, TX. Councilmember, Burnell Neal, led the opening devotion, and Mayor, Tim Barker led the pledge of allegiance.

Councilmembers present were: Mayor, Tim Barker, and Councilmembers, Terry Freese; Russell Machann; Burnell Neal; Larry Pittman; Steve Schneider, and David Voulgaris.

Councilmember absent was: None.

Staff members present were: City Manager, Joseph R. Pace; City Attorney, Paul Webb; Finance Director, Joan Andel; Assistant City Manager, Paula Favors, TRMC, CPM, MMC, IPMA-CP; Assistant to the City Manager, Brandi Jimenez; Planning and Development Director, Gwyn Teves, and Police SGT. Stephen Jimenez.

Visitors present were: Sam Scinta, Jr. with the Wharton County Leader-Journal.

Roll Call and Excused Absences.

All Councilmembers were present.

Public Comments.

Mayor, Tim Barker, called for Public Comments. No comments were given.

Wharton Moment.

Mayor, Tim Barker, called for Wharton Moments.

Councilmember, Burnell Neal, presented the 10u All-Stars with award trophies for representing Wharton in the State Championship Area 5 Softball tournament. Councilmember Neal said the girls played several great games and he was so proud to announce that they placed second in the state tournament.

City Manager, Joseph R. Pace, congratulated Lt. Ariel Soltura on completing the LEMIT program which was a statewide program that trained and developed law enforcement officials in Texas. City Manager Pace also congratulated Building Official, Claudia Velasquez, for earning her Code Enforcement Officer II certification.

Review and Consider:

City of Wharton Financial Report for May 2024. Finance Director, Joan Andel, presented the City of Wharton Financial Report for May 2024. After some discussion, Councilmember, Russell Machann, moved to approve the City of Wharton Financial Report for May 2024. Councilmember, Larry Pittman, seconded the motion. All voted in favor.

The second item on the agenda was to review and consider a request from Mr. David Bowlin on behalf of A2J Holdings, LLC., 500 Abell St., Rust 3, Block 7, Lot ODD, for the following variances:

- A. Variance to allow the existing parking lot to remain in the existing location. (1)
- B. Variance to build parking spaces over the ROW on Speed St. (2)
- C. Variance to build parallel parking in the ROW on Speed St. (3)
- D. Variance to build parking spaces in the ROW on Alabama St. (4)

Director of Planning & Development, Gwyn Teves, presented a copy of the request from Mr. David Bowlin on behalf of A2J Holdings, LLC., 500 Abell St., Rust 3, Block 7, Lot ODD, for the following variances:

- A. Variance to allow the existing parking lot to remain in the existing location. (1)
- B. Variance to build parking spaces over the ROW on Speed St. (2)
- C. Variance to build parallel parking in the ROW on Speed St. (3)
- D. Variance to build parking spaces in the ROW on Alabama St. (4)

Mrs. Teves stated Item A does not require a variance with the existing conditions, however, the exhibit showed the parking along Abell Street to be moved closer to the roadway and over the right of way. She said the existing parking should remain in the current location within the property line and not encroach on the right of way. Mrs. Teves stated the Planning Commission met and was recommending this item to the City Council for consideration. After some discussion, Councilmember, Terry Freese, moved to decline the request for variances from Mr. David Bowlin on behalf of A2J Holdings, LLC., 500 Abell St., Rust 3, Block 7, Lot ODD. Councilmember, David Voulgaris, seconded the motion. All voted in favor.

The third item on the agenda was to review and consider a resolution by the City of Wharton, Texas ("city") denying the application of the CenterPoint Energy Houston Electric LLC for authority to increase rates submitted on or about March 6, 2024; requiring the reimbursement of municipal rate case expenses; finding that the meeting complies with the open meetings act; making other findings and provisions related to the subject; and declaring an effective date. City Attorney, Paul Webb, stated that on March 6, 2024, CenterPoint Energy Houston Electric, LLC ("CEHE") filed an application to increase its retail rates by approximately \$60 million in annual revenue, or 2.6% in comparison to current retail revenues. He said the increase of \$60 million was comprised of an increase of about \$17 million for retail customers and about \$43 million for wholesale transmission customers and that CEHE requested its rates become effective on April 10, 2024. He said this was CEHE's first comprehensive base rate proceeding since about April 2019 and by prior action, the City suspended CEHE's proposed effective date for the statutorily

allowed period to July 9, 2024. After some discussion, Councilmember, Russell Machann, moved to approve City of Wharton Resolution No. 2024-58, which read as follows:

**CITY OF WHARTON
RESOLUTION NO. 2024-58**

RESOLUTION BY THE CITY OF WHARTON, TEXAS (“CITY”) DENYING THE APPLICATION OF THE CENTERPOINT ENERGY HOUSTON ELECTRIC LLC FOR AUTHORITY TO INCREASE RATES SUBMITTED ON OR ABOUT MARCH 6, 2024; REQUIRING THE REIMBURSEMENT OF MUNICIPAL RATE CASE EXPENSES; FINDING THAT THE MEETING COMPLIES WITH THE OPEN MEETINGS ACT; MAKING OTHER FINDINGS AND PROVISIONS RELATED TO THE SUBJECT; AND DECLARING AN EFFECTIVE DATE.

WHEREAS, CenterPoint Energy Houston Electric (“CEHE” or “Company”) filed a Statement of Intent with the City on or about March 6, 2024, to change its rates within the corporate limits of this municipality, specifically to increase its annual revenue for its retail transmission and distribution services by approximately \$60 million, comprised of an increase of about \$17 million for its retail customers and about \$43 million for its wholesale transmission customers; and,

WHEREAS, the City is a regulatory authority under the Public Utility Regulatory Act (“PURA”) and under Chapter 33, §33.001 et seq. of PURA has exclusive original jurisdiction over CEHE’s rates, operations, and services within the municipality; and,

WHEREAS, in order to maximize the efficient use of resources and expertise in reviewing, analyzing and investigating CEHE’s rate request and its changes in tariffs it is prudent to coordinate the City’s efforts with a coalition of similarly situated municipalities; and,

WHEREAS, CEHE failed to establish that its overall revenue request resulted in no more than an amount that will permit CEHE a reasonable opportunity to earn a reasonable return on the utility’s invested capital used and useful in providing service to the public in excess of the utility’s reasonable and necessary operating expenses; and,

WHEREAS, CEHE failed to establish that its proposed rates were just and reasonable; and,

WHEREAS, the City has previously: (1) suspended CEHE’s proposed rate increase by 90 days; (2) authorized intervention in proceedings related to CEHE’s proposed rate increase as a member of the coalition of cities known as the Texas Coast Utilities Coalition of cities; (3) directed CEHE to reimburse TCUC’s rate case expenses; and (4) retained the law firm of Herrera Law & Associates, PLLC with respect to rate proceedings involving CEHE before the Public Utility Commission of Texas and courts of law and to retain consultants to review CEHE’s rate application subject to TCUC’s approval.

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

- Section 1.** The findings set out in the preamble are in all things approved and incorporated herein as if fully set forth.
- Section 2.** CEHE failed to show that its proposed rates are just and reasonable.
- Section 3.** The City hereby **DENIES** CEHE's request to increase rates and in support of **DENIAL** finds that:
- a) CEHE failed in its burden of proof to establish that its requested increase in revenue or the changes set forth in its tariffs attached to CEHE's Statement of Intent to increase rates, results in just and reasonable rates;
 - b) CEHE failed in its burden of proof to establish that adoption of its proposed rate base, expenses, investment, return on equity, and other rate issues as presented in CEHE's Statement of Intent to increase rates, result in just and reasonable rates.
- Section 4.** The City hereby orders CEHE to reimburse the City's rate case expenses as provided in the Public Utility Regulatory Act and that CEHE shall continue to do so on a monthly basis and within 30 days after submission of the City's invoices for the City's reasonable costs associated with the City's activities related to this rate review or to related proceedings involving CEHE before the City, the Public Utility Commission of Texas, or any court of law.
- Section 5.** A copy of this resolution shall be sent to Mr. Alfred R. Herrera, Herrera Law & Associates, PLLC, P.O. Box 302799, Austin, Texas 78703, and a courtesy copy to Ms. Denise Gaw, Regulatory Manager, CenterPoint Energy, 1111 Louisiana Street, Houston, Texas 77002.
- Section 6.** The meeting at which this resolution was approved was in all things conducted in strict compliance with the Texas Open Meetings Act, Texas Government Code, Chapter 551.
- Section 7.** This resolution supersedes any prior inconsistent or conflicting resolution or ordinance.
- Section 8.** This resolution shall become effective from and after its passage.
- PASSED AND APPROVED** this 24th day of June 2024.

TIM BARKER
Mayor

ATTEST:

PAULA FAVORS
City Secretary

Councilmember, Larry Pittman, seconded the motion. All voted in favor.

The fourth item on the agenda was to review and consider a resolution of the Wharton City Council authorizing the purchase of three (3) PowerLoads from Stryker Medical for the Emergency Medical Services Department and authorizing the City Manager to execute all documents related to said purchase. EMS Director, Christy Gonzales, presented a copy of a memorandum from her regarding the purchase of three PowerLoads from Stryker Medical for the Emergency Medical Services Department. EMS Director Gonzales stated the total amount for the purchase was \$116,653.53. After some discussion, Councilmember, Russell Machann, moved to approve City of Wharton Resolution No. 2024-59, which read as follows:

**CITY OF WHARTON
RESOLUTION NO. 2024-59**

A RESOLUTION OF THE WHARTON CITY COUNCIL AUTHORIZING THE PURCHASE OF THREE (3) POWERLOADS FROM STRYKER MEDICAL FOR THE EMERGENCY MEDICAL SERVICES DEPARTMENT AND AUTHORIZING THE CITY MANAGER TO EXECUTE ALL DOCUMENTS RELATED TO SAID PURCHASE.

WHEREAS, The Wharton Emergency Medical Services Department requests that the City Council approve the purchase of three (3) PowerLoads from Stryker Medical; and,

WHEREAS, The total amount of said purchase is \$116,653.53; and,

WHEREAS, The Wharton City Council wishes to authorize the City Manager to purchase three (3) PowerLoads from Stryker Medical.

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF WHARTON, TEXAS:

SECTION I. The Wharton City Council hereby authorizes the purchase of three (3) PowerLoads from Stryker Medical.

SECTION II. The Wharton City Council hereby authorizes the City Manager to execute the purchase of three (3) PowerLoads from Stryker Medical.

SECTION III. That this resolution shall become effective immediately upon its passage.

PASSED AND APPROVED this 24th day of June 2024.

CITY OF WHARTON

TIM BARKER
Mayor

ATTEST:

PAULA FAVORS

City Secretary

Councilmember, Terry Freese, seconded the motion. All voted in favor.

The fifth item on the agenda was to review and consider a resolution of the Wharton City Council authorizing the submission of an application to the General Land Office (GLO) Resilient Communities Program and authorizing the Mayor of the City of Wharton to execute all documents related to said submission. Director of Planning & Development, Gwyn Teves, stated the City Staff had been informed of the Notice of Funding for the Resilient Communities Program (RCP) through the General Land Office. Mrs. Teves said the RCP would fund the development, adoption, and implementation of modern and resilient building codes and flood damage prevention ordinances to ensure that structures built within the community can withstand future hazards. She said the City Staff had met and discussed the opportunities available and would like to apply. Director of Planning and Development, Teves stated the application could update the current Comprehensive Plan to include the recently adopted Hazard Mitigation Plan recommendations, incorporate the ongoing Drainage Study, incorporate the Downtown Master Plan, and refresh the current land-use and forward-looking timeline and the City could apply for up to 100% funding and would not be required to provide a monetary match for the program. After some discussion, Councilmember, Terry Freese, moved to approve City of Wharton Resolution No. 2024-60, which read as follows:

**CITY OF WHARTON
RESOLUTION NO. 2024-60**

A RESOLUTION OF THE WHARTON CITY COUNCIL AUTHORIZING THE SUBMISSION OF AN APPLICATION TO THE GENERAL LAND OFFICE (GLO) RESILIENT COMMUNITIES PROGRAM AND AUTHORIZING THE MAYOR OF THE CITY OF WHARTON TO EXECUTE ALL DOCUMENTS RELATED TO SAID SUBMISSION.

WHEREAS, The City of Wharton City Council wishes to authorize the submission of an application to the General Land Office (GLO) Resilient Communities Program for the City of Wharton Comprehensive Plan update; and,

WHEREAS, The Wharton City Council wishes to authorize the Mayor of the City of Wharton to execute all documents relating to said applications.

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF WHARTON, TEXAS:

SECTION I. The Wharton City Council hereby approves the submission of an application to the General Land Office (GLO) Resilient Communities Program for the City of Wharton Comprehensive Plan update.

SECTION II. The Wharton City Council hereby authorizes the Mayor of the City of Wharton to execute all documents related to said application.

SECTION IV. That this resolution shall become effective immediately upon its passage.

PASSED, APPROVED, and ADOPTED this 24th day of June 2024.

CITY OF WHARTON, TEXAS

By:

TIM BARKER

Mayor

ATTEST:

PAULA FAVORS

City Secretary

Councilmember, Steve Schneider, seconded the motion. All voted in favor.

The sixth item on the agenda was to review and consider an update of the City of Wharton Grant Programs. Director of Planning & Development, Gwyn Teves, presented an update on the City of Wharton Grant Programs. After some discussion, no action was taken.

The seventh item on the agenda was to review and consider an update on the City of Wharton's ongoing projects. City Manager, Joesph R. Pace, presented an update on the City of Wharton's ongoing projects. After some discussion, no action was taken.

The eighth item on the agenda was to review and consider Appointments, Resignations, and Vacancies to the City of Wharton Boards, Commissions, and Committees:

- A. Resignations.
- B. Appointments.
- C. Vacancies.

Resignations:

- A. Beautification Commission:
 - 1. Nancy Mata
 - 2. Rachel Roberson
- B. Mayor's Committee on People with Disabilities:
 - 1. Faye Evans
- C. Planning Commission:

1. Marshall Francis
- D. Plumbing & Mechanical Board:
 1. A.J. Rath

Appointments:

- A. Wharton Regional Airport Board:
 1. Larry David
 2. Jimmy Zissa
 3. Glenn Erdelt
- B. Electrical Board:
 1. Philip Hamlin
 2. Milton Barbee
- C. Holiday Light Decorating Chairman:
 1. Tim Barker
- D. Mayor's Committee on People with Disabilities:
 1. Johnnie Gonzales
- E. Health Officer:
 1. Dr. Jeff Gubbels, MD
- F. Veterinarian:
 1. Dr. Cody Pohler, DVM
- G. Planning Commission:
 1. Adraylle Watson
 2. Michael Wootton
 3. Joel Williams

Councilmember, Russell Machann, moved to approve the following:

Resignations:

- E. Beautification Commission:
 3. Nancy Mata
 4. Rachel Roberson
- F. Mayor's Committee on People with Disabilities:
 2. Faye Evans
- G. Planning Commission:
 2. Marshall Francis
- H. Plumbing & Mechanical Board:
 2. A.J. Rath

Councilmember, Terry Freese, seconded the motion. All voted in favor. Councilmember, Terry Freese, moved to approve the following:

Appointments:

- H. Wharton Regional Airport Board:
 4. Larry David

- 5. Jimmy Zissa
- 6. Glenn Erdelt
- I. Electrical Board:
 - 3. Philip Hamlin
 - 4. Milton Barbee
- J. Holiday Light Decorating Chairman:
 - 2. Tim Barker
- K. Mayor's Committee on People with Disabilities:
 - 2. Johnnie Gonzales
- L. Health Officer:
 - 2. Dr. Jeff Gubbels, MD
- M. Veterinarian:
 - 2. Dr. Cody Pohler, DVM
- N. Planning Commission:
 - 4. Adraylle Watson
 - 5. Michael Wootton
 - 6. Joel Williams

Councilmember, Larry Pittman, seconded the motion. All voted in favor.

The ninth item on the agenda was to review and consider Department Head Reports:

- A. City Secretary/Personnel.
- B. Code Enforcement.
- C. Community Services Department/Civic Center.
- D. Emergency Management.
- E. E. M. S. Department.
- F. Fire Department.
- G. Legal Department.
- H. Municipal Court.
- I. Police Department.
- J. Public Works Department.
- K. Water/Sewer Department.
- L. Weedy Lots/Sign Ordinance.
- M. Wharton Regional Airport.

After some discussion, no action was taken.

Executive Session:

- 1. City Council may adjourn into an Executive Session in accordance with Sections 551.074 of the Local Government Code, Revised Civil Statutes of Texas. Final action, decision, or vote, if any with regard to any matter considered in Executive Session shall be made in Open Meeting.

Discussion:

A. City Managers Evaluation.

Mayor, Tim Barker, moved the meeting into Executive Session at 7:29 p.m.

Return to Open Session:

1. Action on items discussed in Executive Session:

A. City Managers Evaluation.

Mayor, Tim Barker, moved the meeting into Open Session at 8:00 p.m. Mayor Barker stated no action would be taken at this time.

Adjournment.

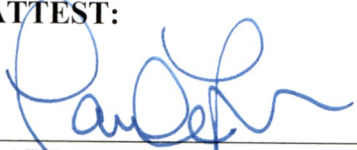
There being no further discussion, Councilmember, David Voulgaris, moved to adjourn. Councilmember, Terry Freese, seconded the motion. All voted in favor.

The meeting adjourned at 8:00 p.m.

CITY OF WHARTON, TEXAS

By: 
TIM BARKER
Mayor

ATTEST:


PAULA FAVORS
City Secretary

