



CITY COUNCIL AGENDA

Monday, October 20, 2025 at 6:00 PM

City Hall – Council Chambers, 200 North Fifth, Crockett, TX 75835

Dr. Ianthia Fisher, Mayor

Dennis Ivey, Council Member
Christopher Price, Council Member
NaTrenia Hicks Council Member
Elbert Johnson, Council Member
Mike Marsh, Mayor Pro Tem

Lee Standley, City Administrator
Mitzi Stefka, City Secretary
Donna Gordon, City Attorney
Clayton Smith, Police Chief
Jason Frizzell, Fire Chief

Notice is hereby given of a meeting of the City Council of Crockett to be held on **MONDAY, OCTOBER 20, 2025 at 6:00 PM** at City Hall – Council Chambers, 200 North Fifth, Crockett, Texas, for the purpose of considering the following agenda items. All agenda items are subject to action.

OPEN MEETING WITH INVOCATION AND PLEDGE

RECOGNITION OF VISITORS

COMMENTS FROM AUDIENCE OR COUNCIL *(At this time, anyone will be allowed to speak on City related matters only; no personal matters or matters under litigation will be allowed. The length of time may not exceed three (3) minutes. NO Council discussion or action may take place on a matter until such matter has been placed on an agenda and posted in accordance with law.)*

APPROVAL OF MINUTES

1. REGULAR SESSION: OCTOBER 6, 2025

REPORTS

2. UPDATE ON SPECIAL PROJECTS AND BUSINESS DEVELOPMENT
3. POLICE DEPARTMENT MANPOWER & CRIMINAL INCIDENT REPORT FOR SEPTEMBER 2025
4. FIRE DEPARTMENT MONTHLY ACTIVITY & STATUS REPORT FOR SEPTEMBER 2025

BUSINESS

5. CONSIDER AND APPROVE A CONTINGENCY FEE CONTRACT WITH LINEBARGER GOGGAN BLAIR & SAMPSON, LLP FOR THE COLLECTION OF THE MUNICIPAL COURT'S DEBTS AND ACCOUNT RECEIVABLES, AND NO FEE COST FOR DELINQUENT CITY WATER UTILITY COLLECTIONS
6. CONSIDER AND APPROVE A RESOLUTION AUTHORIZING THE COLLECTION FEE OF 30% OF DEBTS AND ACCOUNT RECEIVABLES FOR THE CITY OF CROCKETT MUNICIPAL COURT
7. CONSIDER AND APPROVE AUTHORIZING THE EXECUTION OF THE CITY CONTRACT WITH THE LINEBARGER LAW FIRM FOR THE COLLECTION OF CITY OF CROCKETT'S MUNICIPAL COURT ACCOUNT RECEIVABLES
8. CONSIDER AND APPROVE TERMINATING THE CONTRACT WITH THE PERDUE BRANDON FIELDER COLLINS & MOTT, LLP FOR THE COLLECTION OF THE MUNICIPAL COURT'S DEBTS AND ACCOUNT RECEIVABLES
9. CONSIDER AND APPROVE A RESOLUTION BY THE CITY OF CROCKETT ("CITY") DENYING ONCOR ELECTRIC DELIVERY COMPANY LLC'S APPLICATION TO INCREASE RATES RELATED TO ONCOR'S STATEMENT OF INTENT TO INCREASE RATES FILED ON OR ABOUT JUNE 26, 2025; 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

EXECUTIVE SESSION

- 10. SEC. 551.071. CONSULTATION WITH ATTORNEY REGARDING LINCOLN LUMBER RECAPTURE OF INCENTIVES AND TAX ABATEMENTS

RECONVENE INTO REGULAR SESSION AND CONSIDER ACTION ON RECAPTURE OF INCENTIVES AND TAX ABATEMENTS FOR LINCOLN LUMBER

ADJOURNMENT

In compliance with the Americans with Disabilities Act, the City of Crockett will provide for reasonable accommodations for persons attending City Council meetings. To better serve you, requests should be received 24 hours prior to the meetings. Please contact Mitzi Stefka, City Secretary, at 936-544-5156.

CERTIFICATION

I certify that a copy of the October 20, 2025 agenda of items to be considered by the Crockett City Council was posted for viewing at Crockett City Hall on October 14, 2025 before 5:00 PM.

Mitzi Stefka, City Secretary

I certify that the agenda items to be considered by the City Council was removed from the City Hall window on the ____ day of _____, 2025. _____ Title _____

MINUTES OF THE CROCKETT CITY COUNCIL MEETING HELD ON THE 6th DAY OF OCTOBER 2025 IN THE CITY HALL COUNCIL CHAMBERS, LOCATED AT 200 NORTH FIFTH IN THE CITY OF CROCKETT, HOUSTON COUNTY TEXAS AT 6:00 P.M.

THE COUNCIL MET IN REGULAR SESSION WITH THE FOLLOWING MEMBERS PRESENT: IANTHIA FISHER, DENNIS IVEY, CHRISTOPHER PRICE, NATRENIA HICKS, ELBERT JOHNSON & MIKE MARSH. CITY OFFICIALS PRESENT: CITY ADMINISTRATOR LEE STANDLEY, CITY SECRETARY MITZI STEFKA, DEPUTY CITY ADMINISTRATOR JOHN ANGERSTEIN, POLICE CHIEF CLAYTON SMITH AND CITY ATTORNEY DONNA GORDON.

OPEN MEETING WITH INVOCATION AND PLEDGE

Mayor Fisher called the formal session open and Council member Ivey gave the invocation. All joined in the pledge.

RECOGNITION OF VISITORS

Mayor Fisher recognized all visitors present and introduced Nigina Gahramonoa, an exchange student in the leadership program at Crockett High School.

COMMENTS FROM AUDIENCE OR COUNCIL *(At this time, anyone will be allowed to speak on City-related matters only; no personnel matters or matters under litigation will be allowed. The length of time may not exceed three minutes. NO Council discussion or action may take place on a matter until such matter has been placed on an agenda and posted in accordance with law.)*

- o None

APPROVAL OF MINUTES

1. REGULAR SESSION: SEPTEMBER 15, 2025

Mayor Pro Tem Marsh made a motion to approve the minutes of the September 15, 2025 regular session. Council member Ivey seconded the motion. Motion passes 5-0.

BUSINESS

2. CONSIDER AND APPROVE AN ORDINANCE AMENDING CHAPTER 19, UTILITIES, OF THE CROCKETT CODE; AMENDING SECTION 19-37(a), INCREASING THE RATES FOR RESIDENTIAL AND COMMERCIAL WATER SERVICE; AMENDING SECTION 19-58, INCREASING THE RATES FOR RESIDENTIAL AND COMMERCIAL SEWER SERVICE, CONTAINING A SEVERABILITY CLAUSE; CONTAINING A REPEALING CLAUSE; AND PROVIDING AN EFFECTIVE DATE

Mr. Standley explained council had previously approved the FY2025 budget, which went into effect on October 1, 2025 and included this increase to pay for loans and grant matches related to water and sewer infrastructure projects. If this ordinance was not

approved, approximately \$328,000 would need to be cut from the water and sewer department and significant employee layoffs would be inevitable. Council member Ivey made a motion to approve an ordinance amending Chapter 19, Utilities, of the Crockett Code; amending Section 19-37(a), increasing the rates for residential and commercial water service; Service; amending section 19-58, increasing the rates for residential and commercial sewer service, containing a severability clause; containing a repealing clause; and providing an effective date. Council member Price seconded the motion. During discussion, council member Hicks asked if there were other expenses that could be cut, mentioning City Administrator Lee Standley and Deputy City Administrator John Angerstein by name and mentioning a 1.5 million dollar for their salaries. Mayor Pro Tem Marsh stated that issue was irrelevant and moved the previous question to terminate discussion. Council member Ivey seconded the motion. Council member Hicks continued to speak about the matter and asked if council had ever reviewed the budget, even though there had been multiple budget workshops and council meetings to review and discuss the budget in detail over the previous few months. After Mayor Fisher was finally able to speak, she called for a vote to move the previous question and end the discussion. Motion passes 3-2. Mayor Pro Tem Marsh and council member Hicks voted against. The mayor called for a vote on the original motion. Motion passes 3-2. Mayor Pro Tem Marsh and council member Hicks voted against.

3. PUBLIC HEARING ON REQUEST FROM TRACY ROSS JR. FOR A SPECIFIC USE PERMIT TO PLACE A MANUFACTURED HOME ON PROPERTY CURRENTLY HAVING AN ADDRESS OF 804 COTTONWOOD, LOCATED BETWEEN BURLESON STREET AND WEST HALL AVENUE, AND IDENTIFIED BY THE HOUSTON COUNTY APPRAISAL DISTRICT AS PARCELS 4309 AND 4310. LEGAL DESCRIPTION BEING: LOTS NO. EIGHT (8) AND NINE (9) IN THE J. W. HOGG BLOCK OF THE DEPOT ADDITION TO THE CITY OF CROCKETT
 CONSIDER AND APPROVE A RESOLUTION AND AGREEMENT WITH THE TEXAS DEPARTMENT OF TRANSPORTATION FOR THE TEMPORARY CLOSURE OF STATE RIGHT OF WAY FOR CHRISTMAS IN CROCKETT

Mayor Fisher opened the public hearing. There were no comments, and the mayor closed the hearing.

4. CONSIDER AND APPROVE REQUEST FROM TRACY ROSS JR. FOR A SPECIFIC USE PERMIT TO PLACE A MANUFACTURED HOME ON PROPERTY CURRENTLY HAVING AN ADDRESS OF 804 COTTONWOOD, LOCATED BETWEEN BURLESON STREET AND WEST HALL AVENUE, AND IDENTIFIED BY THE HOUSTON COUNTY APPRAISAL DISTRICT AS PARCELS 4309 AND 4310. LEGAL DESCRIPTION BEING: LOTS NO. EIGHT (8) AND NINE (9) IN THE J. W. HOGG BLOCK OF THE DEPOT ADDITION

Mr. Standley explained that the Planning and Zoning Commission had held a public hearing on this request and recommended that city council approve the specific use permit. Mayor Pro Tem Marsh made a motion to approve a request from Tracy Ross Jr. for a specific use permit to place a manufactured home on property currently having an address of 804 Cottonwood, located between Burleson Street and West Hall Avenue, and identified by the Houston County Appraisal District as Parcels 4309 and 4310. Legal

description being: Lots No. Eight (8) and Nine (9) in the J.W. Hogg block of the Depot Addition. Council member Johnson seconded the motion. Motion passes 4-0. Council member Hicks abstained due to a conflict of interest on file.

5. CONSIDER AND APPROVE AUTHORIZING THE CITY TO PROCEED WITH LEASE AGREEMENT WITH DEEP EAST TEXAS WORKFORCE SOLUTIONS AT 1505 SOUTH 4TH ST (VO-TECH CENTER) AND DETERMINING LEASE VALUE

Mr. Angerstein explained that the city had been in discussions with Deep East Texas Workforce Solutions regarding a lease agreement for the office space at 1505 South 4th Street. Workforce Solutions proposed a monthly rental fee of \$1,522 per month based on comparisons with similar facilities. He also informed council that Provalus would pay all utilities at the facility and be reimbursed by Workforce Solutions per a separate agreement between the two parties. Mayor Pro Tem Marsh made a motion to proceed with a lease agreement between the City of Crockett and Deep East Texas Workforce Solutions at the offered amount of \$1,522 per month for a one-year term. Council member Ivey seconded the motion. After a lengthy discussion in which council member Hicks argued that the rental fee proposed by Workforce Solutions was too high, Mayor Pro Tem Marsh moved the previous question to terminate discussion. Council member Ivey seconded the motion. Motion passes 3-2. Council members Johnson and Hicks voted against. The mayor called for a vote on the original motion. Motion passes 5-0.

6. PUBLIC HEARING ON PLANNING & ZONING COMMISSION'S FINAL REPORT WITH CONCLUSIONS AND RECOMMENDATIONS FOR PROPOSED ZONING TEXT AMENDMENTS RELATING TO HOME-BASED BUSINESSES

Mayor Fisher opened the public hearing. There were no comments, and the mayor closed the hearing.

7. CONSIDER AND APPROVE AN ORDINANCE OF THE CITY OF CROCKETT, TEXAS, AMENDING ARTICLE 3 OF APPENDIX A, ZONING, OF THE CROCKETT CODE, DELETING SECTION 308 "HOME OCCUPATIONS" IN ITS ENTIRETY, INCLUDING THE REQUIREMENTS FOR A HOME OCCUPATION PERMIT OR A HOME OCCUPATION CONDITIONAL USE PERMIT ISSUED BY THE CITY, AND REPLACING IT WITH A SUBSTITUTE SECTION 308 "HOME-BASED BUSINESSES AND GARAGE SALES" TO COMPLY WITH HOUSE BILL 2464 PASSED BY THE 89TH TEXAS LEGISLATURE RELATING TO THE AUTHORITY OF A MUNICIPALITY TO REGULATE A HOME-BASED BUSINESS; PERMITTING A "NO-IMPACT HOME BASED BUSINESS" AS DEFINED BY HOUSE BILL 2464 TO OPERATE BY RIGHT IN A RESIDENTIAL DISTRICT IF THE BUSINESS IS COMPATIBLE WITH THE RESIDENTIAL USE OF THE PROPERTY WHERE THE BUSINESS IS LOCATED, IS SECONDARY TO THE USE OF THE PROPERTY AS A RESIDENTIAL DWELLING OR IS ADJACENT TO PROPERTY OWNED BY THE SAME OWNER AND HAVING A PRIMARY USE AS A RESIDENTIAL DWELLING, IS NOT A BUSINESS THAT SELLS ALCOHOL OR ILLEGAL DRUGS, IS NOT A STRUCTURED SOBER LIVING HOME, AND IS NOT A SEXUALLY ORIENTED BUSINESS AS DEFINED BY TEX. LOCAL GOV'T CODE, SECTION 243.002; INCORPORATING CURRENT PROVISIONS RELATING

TO THE CITY’S LIMITATIONS TO REGULATE COMMERCE IN FIREARMS, ETC. AND CURRENT PROVISIONS RELATING TO GARAGE SALES INTO THE SUBSTITUTED SECTION 308; PROVIDING A SEVERABILITY CLAUSE; CONTAINING A REPEALING CLAUSE; AND PROVIDING AN EFFECTIVE DATE

Mr. Standley explained the need to amend the city’s zoning ordinance to comply with recently adopted state legislation (House Bill 2464). After some discussion, council member Price made a motion to approve an ordinance of the City of Crockett, Texas, amending Article 3 of Appendix A, Zoning, of the Crockett Code, deleting Section 308 “Home Occupations” in its entirety, including the requirements for a home occupation permit or a home occupation conditional use permit issued by the city, and replacing it with a substitute section 308 “Home-Based Businesses and Garage Sales” to comply with House Bill 2464 passed by the 89th Texas Legislature relating to the authority of a municipality to regulate a home-based business; permitting a “no-impact home based business” as defined by House Bill 2464 to operate by right in a residential district if the business is compatible with the residential use of the property where the business is located, is secondary to the use of the property as a residential dwelling or is adjacent to property owned by the same owner and having a primary use as a residential dwelling, is not a business that sells alcohol or illegal drugs, is not a structured sober living home, and is not a sexually oriented business as defined by Tex. Local Gov’t code, Section 243.002; incorporating current provisions relating to the city’s limitations to regulate commerce in firearms, etc. And current provisions relating to garage sales into the substituted Section 308; providing a severability clause; containing a repealing clause; and providing an effective date. Council member Johnson seconded the motion. Motion passes 5-0.

ADJOURNMENT

Without objection, Mayor Fisher adjourned the meeting at 7:02 P.M.

Dr. Ianthia Fisher, Mayor

ATTEST:

Mitzi Stefka, City Secretary



City of Crockett
POLICE DEPARTMENT

COURTESY
PROTECTION
DEDICATION



Item 3.

CHIEF OF POLICE
Clayton Smith

CROCKETT, TEXAS 75835
936-544-2021 * 200 NORTH FIFTH STREET

Mayor
Dr. Ianthia Flsher

September 2025

Manpower: 16
Manpower Hours: 2406
Calls: 454
Accidents: 16
Arrests: 53
Traffic: 405
Reports: 82
Alarm Calls: 14
False Alarms: 11
No Fault Alarms: 3

Assault: 7	Possession of Drug Paraphernalia: 5
Burglary: 1	Possession of Marijuana: 1
Criminal Mischief: 1	Public Intoxication: 3
Criminal Trespass: 0	Resisting Arrest: 1
Disorderly Conduct: 2	Theft: 5
Driving While Intoxicated: 3	Unlawful Possession of Firearm: 0
Forgery: 0	Unauthorized use of Motor Vehicle: 0
Possession of Controlled Substance: 2	Miscellaneous Offenses: 67

Comments: REPORTING PERIOD: SEPTEMBER 1-30, 2025 INCLUDES 24 WARRANT SERIVCES.

Monday, October 6, 2025

CROCKETT FIRE DEPT. MONTHLY ACTIVITY AND STATUS REPORT FOR 2025

2025	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	YTD
CITY CALLS	27	21	19	35	33	27	29	23	35	0	0	0	249
STRUCTURE FIRES:	0	0	0	0	0	0	0	0	0	0	0	0	0
Business	0	0	0	0	1	0	0	0	0	0	0	0	1
Residential	0	0	1	0	0	0	0	1	0	0	0	0	2
VEHICLE FIRES	0	1	0	0	0	0	1	1	0	0	0	0	3
GRASS / WOODS FIRES	0	0	1	0	0	0	0	1	2	0	0	0	4
REFUSE / TRASH FIRE	0	0	0	0	0	0	0	0	0	0	0	0	0
VEHICLE ACCIDENT	5	1	4	6	3	3	4	4	11	0	0	0	41
VEHICLE ACCIDENT w/RESCUE	0	0	0	0	0	0	0	0	0	0	0	0	0
TECHNICAL RESCUE	1	0	0	0	0	1	2	0	0	0	0	0	4
POWERLINE EMERGENCIES	0	0	0	8	9	3	1	3	2	0	0	0	26
TREES DOWN	0	0	0	1	5	1	0	0	0	0	0	0	7
NATURAL/LPG GAS LEAK	3	2	3	3	0	5	2	0	8	0	0	0	26
HAZ-MAT SPILL / LEAK	0	1	1	0	2	1	1	0	1	0	0	0	33
CARBON MONOXIDE ALARM	0	0	0	0	0	0	0	0	0	0	0	0	0
EMS FIRST RESPONDER	6	7	4	5	4	4	4	7	7	0	0	0	48
EMS LIFT ASSIST	6	4	1	5	3	3	9	3	0	0	0	0	34
LANDING ZONE SET-UP	0	0	0	0	0	0	0	0	0	0	0	0	0
FALSE ALARM BUSINESS	3	1	4	0	2	1	2	0	0	0	0	0	13
FALSE ALARM RESIDENTIAL	1	2	0	2	1	2	0	0	0	0	0	0	8
TERRORISTIC/BOMB THREAT	0	0	0	0	0	0	0	0	0	0	0	0	0
FIRE / SMOKE INVESTIGATION	2	1	0	5	3	2	2	1	4	0	0	0	20
CONTROL BURN	0	0	0	0	0	0	0	0	0	0	0	0	0
TRAFFIC CONTROL	0	0	0	0	0	1	0	0	0	0	0	0	1
AGENCY ASSIST	0	1	0	0	0	0	1	2	0	0	0	0	4
ARSON ARREST	0	0	0	0	0	0	0	0	0	0	0	0	0

CROCKETT FIRE DEPT. MONTHLY ACTIVITY AND STATUS REPORT FOR 2025

2025	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	YTD
COUNTY CALLS	11	15	13	16	14	13	14	14	9	0	0	0	119
STRUCTURE FIRES:	1	1	1	3	0	0	0	0	0	0	0	0	6
Business	0	1	0	0	0	0	0	0	0	0	0	0	1
Residential	1	0	1	3	0	0	0	0	0	0	0	0	5
VEHICLE FIRES	1	2	2	0	1	0	2	1	2	0	0	0	11
GRASS / WOODS FIRES	6	5	2	0	1	0	2	7	3	0	0	0	26
REFUSE / TRASH FIRE	0	0	0	0	0	0	0	0	0	0	0	0	0
VEHICLE ACCIDENT	1	3	4	5	3	5	6	4	3	0	0	0	34
VEHICLE ACCIDENT w/Extrication	0	0	1	0	0	0	0	0	0	0	0	0	1
TECHNICAL RESCUE	0	0	0	0	0	0	0	0	0	0	0	0	0
LANDING ZONE SET-UP	0	0	0	0	0	0	0	0	0	0	0	0	0
HAZ-MAT SPILL / LEAK	0	0	0	0	0	0	0	0	0	0	0	0	0
POWERLINE EMERGENCIES	0	0	0	1	3	2	0	0	0	0	0	0	0
TREES DOWN	0	0	1	2	4	6	2	0	0	0	0	0	15
NATURAL/LPG GAS LEAK	0	0	0	0	0	0	0	0	0	0	0	0	0
OIL/GAS WELL FIRE	0	0	0	0	0	0	0	0	0	0	0	0	0
CARBON MONOXIDE ALARM	0	0	0	0	0	0	0	0	0	0	0	0	0
EMS FIRST RESPONDER	1	0	1	0	1	0	1	2	0	0	0	0	6
EMS LIFT ASSIST	0	0	0	2	0	0	0	0	0	0	0	0	2
FALSE ALARM BUSINESS	0	0	0	0	0	0	0	0	0	0	0	0	0
FALSE ALARM RESIDENTIAL	0	2	0	0	0	0	1	0	0	0	0	0	3
TERRORISTIC THREAT	0	0	0	0	0	0	0	0	0	0	0	0	0
FIRE / SMOKE INVESTIGATION	0	1	0	0	1	0	0	0	1	0	0	0	3
TRAFFIC CONTROL	0	0	0	0	0	0	0	0	0	0	0	0	0
CONTROL BURN	0	0	0	0	0	0	0	0	0	0	0	0	0

CROCKETT FIRE DEPT. MONTHLY ACTIVITY AND STATUS REPORT FOR 2025

Item 4.

2025	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	YTD
TOTAL CALLS	38	36	32	51	47	40	43	37	44	0	0	0	368
ACTIVE MEMBERS (PAID / VOL.)	17	17	17	17	17	18	18	19	18	0	0	0	0
PAYROLL	\$1,120	\$400	\$850	\$300	\$291	\$700	\$1,425	\$3,000	\$2,050	\$0	\$0	\$0	\$0
VOLUNTEER MAN HOURS	105	30	90	30	25	56	125	345	225	0	0	0	0
COST PER MAN HOUR	\$11.20	\$13.33	\$9.44	\$10.00	\$11.64	\$12.50	\$11.40	\$8.69	\$9.11	\$0.00	\$0.00	\$0.00	\$0.00
FIREFIGHTER INJURIES	0	0	0	0	0	0	0	0	0	0	0	0	0
FIREFIGHTER FATALITIES	0	0	0	0	0	0	0	0	0	0	0	0	0
CIVILIAN INJURIES	0	0	0	0	0	0	0	0	0	0	0	0	0
CIVILIAN FATALITIES	1	0	0	0	0	0	0	0	0	0	0	0	0
MUTUAL AID GIVEN	1	7	3	2	2	3	0	2	2	0	0	0	0
MUTUAL AID RECEIVED	0	0	0	2	0	0	0	2	1	0	0	0	0
OUT OF COUNTY CALLS	0	0	0	0	0	0	0	0	0	0	0	0	0

Notes:

Contract for Fines and Fees Collection Services

STATE OF TEXAS

COUNTY OF HOUSTON

THIS CONTRACT (hereinafter "AGREEMENT") is made and entered into by and between the CITY OF CROCKETT, acting herein by and through its governing body, hereinafter styled "CLIENT", and Linebarger Goggan Blair & Sampson, LLP, hereinafter styled "FIRM".

Article I

Nature of Relationship and Authority for Contract

1.01 The parties hereto acknowledge that this AGREEMENT creates an attorney-client relationship between CLIENT and FIRM.

1.02 The CLIENT hereby employs the FIRM to provide the services hereinafter described for compensation hereinafter provided.

1.03 This AGREEMENT is entered into pursuant to and as authorized by Subsection (a) of ART. 103.0031, Texas Code of Criminal Procedure for delinquent municipal court fines and fees collection services.

Article 2

Scope of Services

2.01 CLIENT agrees to employ and does hereby employ FIRM to provide specific legal services provided herein and enforce the collection of delinquent court fees, fines and utility accounts that are subject to this AGREEMENT, pursuant to the terms and conditions described herein. Such legal services shall include but not be limited to recommendations and legal advice to CLIENT to take legal enforcement action; representing CLIENT in any dispute or legal challenge over authority to collect such court fees, fines and utility accounts; defending CLIENT in litigation or challenges of its collection authority; and representing CLIENT in collection interests in bankruptcy matters as determined by FIRM and CLIENT. This AGREEMENT supersedes all prior oral and written agreements between the parties regarding court fees, fines and utility accounts, and can only be amended if done so in writing and signed by all parties. Furthermore, this contract cannot be transferred or assigned by either party without the written consent of all parties.

2.02 The CLIENT may from time-to-time specify in writing additional actions that should be taken by the FIRM in connection with the collection of the fines, fees and utility accounts that are subject to this AGREEMENT. CLIENT further constitutes and appoints the FIRM as CLIENT's attorneys to sign all legal instruments, pleadings, drafts,

authorizations and papers as shall be reasonably necessary to pursue collection of the CLIENT's claims.

2.03 Fines and fees that are subject to this AGREEMENT are those that are more than sixty (60) days past due as of the effective date hereof and those that become more than sixty (60) days past due during the term hereof. As used in this section, "more than 60 days past due" has that meaning assigned by Subsection (f) of Art. 103.0031, Texas Code of Criminal Procedure [as amended by Senate Bill 782, 78th Legislature (2003), effective June 18, 2003]. The meaning assigned to the phrase "more than 60 days past due" shall, for the term and purposes of this AGREEMENT, survive any future amendments to, or repeal of, Article 103.0031, Texas Code of Criminal Procedure, or any parts thereof.

2.04 Utility accounts that are subject to this AGREEMENT are those that are more than sixty (60) days past due as of the effective date hereof and those that become more than sixty (60) days past due during the term hereof.

2.05 The CLIENT agrees to provide to the FIRM data regarding any fines and fees that are subject to this AGREEMENT. The data shall be provided by electronic medium in a file format specified by the FIRM. The CLIENT and the FIRM may from time-to-time agree in writing to modify this format. The CLIENT shall provide the data to the FIRM not less frequently than monthly.

2.06 The FIRM, in all communications seeking the collection of unpaid fines, fees, court costs or utility accounts, shall direct all payments directly to the CLIENT at an address designated by the CLIENT. If any fines, fees, or court cost are paid to the FIRM, said payments shall be expeditiously turned over to the CLIENT.

Article 3 *Compensation*

3.01 The CLIENT agrees to pay the FIRM as compensation for the services required hereunder thirty (30%) percent of the total amount of all the fines, fees, and court costs are subject to the terms of this AGREEMENT as set forth in Section 2.03 above that are collected by the CLIENT during the term of this AGREEMENT. All compensation shall become the property of the FIRM at the time payment of the fines, fees and court costs are made to the CLIENT.

3.02 The CLIENT agrees to pay the FIRM as compensation for the services required hereunder zero (0%) percent of the total amount collected on all utility accounts. All compensation shall become the property of the Firm at the time payment of utility accounts are made to the CLIENT.

3.03 The CLIENT shall pay the FIRM by the twentieth day of each month all compensation earned by the FIRM for the previous month as provided in this Article 3.

The CLIENT shall provide an accounting showing all collections for the previous month with the remittance.

Article 4
Intellectual Property Rights

4.01 The CLIENT recognizes and acknowledges that the FIRM owns all right, title and interest in certain proprietary software that the FIRM may utilize in conjunction with performing the services provided in this AGREEMENT. The CLIENT agrees and hereby grants to the FIRM the right to use and incorporate any information provided by the CLIENT ("CLIENT Information") to update the databases in this proprietary software, and, notwithstanding that CLIENT Information has been or shall be used to update the databases in this proprietary software, further stipulates and agrees that the CLIENT shall have no rights or ownership whatsoever in and to the software or the data contained therein, except that the CLIENT shall be entitled to obtain a copy of such data that directly relates to the CLIENT's accounts at any time.

4.02 The FIRM agrees that it will not share or disclose any specific confidential CLIENT Information with any other company, individual, organization or agency, without the prior written consent of the CLIENT, except as may be required by law or where such information is otherwise publicly available. It is agreed that the FIRM shall have the right to use CLIENT Information for internal analysis, improving the proprietary software and database, and generating aggregate data and statistics that may inherently contain CLIENT Information. These aggregate statistics are owned solely by the FIRM and will generally be used internally, but may be shared with the FIRM's affiliates, partners or other third parties for purposes of improving the FIRM's software and services.

Article 5
Costs

5.01 The FIRM and CLIENT recognize that certain costs may be incurred in the process of providing any additional services contemplated in Section 2.02 above or in providing any special litigation services. The CLIENT agrees that all such costs shall be billed to the CLIENT, but that the FIRM will either (i) advance such costs on behalf of the CLIENT or, (ii) when possible, arrange with the vendor or agency providing the service that the costs of services will not be paid unless and until such costs are recovered by the CLIENT from the debtor.

5.02 The CLIENT acknowledges that the FIRM may provide such services with its own employees or with other entities or individuals who may be affiliated with the FIRM, but the FIRM agrees that any charges for such services will be reasonable and consistent with what the same services would cost if obtained from a third party.

5.03 The CLIENT agrees that upon the recovery of such costs, the CLIENT will (i) pay the FIRM for any such costs that have been advanced by the FIRM or performed by the FIRM and (ii) pay any third-party agency or vendor owed for performing such services.

Article 6
Term and Termination

6.01 This AGREEMENT shall be effective October 20, 2025 and shall expire October 20, 2030 (the “Expiration Date”) unless extended as hereinafter provided.

6.02 Unless prior to sixty (60) days before the Expiration Date, the CLIENT or the FIRM notifies the other in writing that it does not wish to continue this AGREEMENT beyond its initial term, this AGREEMENT shall be automatically extended an additional one-year period without the necessity of any further action by either party. In the absence of any such sixty (60) day notice by either the CLIENT or the FIRM, the AGREEMENT shall continue to automatically renew for additional and successive one-year terms in the same manner at the end of each renewal period.

6.03 If, at any time during the initial term of this AGREEMENT or any extension hereof, the CLIENT determines that the FIRM’s performance under this AGREEMENT is unsatisfactory, the CLIENT shall notify the FIRM in writing of the CLIENT’s determination. The notice from the CLIENT shall specify the particular deficiencies that the CLIENT has observed in the FIRM’s performance. The FIRM shall have sixty (60) days from the date of the notice to cure any such deficiencies. If, at the conclusion of that sixty (60) day remedial period, the CLIENT remains unsatisfied with the FIRM’s performance, the CLIENT may terminate this AGREEMENT effective upon the expiration of thirty (30) days following the date of written notice to the FIRM of such termination (“Termination Date”).

6.04 Whether this AGREEMENT expires or is terminated, the FIRM shall be entitled to continue to collect any items and to pursue collection of any claims that were referred to and placed with the FIRM by the CLIENT prior to the Termination Date or Expiration Date for an additional ninety (90) days following termination or expiration. The CLIENT agrees that the FIRM shall be compensated as provided by Article 3 for any such item or pending matters during the ninety (90) day period.

6.05 The CLIENT agrees that the FIRM shall be reimbursed for any costs advanced and shall be paid for any services performed pursuant to Article 5 when such costs are recovered by or on behalf of the CLIENT, regardless of the date recovered. It is expressly agreed that neither the expiration nor the termination of this AGREEMENT constitutes a waiver by the FIRM of its entitlement to be reimbursed for such costs and to be paid for such services. It is further expressly agreed that the expiration of any ninety (90) day period under Section 6.04 does not constitute any such waiver by the FIRM.

Article 7
Miscellaneous

7.01 Subcontracting. The FIRM may from time-to-time obtain co-counsel or subcontract some of the services provided for herein to other law firms or entities. In such cases, the FIRM will retain supervisory control and responsibility for any services provided by such co-counsel or subcontractors and shall be responsible to pay any compensation due to any such co-counsel or subcontractor.

7.02 Arbitration. Any controversy between the parties to this AGREEMENT involving the construction or application of any of the terms, covenants, or conditions of this AGREEMENT shall, on the written request of one party served on the other, be submitted to arbitration, and such arbitration shall comply with and be governed by the provisions of the Texas General Arbitration Act.

7.03 Integration. This AGREEMENT contains the entire AGREEMENT between the parties hereto and may only be modified in a written amendment, executed by both parties.

7.04 Representation of Other Governmental Entities. The CLIENT acknowledges and consents to the representation by the FIRM of other governmental entities that may be seeking the payment of fines and fees or other claims from the same person(s) as the CLIENT.

7.05 Notices. For purposes of sending any notice under the terms of this contract, all notices from CLIENT shall be sent to FIRM by certified United States mail, or delivered by hand or by courier, and addressed as follows:

Linebarger Goggan Blair & Sampson, LLP
Attention: Director of Client Services
P.O. Box 17428
Austin, Texas 78760-7428

All notices from the FIRM to the CLIENT shall be sent to CLIENT by certified United States mail, or delivered by hand or by courier, and addressed as follows:

City of Crockett
200 N 5th St
Crockett, TX 75835

7.06 *Compliance with Tx. Govt. Code §2270.002.* In order to comply with Tx. Govt. Code §2270.002, the Firm verifies that it does not boycott Israel and will not boycott Israel during the term of the contract.

EXECUTED ON the 20th, day of October 2025.

City of Crockett

By: _____
The Honorable Dr. Ianthia Fisher, Mayor

Linebarger Goggan Blair & Sampson, LLP

By: _____
James Guest
Partner

RESOLUTION NO. R-10-25

The City Council of the City of Crockett, Texas, convened at a regular meeting of said Council at the City Hall of said city on the 20th day of October, 2025, when among other business, the following was transacted with a quorum of members present:

RESOLUTION AUTHORIZING COLLECTION FEE IN THE AMOUNT OF 30% OF DEBTS AND ACCOUNTS RECEIVABLE SUCH AS UNPAID FINES, FEES, COURT COSTS, FORFEITED BONDS, AND RESTITUTION ORDERED PAID BY A MUNICIPAL COURT SERVING THE CITY, AND AMOUNTS IN CASES IN WHICH THE ACCUSED HAS FAILED TO APPEAR:

- 1) AS PROMISED UNDER SUBCHAPTER A, CHAPTER 543, TRANSPORTATION CODE, OR OTHER LAW;
- 2) IN COMPLIANCE WITH A LAWFUL WRITTEN NOTICE TO APPEAR ISSUED UNDER ARTICLE 14.06(b), TEXAS CODE OF CRIMINAL PROCEDURE, OR OTHER LAW;
- 3) IN COMPLIANCE WITH A LAWFUL SUMMONS ISSUED UNDER ARTICLE 15.03(b), TEXAS CODE OF CRIMINAL PROCEDURE;
- 4) IN COMPLIANCE WITH A LAWFUL ORDER OF A COURT SERVING THE CITY; OR
- 5) AS SPECIFIED IN A CITATION, SUMMONS, OR OTHER NOTICE AUTHORIZED BY SECTION 682.002, TRANSPORTATION CODE, THAT CHARGES THE ACCUSED WITH A PARKING OR STOPPING OFFENSE,

WHEN SUCH DEBTS, ACCOUNTS RECEIVABLE AND AMOUNTS ARE MORE THAN 60 DAYS PAST DUE AND HAVE BEEN REFERRED TO AN ATTORNEY OR OTHER VENDOR FOR COLLECTION.

_____ introduced the resolution and made a motion that the same be adopted. _____ seconded the motion for adoption of the resolution. The motion, carrying with it the adoption of the resolution, prevailed by the following vote:

AYES: _____
 NAYS: _____
 ABSTENTIONS: _____

The Mayor thereupon announced that the motion had duly and lawfully carried and that the resolution had been duly and lawfully adopted. The resolution thus adopted follows:

WHEREAS, the City of Crockett, Texas wishes to defray its costs of collection that it incurs under a contract for collection of delinquent court fines and fees

between said City and a collection firm as authorized under the provisions of Article 103.0031, Texas Code of Criminal Procedure;

WHEREAS, under said article, the governing body of said City is empowered to authorize the addition of 30% on each debt and account receivable, including fines and fees, and on each amount in cases in which the accused has failed to appear, when each is more than 60 days past due and has been referred for collection.

NOW, THEREFORE,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF CROCKETT, TEXAS, SITTING AS THE GOVERNING BODY OF SAID CITY, THAT:

Section 1: THE RECITALS SET FORTH IN THIS RESOLUTION ARE TRUE AND CORRECT.

Section 2: (a) A COLLECTION FEE IS HEREBY AUTHORIZED AND IMPOSED, AS PROVIDED BY ARTICLE 103.0031, TEXAS CODE OF CRIMINAL PROCEDURE, IN THE AMOUNT OF 30% OF DEBTS AND ACCOUNTS RECEIVABLE, SUCH AS UNPAID FINES, FEES, COURT COSTS, FORFEITED BONDS, AND RESTITUTION ORDERED PAID BY A MUNICIPAL COURT SERVING THE CITY WHEN SUCH DEBT OR ACCOUNT RECEIVABLE IS MORE THEN 60 DAYS PAST DUE AND HAS BEEN REFERRED TO AN ATTORNEY OR PRIVATE VENDOR FOR COLLECTION; AND

(b) A COLLECTION FEE IS HEREBY AUTHORIZED AND IMPOSED, AS PROVIDED BY ARTICLE 103.0031, TEXAS CODE OF CRIMINAL PROCEDURE, IN THE AMOUNT OF 30% OF AMOUNTS IN CASES IN WHICH THE ACCUSED HAS FAILED TO APPEAR:

(1) AS PROMISED UNDER SUBCHAPTER A, CHAPTER 543, TRANSPORTATION CODE, OR OTHER LAW;

(2) IN COMPLIANCE WITH A LAWFUL WRITTEN NOTICE TO APPEAR ISSUED UNDER ARTICLE 14.06 (b) OR OTHER LAW;

(3) IN COMPLIANCE WITH A LAWFUL SUMMONS ISSUED UNDER ARTICLE 15.03(b), TEXAS CODE OF CRIMINAL PROCEDURE;

(4) IN COMPLIANCE WITH A LAWFUL ORDER OF A COURT SERVING THE CITY; OR

(5) AS SPECIFIED IN A CITATION, SUMMONS, OR OTHER NOTICE AUTHORIZED BY SECTION 682.002, TRANSPORTATION CODE, THAT CHARGES THE ACCUSED WITH A PARKING OR STOPPING OFFENSE,

WHEN SUCH AMOUNTS ARE MORE THAN 60 DAYS PAST DUE AND HAVE BEEN REFERRED TO AN ATTORNEY OR PRIVATE VENDOR FOR COLLECTION.

PASSED, APPROVED and ADOPTED this 20th day of October, 2025.

CITY OF CROCKETT

BY: _____
Dr. Ianthia Fisher
City Mayor

ATTEST:

Mitzi Stefka, City Secretary

ACTION APPROVING CONTRACT
WITH LINEBARGER GOGGAN BLAIR & SAMPSON, LLP

After having provided adequate notice as required by Sec. 2254.1036 of the Texas Government Code, the Agreement for Municipal Court account receivable fees and fines collection services with Linebarger Goggan Blair & Sampson, LLP is approved, and the Mayor is authorized to execute this Agreement.

After exercising its due diligence, that the Crockett City Council finds that:

1. There is a substantial need for the legal services to be provided pursuant to the Agreement for Collection of Municipal Account Receivables;
2. These legal services cannot be adequately performed by the attorneys and supporting personnel of City of Crockett at a reasonable cost;
3. These legal services cannot reasonably be obtained from attorneys in private practice under a contract providing only for the payment of hourly fees, without regard to the outcome of the matter, provided by Texas Code of Criminal Procedure 103.0031, and because City of Crockett does not have the funds to pay the estimated amounts required under a contract only for the payment of hourly fees;
4. Linebarger Goggan Blair & Sampson, LLP, is well qualified and competent to perform the legal services required to comply with the terms of the contract;
5. Linebarger Goggan Blair & Sampson, LLP provides these specialized legal services to many municipalities in Deep East Texas.
6. The contract with Linebarger Goggan Blair & Sampson, LLP is the result of an arm's length transaction between City of Crockett and Linebarger Goggan Blair & Sampson, LLP and is fair and reasonable.

PASSED, APPROVED and ADOPTED this October day of 20, 2025.

Dr. Ianthia Fisher,
City Mayor

RESOLUTION NO. R-10B-25

RESOLUTION BY THE CITY OF CROCKETT (“CITY”) DENYING ONCOR ELECTRIC DELIVERY COMPANY LLC’S APPLICATION TO INCREASE RATES RELATED TO ONCOR’S STATEMENT OF INTENT TO INCREASE RATES FILED ON OR ABOUT JUNE 26, 2025; 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, Oncor Electric Delivery Company LLC (“Oncor” or “Company”) filed a Statement of Intent with the City on or about June 26, 2025, to increase its revenues; and

WHEREAS, Oncor’s proposed increase in rates would result in an increase of approximately \$833.6 million in its annual revenue, which equates to an overall increase in revenue of approximately 13.0%; 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 Oncor’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 Oncor’s rate request and its changes in tariffs the City coordinated its efforts with a coalition of similarly situated municipalities known as the Alliance of Oncor Cities (“AOC”) and other cities; and

WHEREAS, Oncor failed to establish that its overall revenue request resulted in no more than an amount that will permit Oncor 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, Oncor failed to establish that its proposed rates were just and reasonable; and

WHEREAS, Oncor failed to establish that its proposed return on equity and its proposed overall rate of return is just and reasonable; and

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

NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF CROCKETT, 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. Oncor failed to show that its proposed rates are just and reasonable.

Section 3. The City hereby **DENIES** Oncor's request to increase rates and in support of **DENIAL** finds that:

- a) Oncor failed in its burden of proof to establish that its requested increase in revenue or the changes set forth in its tariffs attached to Oncor's Statement of Intent to increase rates, results in just and reasonable rates;
- b) Oncor failed in its burden of proof to establish that adoption of its proposed rate base, expenses, investment, return on equity, rate of return, and other rate issues as presented in Oncor's Statement of Intent to increase rates, result in just and reasonable rates.

Section 4. The City authorizes its continued intervention and full participation, including settlement negotiations, in proceedings related to Oncor's Statement of Intent before the Public Utility Commission of Texas and related proceedings in courts of law and participation in the coalition of cities known as the Alliance of Oncor Cities.

Section 5. The City hereby orders Oncor to reimburse the City’s rate case expenses as provided in the Public Utility Regulatory Act and that Oncor shall continue to do so on a monthly basis and within 30 days after submission of the AOC’s invoices for the AOC’s reasonable costs associated with the City’s activities related to this rate review or to related proceedings involving Oncor before the City, the Public Utility Commission of Texas, or any court of law.

Section 6. The City, in coordination with the AOC, delegates to the City Manager and/or the City Attorney, or designee of such office, review of the invoices of the lawyers and rate experts for reasonableness before submitting the invoices to Oncor for reimbursement.

Section 7. A copy of this resolution shall be sent to Mr. Matt Henry, Vice President, General Counsel, Oncor, 1616 Woodall Rodgers Expressway, Dallas, Texas, 75202; Mr. Robert Schmidt, Regulatory Manager, Oncor/Regulatory Financial, 1616 Woodall Rodgers Expressway, Dallas, Texas, 75202; and to Mr. Alfred R. Herrera, Herrera Law & Associates, PLLC, 4400 Medical Pkwy, Austin, Texas 78756.

Section 8. 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 9. This resolution supersedes any prior inconsistent or conflicting resolution or ordinance.

Section 10. This resolution shall become effective from and after its passage.

PASSED AND APPROVED this 20th day of October 2025.

Dr. Ianthia Fisher, Mayor

ATTEST:

Mitzi Stefka, City Secretary

AGENDA INFORMATION SHEET

APPLICATION FOR AUTHORITY TO INCREASE RATES SUBMITTED BY ONCOR ELECTRIC DELIVERY COMPANY LLC ON ABOUT JUNE 26, 2025

BACKGROUND

On or about June 26, 2025, Oncor Electric Delivery Company LLC (“Oncor” or “Company”) filed a Statement of Intent to increase its revenues by approximately \$833.6 million, which equates to a net increase of approximately 13.0% in Oncor’s overall revenue. Oncor proposes to implement its proposed increase in rates effective July 31, 2025. For a Residential customer using 1,000 kWh per month, their bill would increase by about \$7.00 per month.

Earlier, sometime in about July, 2025, to allow time for review of Oncor’s proposed increase in rates and to maintain current rates in effect, the City took its initial action on Oncor’s application and suspended Oncor’s proposed effective date until October 29, 2025.

The City must now take its *final* action on Oncor’s application to increase rates, and must do so no later than October 29, 2025.

INTERVENTION AT THE PUBLIC UTILITY COMMISSION OF TEXAS

Oncor filed its Statement of Intent to raise rates with the City and with the Public Utility Commission of Texas (“PUC”) on the same date, June 26, 2025. Because Oncor filed its application with the City and with the PUC on the same date, the City, as part of the Alliance of Oncor Cities (“AOC”) intervened in the proceedings before the PUC.

During the suspension period, through AOC the City participated in the proceedings, including hearings, at the PUC. AOC through its Special Counsel, Herrera Law & Associates, PLLC, engaged rate consultants to evaluate Oncor’s proposal to increase rates and will participate in the hearings to be held as directed by the PUC. Under the procedural schedule in the case before the PUC, AOC’s experts’ recommendations are due on October 17, 2025 and the hearings regarding Oncor’s proposal to increase rates are scheduled to begin November 17, 2025 and are slated to end by November 21, 2025, after which the administrative law judges (“ALJs”) will issue a proposal for decision (“PFD”). The ALJs’ proposal for decision will be presented to the PUC commissioners in April, 2026, for a final decision.

While there are numerous issues raised by Oncor’s application to increase rates, AOC focused on several key issues that standing alone have the greater effect on Oncor’s proposed increase: Oncor’s rate of return, its depreciation expense, Oncor’s funding for its self-insurance reserve and its incentive compensation for its employees including its executives, and Oncor’s post Test Year adjustment to its payroll expense.

Regarding Oncor's rate of return, Oncor has requested an overall rate of return of 7.47%. While AOC's rate expert has not concluded his analysis, his preliminary assessment suggests that Oncor's requested rate of return is too high and will likely recommend a materially lower overall rate of return. But to provide an order of magnitude on the effect on rates of a relatively small change in the rate of return, a one percent change in overall rate of return is about \$264 million in return dollars.

But at this juncture AOC's experts have not concluded their analysis. Their recommendations will be completed by October 17, 2025.

CITY JURISDICTION TO SET ONCOR'S RATES

Municipalities have exclusive, original jurisdiction over an electric utility's rates, services, and operations within a city's boundaries. This means that for a utility like Oncor to change its rates it must seek approval to do so from the city in which it provides its service. Even if a city has ceded its jurisdiction to the PUCT, a city nonetheless has the statutory right to participate in rate proceedings before the PUCT.

But, the PUCT has appellate jurisdiction over rate-setting decisions a city makes. This means that Oncor may appeal to the PUCT, a city's decision regarding rates. And to be clear: Oncor will appeal to the PUCT, the City's decision regarding rates.

PRIOR CITY ACTION

The City previously acted to suspend the effective date of Oncor's requested rate increase by 90 days. Contemporaneously with the City's prior action to suspend the rate increase, the City also: (1) authorized intervention in proceedings related to Oncor's proposed rate increase as a member of the coalition of cities known as the Alliance of Oncor Cities; (2) directed Oncor to reimburse AOC's rate case expenses; and (3) retained the law firm of Herrera Law and Associates, PLLC with respect to rate proceedings involving Oncor before the Public Utility Commission of Texas, including exploration of a settlement of the case, and courts of law and to retain consultants to review Oncor's rate application, all subject to AOC's approval.

We fully expect the parties to begin settlement discussions in earnest in the next few weeks.

RATE CASE EXPENSES

Cities, by statute, are entitled to recover their reasonable rate case expenses from the utility. The accompanying Resolution directs Oncor to continue to reimburse AOC's rate case expenses on a monthly basis based on presentation of approved invoices from the cities.

DENIAL

The attached Resolution denies Oncor's proposed increase in revenue and changes in rates and directs Oncor to reimburse AOC's rate case expenses.

RECOMMENDATION: DENY ONCOR'S PROPOSED INCREASE

AOC's Special Counsel and consultants have not concluded their analyses of Oncor's proposed increase in rates. Nonetheless, AOC's experts' preliminary assessment is that Oncor's proposed increase is not warranted and is too high.

So, because that analysis will not be complete in time for AOC cities to take final action by October 29, 2025, AOC's Special Counsel recommends that the City take action to deny Oncor's proposed increase in revenue and change in rates.

Oncor will file an appeal with the PUCT of the City's action denying Oncor its requested increase in rates, and the PUCT ultimately will rule on the merits of Oncor's request. AOC will continue its participation in Oncor's appeal at the PUCT.

A denial of Oncor's proposed increase maintains the status quo in rates until the PUCT issues its final order regarding Oncor's rates.

The City must take final action on Oncor's proposed increase by no later than October 29, 2025. If the City does not take action by October 29, 2025, Oncor's proposed rates are deemed approved by operation of law.