



CITY COUNCIL AGENDA

Monday, July 07, 2025 at 9:00 AM

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

John Angerstein, 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, JULY 7, 2025 at 9:00 AM** 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: JUNE 16, 2025

BUSINESS

2. CONSIDER AND APPROVE INTERLOCAL AGREEMENT BETWEEN THE CITY OF CROCKETT AND GRAPELAND INDEPENDENT SCHOOL DISTRICT FOR THE CONVEYANCE OF WELDING STATIONS
3. CONSIDER AND APPROVE A RESOLUTION BY THE CITY OF CROCKETT (“CITY”) SUSPENDING ONCOR ELECTRIC DELIVERY COMPANY LLC’S PROPOSED EFFECTIVE DATE OF JULY 31, 2025, FOR NINETY DAYS IN CONNECTION WITH ONCOR’S STATEMENT OF INTENT TO INCREASE RATES FILED ON OR ABOUT JUNE 26, 2025; REQUIRING THE REIMBURSEMENT OF MUNICIPAL RATE CASE EXPENSES; AUTHORIZING PARTICIPATION IN THE COALITION OF SIMILARLY SITUATED CITIES; AUTHORIZING INTERVENTION AND PARTICIPATION IN RELATED RATE PROCEEDINGS; AUTHORIZING THE RETENTION OF SPECIAL COUNSEL; FINDING THAT THE MEETING COMPLIES WITH THE OPEN MEETINGS ACT; MAKING OTHER FINDINGS AND PROVISIONS RELATED TO THE SUBJECT; AND DECLARING AN EFFECTIVE DATE
4. CONSIDER AND APPROVE AN EXTENSION OF 30-DAY CURE PERIOD FOR LINCOLN LUMBER TAX ABATEMENT AND INCENTIVES AGREEMENT
5. FISCAL YEAR 2026 BUDGET WORKSHOP

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 July 7, 2025 agenda of items to be considered by the Crockett City Council was posted for viewing at Crockett City Hall on July 3, 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 16th DAY OF JUNE 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, NATRIENIA HICKS, ELBERT JOHNSON & MIKE MARSH. CITY OFFICIALS PRESENT: CITY ADMINISTRATOR JOHN ANGERSTEIN, CITY SECRETARY MITZI STEFKA, ASSISTANT CITY ADMINISTRATOR LEE STANDLEY, CITY ATTORNEY DONNA GORDON, POLICE CHIEF CLAYTON SMITH, AND FIRE CHIEF JASON FRIZZELL.

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.

1. CANVASS ELECTION RETURNS

City council members canvassed the election returns from Early Voting and the June 7, 2025, Run Off Election. After review, a motion was made by Council member Price to approve the canvass of the votes as follows:

		<u>Early Votes</u>	<u>Ballot by Mail</u>	<u>Election Day</u>	<u>Total</u>
Pct. 1	Joni K. Clonts	75	5	41	121
	Ianthia Fisher	81	0	26	107
Pct. 2	Joni K. Clonts	38	5	17	60
	Ianthia Fisher	90	28	27	145
Pct. 3	Joni K. Clonts	8	0	1	9
	Ianthia Fisher	98	23	32	153
Pct. 4	Joni K. Clonts	11	1	13	25
	Ianthia Fisher	76	22	26	124
Pct. 5	Joni K. Clonts	76	3	26	105
	Ianthia Fisher	106	8	26	140
	<u>MAYOR</u>				
	Joni K. Clonts			320	
	Ianthia Fisher			669	
				<u>TOTALS</u>	

Mayor Pro Tem Marsh seconded the motion. Motion passes 5-0.

2. ADMINISTER OATH OF OFFICE TO MAYOR

Mr. Angerstein administered the Oath of Office to Mayor Fisher and presented her Certificate of Election.

RECOGNITION OF VISITORS

Mayor Fisher recognized all visitors present.

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.)*

- Diane Rhone – Requested monthly report on CEIDC expenses/debt.

APPROVAL OF MINUTES

3. REGULAR SESSION: MAY 19, 2025

Mayor Pro Tem Marsh made a motion to approve the minutes of the May 19, 2025 Regular session. Council member Ivey seconded the motion. Motion passes 5-0.

REPORTS

4. POLICE DEPARTMENT MANPOWER & CRIMINAL INCIDENT REPORT FOR MAY 2025

Chief Smith reported for the month of May 2025: 16 total manpower, 2,800 total manpower hours, 461 total calls and 9 total accidents. A breakdown of the criminal report is included in the packet

5. FIRE DEPARTMENT MONTHLY ACTIVITY & STATUS REPORT FOR MAY 2025

Chief Frizzell reported for the month of May 2025 the following: 46 calls. A breakdown is included in the packet.

6. RECEIVE AS INFORMATION THE HOUSTON COUNTY APPRAISAL DISTRICT FISCAL YEAR 2024 FINANCIAL AUDIT AND FISCAL YEAR 2026 OPERATING AND COLLECTION BUDGETS

Mr. Angerstein presented the Houston County Appraisal District's FY2024 Financial audit and FY2026 Operating and Collection budget to council for their review. No action taken.

BUSINESS

7. CONSIDER AND APPROVE A RECOMMENDATION FROM THE PLANNING & ZONING COMMISSION TO HOLD A PUBLIC HEARING REGARDING A PROPOSED ZONING DISTRICT CHANGE FROM MMANUFACTURING,

WAREHOUSING AND WHOLESALING DISTRICT TO R2-TWO FAMILY RESIDENTIAL DISTRICT OR R3-MULTIPLE-FAMILY RESIDENTIAL DISTRICT FOR SEVERAL PARCELS OF LAND LOCATED WITHIN A STRIP OF PROPERTIES BORDERED BY MARTIN LUTHER KING JR. BLVD ON THE EAST, SYCAMORE STREET OR SYCAMORE STREET RIGHT-OF-WAY ON THE WEST, WEST GOLIAD AVENUE ON THE NORTH, AND BURLESON AVENUE ON THE SOUTH

After a presentation by Administrative Assistant Rita Walker and Code Enforcement Officer Ty Jones, Council member Hicks made a motion to approve a recommendation from the Planning & Zoning Commission to hold a public hearing regarding a proposed zoning district change from Manufacturing, Warehousing and Wholesaling District to R2-Two Family Residential District or R3-Multiple-Family Residential District for several parcels of land located within a strip of properties bordered by Martin Luther King, Jr Blvd on the east, Sycamore Street or Sycamore Street right-of-way on the west, West Goliad Avenue on the North and Burleson Avenue on the south. Council member Johnson seconded the motion. Motion passes 5-0.

At this point, Mayor Fisher skipped to Item #17 on the agenda to accommodate legal counsel. Time was 6:36 P.M.

8. CONSIDER AND APPROVE A RESOLUTION SUPPORTING CITY OF CROCKETT'S APPLICATION TO THE TEXAS DEPARTMENT OF TRANSPORTATION'S 2025 TRANSPORTATION ALTERNATIVES SET-ASIDE (TA) CALL FOR PROJECTS

Mayor Pro Tem Marsh made a motion to approve a Resolution supporting City of Crockett's application to the Texas Department of Transportation's 2025 Transportation Alternatives Set-Aside (TA) Call of Projects. Council member Ivey seconded the motion. Motion passes 5-0.

9. CONSIDER AND APPROVE APPOINTMENT OF REPRESENTATIVE TO SERVE ON BOARD OF DIRECTORS FOR DEEP EAST TEXAS COUNCIL OF GOVERNMENTS

Council member Hicks made a motion to re-appoint Mayor Fisher to serve on board of directors for Deep East Texas Council of Governments. Mayor Pro Tem Marsh seconded the motion. Motion passes 5-0.

10. CONSIDER AND APPROVE BID FOR PHASE 2 & 3 BUILDING RENOVATIONS OF THE PROVALUS CENTER AT 1505 SOUTH 4TH ST

Mr. Angerstein presented an overview of the phases 2 & 3 of the renovations at the Provalus Center at 1505 South 4th Street. Invitations for bids were published, and four (4) firms were contacted. Two (2) of those firms submitted bids for the project. One bid was incomplete and only included phase 2. Langston Construction, Inc submitted a bid of \$391,400 for completion of both phases. Mr. Angerstein noted that this bid was well under the \$500,000 budget that had been approved by council. Council member Hicks

made a motion to approve the bid from Langston Construction, Inc for phase 2 & 3 building renovations of the Provalus Center at 1505 South 4th Street. Council member Johnson seconded the motion. Motion passes 5-0.

11. CONSIDER AND APPROVE CONSTRUCTION ADMINISTRATION SERVICES OF DON B. HILL ARCHITECT, INC. FOR PROVALUS PHASE 2 AND 3 CONSTRUCTION PROJECT

Mr. Angerstein explained that the projected cost and extent of the construction work at the facility required the expertise and approval of an architect. Don B. Hill was the original architect of the facility and was the best choice for the project. Council member Hicks made a motion to approve construction administration services of Don B. Hill Architect, Inc for the Provalus Phase 2 and 3 construction projects. Council member Johnson seconded the motion. Motion passes 5-0.

12. AWARD BID: TEXAS DIVISION OF EMERGENCY MANAGEMENT (TDEM) HAZARD MITIGATION GRANT PROGRAM DR 4485-0313 STORM WARNING SIRENS

Mr. Angerstein informed council that the city received construction bids for the storm siren project from two (2) contractors, American Communications and Crockett Construction. However, the bid from American Communications did not meet the minimum specifications contained in the bid documents provided by our engineers. As a result, the only valid bid was received from Crockett Construction for \$425,000. Mayor Pro Tem Marsh made a motion to award the bid to Crockett Construction for the Texas Division of Emergency Management (TDEM) Hazard Mitigation Grant Program (HMGP) DR-4485-0313 Storm Warning Sirens including the base bid and alternate bid #2. Council member Johnson seconded the motion. Motion passes 5-0.

13. CONSIDER AND APPROVE A RESOLUTION OF THE CITY OF CROCKETT, TEXAS, ACKNOWLEDGING THE SATISFACTION OF CONDITIONS 1 AND 2 IN THE FEE SIMPLE DETERMINABLE CONDITION CONTAINED IN THE DEED TO A&A TEXAS CAPITAL, AND THE TAX ABATEMENT AND INCENTIVES AGREEMENT, AFFIRMING THE CITY'S INTENT NOT TO DISPUTE THE FULFILLMENT OF SAID CONDITIONS, AND DIRECTING THAT CONDITION 3 AND PARAGRAPH III (RECAPTURE FOR DEFAULT) BE STRICKEN FROM SAID DOCUMENTS

Mr. Angerstein explained that the original performance agreement with A&A Texas Capital (A&A) included claw-back provisions if three conditions were not met within the required timeframe. A&A has already met the first two conditions regarding employment and capital investment ahead of schedule. The third provision limited A&A to a single product line. The company has since expressed an interest in expanding the product line at the Crockett facility and requested an alteration of the performance agreement to allow them to expand and potentially add more employees and capital investment to the location. Council member Hicks expressed concerns about the claw-back provisions. After a lengthy discussion, Mayor Pro Tem Marsh made a motion to end the discussion and move to a vote. Council member Ivey seconded the motion.

Motion passes 4-1. Council member Hicks voted against. Mayor Pro Tem Marsh then made a motion to approve a resolution of the City of Crockett, Texas, acknowledging the satisfaction of conditions 1 & 2 in the Fee Simple Determinable Condition contained in the deed to A&A Texas, Capital, and the Tax Abatement and Incentives Agreement, affirming the City's intent not to dispute the fulfillment of said conditions, and directing that Condition 3 and Paragraph III (Recapture for Default) be stricken from said documents. Council member Ivey seconded the motion. Motion passes 4-1. Council member Hicks voted against.

14. CONSIDER AND APPROVE AMENDING DEED CONDITIONS AND TAX ABATEMENT AND INCENTIVES AGREEMENT OF A&A TEXAS CAPITAL, L.P.

Council member Price asked A&A Texas Capital's Chief Financial Officer, Gary White, to clarify a few details in the agreement. Council member Price made a motion to amend the deed conditions as red-lined in the agenda packets and direct city staff to prepare a material correction deed to be recorded and further direct city staff to prepare a first amendment to the A&A Texas Capital tax abatement and incentives agreement as red-lined in the agenda packet to be executed by the mayor. Council member Ivey seconded the motion. Motion passes 4-1. Council member Hicks voted against.

15. CONSIDER AND APPROVE RESOLUTION OF CITY OF CROCKETT COUNCIL CONCERNING GROUNDWATER WITHDRAWAL APPLICATIONS BY REDTOWN RANCH HOLDINGS LLC AND PINE BLISS LLC

Mayor Pro Tem Marsh made a motion to approve a Resolution of the City of Crockett City Council concerning groundwater withdrawal applications by Redtown Ranch Holdings, LLC and Pine Bliss, LLC. Council member Ivey seconded the motion. Motion passes 5-0.

16. CONSIDER AND APPROVE ENGAGEMENT AGREEMENT WITH LAW FIRM FOR LEGAL REPRESENTATION WITH WATER WELL APPLICATIONS

Council member Ivey made a motion to approve an engagement agreement with Matthews & Freeman LLP for legal representation with water well applications. Mayor Pro Tem Marsh seconded the motion. Motion passes 5-0.

EXECUTIVE SESSION

17. GOV. CODE 551.071 – CONSULTATION WITH ATTORNEY REGARDING CONTEMPLATED LITIGATION

Mayor Fisher stated Council would convene into Executive Session per Gov. Code 551.071: Consultation with Attorney Regarding Contemplated Litigation. Time was 6:36 P.M.

18. GOV. CODE 551.074 – PERSONNEL MATTERS. CONSIDER ANNUAL PERFORMANCE EVALUATION OF CITY ADMINISTRATOR, POLICE CHIEF AND FIRE CHIEF

Mayor Pro Tem Marsh made a motion to place this item on the table until the next scheduled meeting. Council member Ivey seconded the motion. Motion passes 5-0.

RECONVENE INTO REGULAR SESSION AND CONSIDER ACTION, IF ANY, ON EXECUTIVE ITEMS

Mayor Fisher reconvened the meeting into open session. Time was 7:33 P.M. No action was taken. Mayor Fisher then resumed the meeting at Item #8.

ADJOURNMENT

Council member Hicks asked Mr. Angerstein for an update on Lincoln Lumber at the next meeting. Mr. Angerstein replied he is already working on getting that information to council.

Without objection, Mayor Fisher adjourned the meeting at 8:38 P.M.

Dr. Ianthia Fisher, Mayor

ATTEST:

Mitzi Stefka, City Secretary

INTERLOCAL AGREEMENT

This Interlocal Agreement (“Agreement”) is entered into on this **7th day of July, 2025**, by and between the **City of Crockett, Texas** (“City”) and the **Grapeland Independent School District, Grapeland, Texas** (“GISD”), pursuant to the authority granted under **Chapter 791 of the Texas Government Code**.

1. Purpose

The purpose of this Agreement is to document the conveyance of equipment from the City to GISD for the mutual benefit of their respective communities.

2. Conveyance of Equipment

The City of Crockett agrees to convey to the Grapeland Independent School District the following equipment, in “**AS IS**” condition and with no warranties expressed or implied:

- **Six (6) double Clean Air America, Inc. Weld Stations**

3. Legal Authority

This Agreement is made in accordance with and is subject to the **Texas Interlocal Cooperation Act**, Chapter 791 of the Texas Government Code.

4. Entire Agreement

This document constitutes the entire agreement between the parties. Any amendments must be in writing and signed by authorized representatives of both parties.

5. Effective Date

This Agreement becomes effective upon the date of the last signature below.

City of Crockett, Texas

By: _____

Dr. Ianthia Fisher, Mayor

Date: _____

Grapeland Independent School District

By:  _____

Ryan Richie, Board President

Date: 6-25-25

**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.

The City must take action on Oncor’s application by no later than July 31, 2025. Failure to take action by July 31, 2025, will result in Oncor’s proposed rates being deemed approved by operation of law.

Table 1 below shows the impact Oncor’s proposed increase in revenue would have on a customer-class basis.

TABLE 1

Rate Class	No. of Customers	Present Revenues	Proposed Change	Proposed Revenues	Pct Change
		(a)	(b)	(c)	(d)
Residential	3,462,111	\$2,580,905,272	\$317,904,421	\$2,898,809,693	12.3%
Secondary <= 10 kW	287,174	\$93,725,157	-\$860,323	\$92,864,834	-0.9%
Secondary > 10 kW	234,639	\$1,756,680,019	\$185,355,399	\$1,942,035,417	10.6%
Primary DL <= 10 kW	3,135	\$1,756,235	\$2,765,049	\$4,521,284	157.4%
Primary > 10 kW Dist. Line	7,018	\$381,413,705	\$82,980,877	\$464,394,582	21.8%
Primary > 10 kW Substation	163	\$78,526,823	\$21,136,368	\$99,663,191	26.9%
Transmission	340	\$210,042,143	\$66,414,244	\$276,456,387	31.6%
Lighting	<u>51,221</u>	<u>\$64,581,935</u>	<u>\$32,942,469</u>	<u>\$97,524,404</u>	<u>51.0%</u>
	4,045,801	\$5,167,631,289	\$708,638,504	\$5,876,269,793	13.7%
Wholesale Substation	18	\$1,796,211	\$148,164	\$1,944,375	8.2%
Wholesale DLS	52	\$8,861,401	-\$75,971	\$8,785,429	-0.9%
Other Revenue	-	\$68,238,685	\$12,775,644	\$81,014,329	18.7%
	4,045,871	\$5,246,527,585	\$721,486,341	\$5,968,013,926	13.8%

Network Transmission Revenue		1,737,120,067	\$174,336,145	\$1,911,456,212		10.0%
Transmission Related Other Revenues		\$46,131,717	\$0	\$46,131,717		0.0%
Total Cost of Service		\$7,029,779,369	\$895,822,486	\$7,925,601,855		12.7%
Less Affiliate NTS (in TCRF)		\$619,650,986	\$62,187,740	\$681,838,726		10.0%
Net Total Cost of Service		\$6,410,128,383	\$833,634,746	\$7,243,763,129		13.0%

REPRESENTATION AND PARTICIPATION IN ALLIANCE OF ONCOR CITIES (“AOC”):

The law firm of Herrera Law & Associates, PLLC has previously represented the City and its participation in the coalition of cities named the “Alliance of Oncor Cities” (“AOC”) in rate matters involving Oncor, including Oncor’s most recent general rate case, and the numerous interim rate increases Oncor has submitted. The accompanying Resolution authorizes retention of Herrera Law & Associates as Special Counsel and continued participation in the AOC coalition.

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 (“PUCT”) on the same date, June 26, 2025. Oncor’s application poses complex regulatory issues that require time so as to evaluate the merits of Oncor’s proposed increase in rates. It is important to participate in these proceedings because the Commission’s decisions could impact rates within the City. Thus, the accompanying Resolution authorizes intervention in proceedings at the Commission as well as any appeals taken from the Commission’s decision.

RATE CASE EXPENSES

Cities, by statute, are entitled to recover their reasonable rate case expenses from the utility. Legal counsel and consultants approved by the City will submit monthly invoices to the City designated by AOC to serve as the “coordinating” city, who will then forward invoices to Oncor for reimbursement; that city historically has been Corsicana. No individual city’s budget is negatively affected. The accompanying Resolution directs Oncor to reimburse AOC’s rate case expenses on a monthly basis based on presentation of invoices from the cities.

SUSPENSION

Oncor's rate-filing package is voluminous, containing over five thousand pages of data, in a 12-volume package of data. To have time to review the rate-filing package, the Council is requested to suspend Oncor's proposed effective date for ninety (90) days. It is a virtual impossibility for the City to set just and reasonable rates without suspending the rate request for ninety days; suspension of Oncor's proposed effective date would permit its special regulatory counsel and experts an opportunity to perform a better review of Oncor's application and request additional information as necessary to fully evaluate the proposal and determine the most appropriate response. During the suspension period, the City will retain its right to dismiss Oncor's Statement of Intent if the City determines that Oncor failed to properly invoke the City's jurisdiction or if Oncor failed to provide adequate notice. The suspension period also allows time to attempt to resolve matters by agreement with Oncor, or to determine whether to deny Oncor's request and either adopt an increase different than that requested by Oncor, or deny it outright without adopting an alternative increase.

Note that action to suspend Oncor's proposed effective date by the statutorily allowed period of 90 days is not final action on Oncor's application to increase rates. The City will need to take final action on the merits of Oncor's request no later than October 29, 2025, which is the end of the suspension period.

RECOMMENDATION

It is recommended that the City suspend Oncor's proposed effective date for 90 days from July 31, 2025, Oncor's proposed effective date for its requested increase in rates. Absent an extension agreed to by Oncor and the City, the suspension period runs through October 29, 2025.

It is also recommended that the City continue its participation in AOC, intervene in proceedings at the PUCT and any related proceedings and/or appeals, and to retain the law firm of Herrera Law & Associates, PLLC to represent the City's interest in matters related to Oncor's rate case and to advise the City with regard to Oncor's application, and to retain consultants subject to approval by the AOC executive committee to assist Special Counsel in its review of Oncor's application to increase rates.

The City must take action no later than July 31, 2025. If the City does not take action by July 31, 2025, Oncor's proposed rates will be deemed approved by operation of law, subject to the City's right to hold a hearing to address Oncor's rate application.

RESOLUTION NO. R-07-25

RESOLUTION BY THE CITY OF CROCKETT (“CITY”) SUSPENDING ONCOR ELECTRIC DELIVERY COMPANY LLC’S PROPOSED EFFECTIVE DATE OF JULY 31, 2025, FOR NINETY DAYS IN CONNECTION WITH ONCOR’S STATEMENT OF INTENT TO INCREASE RATES FILED ON OR ABOUT JUNE 26, 2025; REQUIRING THE REIMBURSEMENT OF MUNICIPAL RATE CASE EXPENSES; AUTHORIZING PARTICIPATION IN THE COALITION OF SIMILARLY SITUATED CITIES; AUTHORIZING INTERVENTION AND PARTICIPATION IN RELATED RATE PROCEEDINGS; AUTHORIZING THE RETENTION OF SPECIAL COUNSEL; 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 proposes to implement its proposed increase in rates on or about July 31, 2025; 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, Oncor asserts that the need for its increase in rates is driven in part by its investments of approximately \$11.6 billion since December 31, 2021, the end of the test year in its most recent rate case; and

WHEREAS, an evaluation of Oncor’s cost to provide electric service presents a complex series of regulatory issues; and

WHEREAS, for the Residential customer class, Oncor’s proposed increase in rates if approved would result in an increase of approximately 12.3% to that class; and a decrease of about 1% to small commercial ratepayers; and

WHEREAS, the Company seeks a Return on Equity (ROE) of 10.55%, and an overall Rate of Return (ROR) of 7.47%; and

WHEREAS, Oncor's rate request consists of a voluminous amount of information including Oncor's rate-filing package, exhibits, schedules, and workpapers; and

WHEREAS, it is not possible for the City to complete its review of Oncor's filing by July 31, 2025; and

WHEREAS, the City will need an adequate amount of time to investigate and determine whether Oncor has properly invoked the City's rate-setting jurisdiction, and if so, ultimately to review and evaluate Oncor's rate application to enable the City to adopt a final decision as a local regulatory authority with regard to Oncor's requested rate increase; and

WHEREAS, the City will require the assistance of specialized legal counsel and rate experts to review the merits of Oncor's application to increase rates; and

WHEREAS, to the extent Oncor seeks review at the Public Utility Commission of Texas of the City's final decision regarding Oncor's statement of intent to change rates, and because Oncor has submitted a statement of intent to the Public Utility Commission of Texas to increase rates in the environs of the City on the same date it submitted its request to the City, the decision of the Public Utility Commission of Texas could have an impact on the rates paid by the City and its citizens, and in order for the City's participation to be meaningful it is important that the City promptly intervene in such proceeding at the Public Utility Commission of Texas.

NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF CROCKETT 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's proposed effective date for its proposed increase in rates is hereby **SUSPENDED** for ninety days beyond Oncor's proposed effective date or as may be amended by agreement or otherwise.

Section 3. The statutory suspension period may be further extended or its Statement of Intent dismissed if Oncor does not provide adequate data from which the City may make a reasonable determination of the Company's rate base, expenses, investment, and rate of

return in the City, or if Oncor does not provide timely, meaningful, and proper public notice of its request to increase rates and revenue, or if its rate-filing package is otherwise materially deficient.

Section 4. The City authorizes 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 Alliance of Oncor Cities' rate case expenses as provided in the Public Utility Regulatory Act and that Oncor shall do so on a monthly basis and within 30 days after submission of such invoices for reasonable costs associated with activities related to this rate review or related to proceedings involving Oncor before the City, the Public Utility Commission of Texas, or any court of law.

Section 6. Subject to the right to terminate employment at any time, the City retains and authorizes the law firm of Herrera Law & Associates, PLLC to act as Special Counsel with regard to rate proceedings involving Oncor before the City, the Public Utility Commission of Texas, or any court of law, and to retain such experts as may be reasonably necessary for review of Oncor's rate application subject to approval by the City.

Section 7. The City, through its participation in the Alliance of Oncor Cities, shall review the invoices of the lawyers and rate experts for reasonableness before submitting the invoices to Oncor for reimbursement.

Section 8. A copy of this resolution shall be sent to Mr. Matt Henry, Vice President, General Counsel, Oncor, 1616 Woodall Rodgers Expressway, Dallas, Texas, 75202; and to Mr. Alfred R. Herrera, Herrera Law & Associates, PLLC, P.O. Box 302799, Austin, Texas 78703.

Section 9. 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 10. This resolution shall become effective from and after its passage.

PASSED AND APPROVED this 7th day of July 2025.

Dr. Ianthia Fisher, Mayor

ATTEST:

Mitzi Stefka, City Secretary