



CITY COUNCIL REGULAR SESSION

Monday, February 09, 2026 – 6:00 PM

109 North Kaufman Street, Mount Vernon, Texas 75457

Our mission: to provide effective and fiscally responsible municipal services in a manner which promotes our high standard of community life.

Vision Statement Mount Vernon is a caring community committed to excellence and quality of life, aspiring to be the community of choice for ourselves, our children, and future generations – beautiful, clean, vibrant, and safe. We will strive to preserve our heritage, our friendly hometown atmosphere, and celebrate the diversity of all our citizens.

AGENDA

Call to Order

The Mayor will determine that a quorum of Councilpersons is present and call the meeting to order.

Invocation and Pledges

Consent Agenda

Items on the Consent Agenda are approved by a single action of the Council, with such approval applicable to all items appearing on the Consent Agenda. A Council Member may request any item to be removed from the Consent Agenda and considered as a separate item.

1. Minutes - 12/08/2025

Report on Items of Community Interest

The City Council will have an opportunity to address items of community interest.

2. Presentation from Frontier Communication

Citizen Participation (3 minutes)

The Texas Open Meetings Act prohibits the Council from responding to any comments other than to refer the matter to a future agenda, to an existing policy, or to a staff person with specific information. Claims against the City, Council Members, or employees, as well as individual personnel appeals are not appropriate for citizens' forum.

Public Hearing

3. The purpose of this hearing is to hear evidence for or against a request made by Tony Fountain for an exemption to City of Mount Vernon, Ordinance, Chapter 13, Section 102, regarding sex offender residency restrictions for 110 Church Street, Mount Vernon, Texas 75457

Items to be Considered

4. Consider a request by Tony Fountain for an exemption to Ordinance Chapter 13, Section 102 regarding residency restrictions for sex offenders for 110 Church Street, Mount Vernon, Texas, 75457
5. Reconsider previous action on Resolution No. 25-22, authorizing access to Lone Star Investment Pool
6. Consider Resolution No. 26-01, approving submission of a grant application for Mobile Data Terminals for the Police Department

7. Consider Resolution No. 26-02, ordering the general election for May 02, 2026
8. Consider Election Contract with County Elections Administrator
9. Consider Resolution No. 26-03, Denying SWEPCO Request for Approval of Its Proposed "Electric Service-Large Load Contract" Tariff
10. Consider Task Order # 103786, associated with Raw Water Assistance Fund Water Distribution and Raw Water Improvements
11. Executive Session, Pursuant to Section 551.074 of Texas Local Government Code, Personnel Matters, the City Council will convene into closed session to discuss the positions of Municipal Judge, Finance Officer and City Secretary
12. City Council may take action on any Executive Session item if necessary

Discussion Items and Mayor/Council/City Administrator Reports

Presiding Officer to Adjourn the City Council Meeting

Notes to the Agenda

The City Council reserves the right to retire into executive session under Sections 551.071/551.074 – of the Texas Open Meetings Act concerning any of the items listed on this Agenda, whenever it is considered necessary and legally justified under the Open Meetings Act.

Persons with disabilities who plan to attend this meeting and who may need assistance should contact the City Secretary at 903-537-2252 three business days prior to the meeting.

The City of Mount Vernon City Council regular meeting is the second Monday of each month at 6:00 pm in Council Chambers. Any individual desiring official action should submit his/her request to the office of the City Administrator not later than fifteen (15) business days prior to the Council meeting.

Certification

I do hereby certify that this Public Meeting Notice was posted on the outside bulletin board, at the front entrance of City Hall located at 109 N Kaufman St., Mount Vernon, Texas, a place convenient and readily accessible to the general public at all times, and said Notice was posted on:

Date _____ Time _____

Angie Pike

Angie Pike,
Interim City Secretary



CITY COUNCIL REGULAR SESSION

Monday, December 08, 2025 – 6:00 PM

109 North Kaufman Street, Mount Vernon, Texas 75457

MINUTES

Mayor Hyman called the meeting to order at 6:25 pm

PRESENT

Mayor Brad Hyman

Councilman Harold Cason

Councilwoman Mary Keys

Councilwoman Rebecca Bailey

Councilman Mark Huddleston

ABSENT: Councilmember Martin Carrascosa

STAFF PRESENT

City Administrator Craig Lindholm, Interim Finance Director Rebecca Elliott, Deputy City Secretary Angie Pike, Police Lt. Leah Thomas, Public Works Director Chad Pike, Fire Chief Blake Sheffield

Invocation and Pledges

Invocation led by City Administrator Craig Lindholm

Consent Agenda

1. Minutes - Meeting 11/24/2025

*Motion made by Councilwoman Bailey, to approve minutes as presented, seconded by Councilman Cason
All in favor, none opposed*

Report on Items of Community Interest

Fire Marshal/Emergency Management Coordinator Max Cannaday, spoke to the council about the need to update the county Emergency Management Plan, indicating that the most recent plan will expire on the 31st of December. Cannaday will work with the Fire Chief to facilitate the completion of the plan.

Citizen Participation (3 minutes)

Steve Everett requested information and was directed to the deputy city secretary for follow up.

Items to be Considered:

2. Consider and act upon Resolution No. 25-22, authorizing access to staff for deposits held at Lone Star Investment Pool

Motion made by Councilwoman Keys to approve Resolution No. 25-22 as presented, seconded by Councilman Huddleston.

Motion made by Councilwoman Keys to close the account and move the funds to the TexStar Account, seconded by Councilman Huddleston.

All in favor, none opposed

3. Consider and act upon Resolution No. 25-23, updating authorized signatories to accounts held at Alliance Bank

Motion made by Councilwoman Bailey to approve Resolution No. 25-23 as presented, seconded by Councilman Cason.

All in favor, none opposed

4. Consider and act upon Resolution No. 25-24, approving appointment of an Interim City Secretary

*Motion made by Councilwoman Bailey to approve Resolution No. 25-24 as presented, seconded by Councilman Cason
All in favor, none opposed*

Item 1.

5. Pursuant to Section 551.074 of Texas Local Government Code, Personnel Matters, the City Council will convene into closed session to discuss the positions of Municipal Judge and City Secretary

*Council entered into Executive Session at 6:40 pm
Council re-convened into open session at 7:50 pm*

6. City Council may take action on any Executive Session item if necessary
No Action Taken

Discussion Items and Mayor/Council/City Administrator Reports

City Administrator discussed with Council the longevity and health savings accounts approved during the budget for employees.

Presiding Officer to Adjourn the City Council Meeting

Motion made by Councilman Mark Huddleston to adjourn the meeting at 7:52 pm, seconded by Councilwoman Keys

All in favor, none opposed

Approved:

Attest:

Brad Hyman, Mayor

Angie Pike, Interim City Secretary

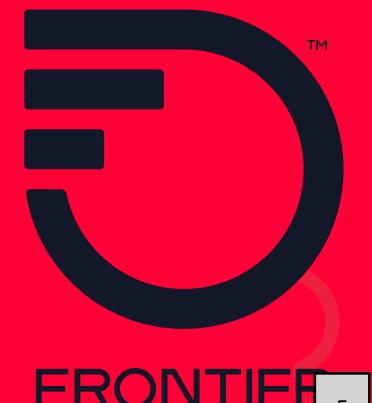
FRONTIER

Fiber Optic

Mount Vernon, Texas

February 09, 2026

David Russell: Vice President - External Affairs



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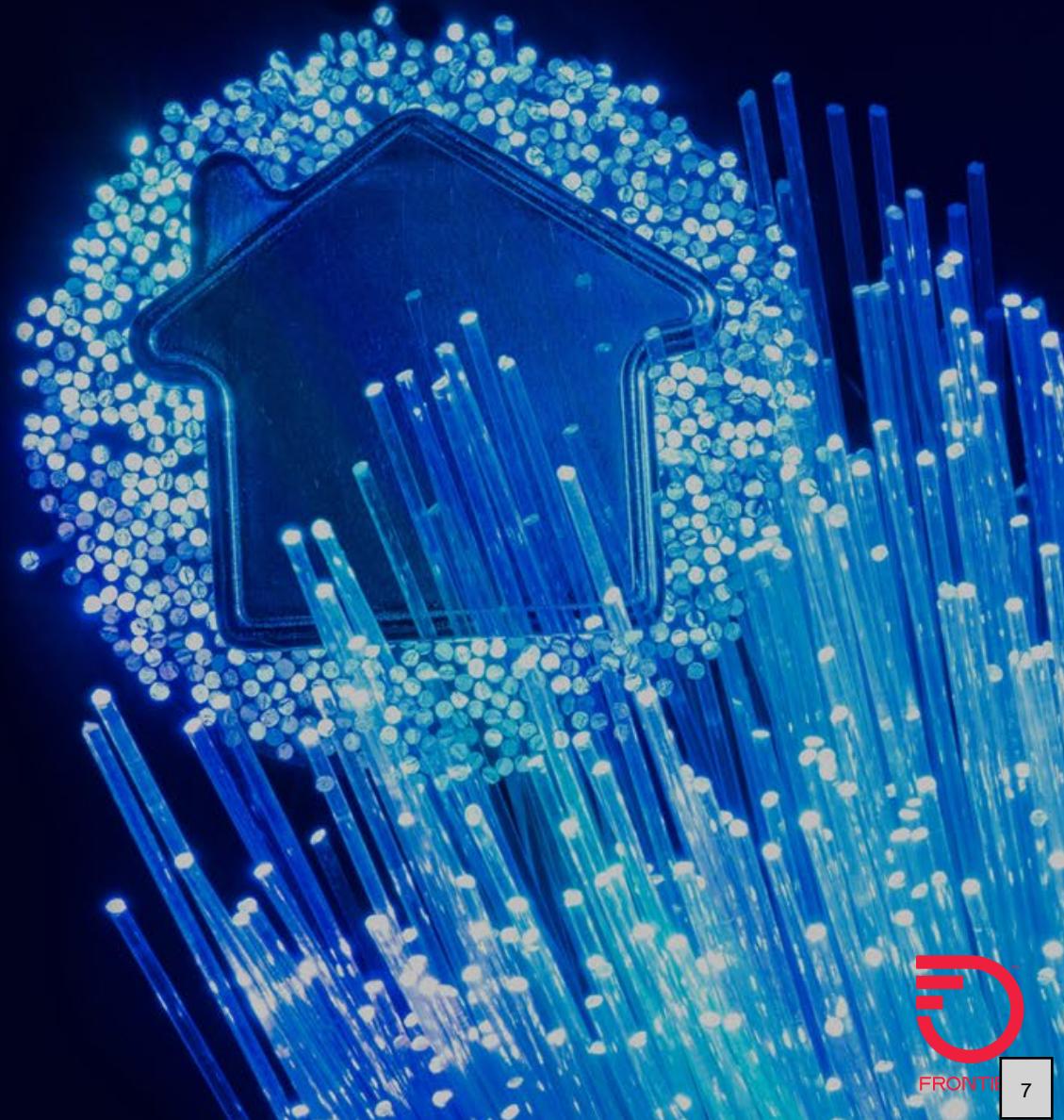
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already given date pictures of the situation

AGENDA ITEM REQUEST

Policy and Guidelines for City Council Agenda
Only the Mayor, Councilperson, City Administrator or City Secretary will be allowed to put items on the agenda
Items to be on the agenda must be in the City Secretary's office no later than 12:00 pm, 10 business days prior to the meeting

Name: TONY Ray Fountain Phone # 903 689 6418 Email Address: FountainLuisinda30@gmail.com
Mailing Address: Po Box 170 Mt Vernon TX 75457

Agenda Item Request

Janey
Signature



COMPLAINT FORM

DATE: 12-16-05

NAME: TONY Ray Fountain

ADDRESS: American INN

PHONE: 903 689 6418 415 Inter State 30 service Rd
Mt Vernon TX 75457

PLEASE DESCRIBE YOUR COMPLAINT IN DETAIL BELOW

I pay 905.00 to live here at this motel been here for some months the Roaches RATS are bad! in here the door I have I put Plastic bags to get the air from coming in but it helps a little my food is getting ate up by the rats and roaches and the be all on me in the bed. Pastor Don Monroe is giving me a nice place to live in and my rent want be hardly anything to make me a living because my monthly check is 960.00 and after paying the motel 905.00 a month it leaves me with only 60.00 to live off the whole month

THANK YOU FOR NOTIFYING THE CITY OF YOUR CONCERN

City of Mount Vernon

109 N. Kaufman * P.O. Box 597 * Mount Vernon, TX 75457 * 903 537 2252 * FAX 903 537 2634
www.comvtx.com



Agenda Item Summary:

Reconsider previous action on R25-22, authorizing access to Lone Star Investment Pool.

During the December 08, 2025 regular Council meeting, R25-22 was approved as presented. A second motion was approved, instructing staff to close the associated account and move funds to the TexStar Investment Account.

Staff recommends Council rescind the second motion and keep the funds in the Lone Star account as the December interest rate was 4.03%, compared to the 3.8426% for the TexStar account.

RESOLUTION No. 25-22

Item 5.

A RESOLUTION BY THE CITY COUNCIL OF THE CITY OF MOUNT VERNON, TEXAS, AUTHORIZING ACCESS ON LONE STAR INVESTMENT ACCOUNT IN THE NAME OF THE CITY OF MOUNT VERNON

WHEREAS, the Lone Star Investments Pool is an investment pool for the City of Mount Vernon; and

WHEREAS, the City Council desires to approve persons authorized to account access on accounts in the name of the City of Mount Vernon.

**NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF MOUNT VERNON,
TEXAS:**

SECTION 1. That account for the City, at Lone Star Investments Pool; may be accessed and viewed by the following additional persons:

<u>Name</u>	<u>Title</u>
Craig Lindholm	City Administrator
Rebecca Elliott	Interim Finance Director
Angie Pike	Deputy City Secretary

SECTION 2: This Resolution shall become effective immediately upon its passage.

PASSED AND APPROVED this the 8th day of December, 2025.

Approved: 
By: _____
Brad Hyman, Mayor

Attest: 
By: _____
Angie Pike, Deputy City Secretary

RESOLUTION No. 26-01

A RESOLUTION BY THE CITY COUNCIL OF THE CITY OF MOUNT VERNON, TEXAS

WHEREAS, THE CITY OF MOUNT VERNON agrees to provide applicable matching funds for the said project as required by the CRIMINAL JUSTICE DIVISON (JAG) grant application; and

WHEREAS, the THE CITY OF MOUNT VERNON agrees that in the event of loss or misuse of the Office of the Governor funds, THE CITY OF MOUNT VERNON assures that the funds will be returned to the Office of the Governor in full; and

WHEREAS, THE CITY OF MOUNT VERNON designates CRAIG LINDHOLM; CITY ADMINISTRATOR as the grantee's authorized official. The authorized official is given the power to apply for, accept, reject, alter or terminate the grant on behalf of the applicant agency.

WHEREAS, THE CITY OF MOUNT VERNON designates ANGIE PIKE, INTERIM CITY SECRETARY as the grantee's financial officer. The financial officer is given the power to submit financial and/or programmatic reports or alter a grant on behalf of the applicant agency.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF MOUNT VERNON, TEXAS approves submission of the grant application for the MOBILE DATA TERMINALS (M.D.T) to the Office of the Governor.

PASSED AND APPROVED this the 09th day of February, 2026.

By: _____
Brad Hyman, Mayor

Attest:

By: _____
Angie Pike, Interim City Secretary

Grant Number: 573801

RESOLUTION No. 26-02

A RESOLUTION BY THE CITY COUNCIL OF THE CITY OF MOUNT VERNON, TEXAS, ORDERING A GENERAL ELECTION

WHEREAS, by this Resolution, it is the intention of the City Council to call the general election, to enter into a contract with Franklin County Elections Administrator for election services, and to appoint the necessary election officers and to establish and set forth procedures for conducting the election.

NOW, THEREFORE, BE IT RESOLVED AND ORDERED BY THE CITY COUNCIL OF THE CITY OF MOUNT VERNON, TEXAS:

Section 1:

Election Order: An election is hereby ordered to be held on Saturday, May 02, 2026 for the purpose of electing a Mayor and two (2) Alderpersons for two-year terms.

Section 2:

Early Voting: Franklin County Elections Administrator, shall serve as the Early Voting Clerk. Early voting by personal appearance will be conducted each weekday at:

Franklin County Courthouse East Annex
502 E. Main St, Mount Vernon, Texas, 75457

at the following dates and times:

Monday	April 20, 2026	8:00 – 5:00
Tuesday	April 21, 2026	Legal Holiday, CLOSED (San Jacinto Day)
Wednesday	April 22, 2026	8:00 – 5:00
Thursday	April 23, 2026	8:00 – 5:00
Friday	April 24, 2026	8:00 – 5:00
Monday	April 27, 2026	8:00 – 5:00
Tuesday	April 28, 2026	8:00 – 5:00

Applications for ballot by mail must be received no later than close of business on April 20, 2026 and shall be sent to:

Yesinia Castro, Elections Administrator

PO Box 1047

Mount Vernon, TX 75457

elections@co.franklin.tx.us

FAX 903-537-8354

<https://www.co.franklin.tx.us/page/franklin.elections>

NOW, THEREFORE, BE IT RESOLVED AND ORDERED BY THE CITY COUNCIL OF THE CITY OF MOUNT VERNON, TEXAS:

PASSED AND APPROVED this the 09th day of February, 2026.

Approved:

Attest:

By: _____
Brad Hyman, Mayor

By: _____
Angie Pike, Interim City Secretary

THE STATE OF TEXAS §

COUNTY OF FRANKLIN §

CONTRACT FOR ELECTION SERVICES

THIS AGREEMENT FOR ELECTION SERVICES (hereinafter “contract”) is made this 09th day of February 2026, by and between Franklin County, Texas (hereinafter “County”), and the City of Mount Vernon, Texas (hereinafter “Local Political Subdivision”), pursuant to Texas Election Code Sections 31.092 and 271.002 for a May 2, 2026 election to be administered by the Franklin County Elections Administrator, (hereinafter “Elections Administrator”).

RECITALS

Whereas, Local Political Subdivision anticipates holding an election Saturday, May 2, 2026.

Whereas, Local Political Subdivision is located partially or entirely within Franklin County, Texas; and

Whereas, County owns an electronic voting system, ES&S Voting System, which has been approved by the Secretary of State pursuant to Texas Election Code Chapter 122, as amended, and is compliant with the accessibility requirements set forth by Texas Election Code Section 61.012. Local Political Subdivision desires to use the County's electronic voting system and to compensate County for such use and to share in certain other expenses connected with joint elections in accordance with the applicable provisions of Chapters 31 and 271 of the Texas Election Code, as amended.

Now Therefore, the Local Political Subdivision agrees to the following:

Scope of Election Agreement

Local Political Subdivision enters into this Election Agreement (“Agreement”) for the conduct of an election to be held Saturday, May 2, 2026. The Franklin County Elections Administrator shall coordinate, supervise and handle all aspects of administering the Election as provided in this contract. Local Political Subdivision agrees to pay Franklin County for equipment, supplies, services, and administrative costs as provided in this Contract.

It is understood that other local political subdivisions may wish to participate in the use of the County's electronic voting system and polling places, and it is agreed that Franklin County and the Elections Administrator may enter into other election agreements and contracts for election services for those purposes on terms and conditions generally similar to those set forth in this Contract. The Local Political Subdivision agrees that Franklin County may enter into election agreements with other political subdivisions that may have a territory located partially or wholly within the boundaries of above-named Political Subdivision, and in such case all parties sharing common territory shall share the County's electronic voting system at the applicable polling places. In such cases, costs shall be pro-rated among the participants according to the cost provisions set below in this Contract.

At each polling location, Local Political Subdivisions shall share voting equipment and supplies to the extent possible, i.e. the participating parties may share a mutual ballot in those precincts where jurisdictions overlap. However, in no instance shall a voter be permitted to receive a ballot containing an office or proposition stating a measure on which the voter is ineligible to vote. Multiple ballot styles shall be available in those shared polling places where jurisdictions do not overlap.

Legal Documents

The Local Political Subdivision shall be responsible for the preparation, adoption, and publication of all required election orders, resolutions, notices, and any other pertinent documents required by the Texas Election Code and/or Local Political Subdivision's governing body, charter, or ordinances.

Preparation of the necessary materials for notices and the official ballot shall be the responsibility of each Local Political Subdivision, including translation to languages other than English. Each Local Political Subdivision shall provide a copy of their respective election orders and notices to the Elections Administrator.

Early Voting Clerk

The Local Political Subdivision, shall appoint the Election Administrator as the Early Voting Clerk in accordance with Sections 31.097 and 271.006 of the Texas Election Code. Local Political Subdivision agrees to appoint the Elections Administrator's permanent county employees as deputy early voting clerks. The participating authorities further agree that the Elections Administrator may appoint other deputy early voting clerks to assist in the conduct of early voting as necessary, and that these additional deputy early voting clerks shall be compensated at an hourly rate set by Franklin County pursuant to Section 83.052 of the Texas Election Code.

As Early Voting Clerk, the Elections Administrator shall receive applications for early voting ballots to be voted by mail in accordance with Chapters 31 and 86 of the Texas Election Code. Any requests for early voting ballots to be voted by mail received by the Political Subdivision shall be forwarded immediately by fax or courier to the Elections Administrator for processing.

Voting Locations

The Elections Administrator shall conduct early voting at the Franklin County Courthouse East Annex located at 502 E. Main Street, Mount Vernon, TX 75457.

The Elections Administrator shall select and arrange for the use of Election Day voting locations. Voting Locations shall be held in the usual common precincts where appropriate at the dates, times, and locations recommended by the Election Administrator and authorized and ordered by the governing body of the Local Political Subdivision.

Election Judges, Clerks, and other election personnel.

The Elections Administrator will be responsible for the appointment by Commissioner's Court of the presiding judge and alternate judge for each polling location. The Elections Administrator will arrange for training and compensation of all judges and clerks.

The Elections Administrator will take the necessary steps to ensure that all election judges appointed are eligible to serve.

Each presiding election judge will be sent a letter from the Elections Administrator notifying them of their appointment, the time and location of training and distribution of election supplies, and the number of election clerks that the presiding judge may appoint.

Each election judge and clerk will receive at an hourly rate established by Commissioners Court. The Elections Administrator will pay all election workers and the Local Political Subdivision agrees to pay Franklin County for the Election Clerk's that are within its district boundaries.

The election judge will receive an additional sum of \$25.00 for picking up the election supplies prior to election day and for returning the supplies and equipment to the central counting station after the polls close. Item 8.

Central Counting for all entities will be at the discretion of Elections Administrator. The Cost of Central Counting Personnel will be divided equally among all entities with each participating authority agreeing to pay Franklin County for equal share of the cost of the Central Counting Personal.

The Elections Administrator may employ other personnel necessary for the proper administration of the election, including such part-time help as is necessary to prepare for the election, to ensure the timely delivery of supplies during early voting and on election day. And for the efficient tabulation of ballots at the central counting station. Part-time personnel working in support of the Early Voting Ballot Board and/or central counting station on election night will be compensated at the rate set by Franklin County.

Voting Equipment

The Elections Administrator will prepare the Voting equipment in the election including logic and accuracy testing, and arrange to have them transported (or transport them) to and from the early voting and election day voting locations. A testing board, overseen by the Elections Administrator, will be established during the time of appointment by Commissioner's Court of the presiding judge and alternate judge for each polling location.

The voting system to be used in the election and any runoff election will be the ExpressVote and DS200 Tabulation Machine through Elections Systems and Software (ES&S).

Supplies and Printing

The Elections Administrator will arrange for the preparation of all election supplies (including ballots) and election printing from the supplier.

Each participating authority shall furnish the Elections Administrator a list of candidates and/or propositions(s) showing the order and the exact manner in which their candidate names and/or proposition(s) are to appear on the official ballot. The list will be delivered to the Elections Administrator as soon as possible after ballot positions have been determined by each of the participating authorities. Each participating authority will be responsible for proof reading and approving the ballots in so far as it pertains to that authority's candidates and/or proposition. Each participating authority will be provided a sample ballot prior to printing of same, and each participating authority must give written approval prior to the ballot being printed. **IF ANY MISTAKES, ERRORS OR DEFECTS APPEAR IN THE PRINTED SAMPLE BALLOT AFTER PRIOR WRITTEN APPROVAL BY EACH PARTICIPATING AUTHORITY, THEN CORRECTION OF THE BALLOTS WILL BE AT THE EXPENSE OF THAT PARTICULAR PARTICIPATING AUTHORITY.**

Election expense and allocation of costs

The exact amount of the Local Political Subdivision's cost obligation under the terms of this Contract shall be calculated after the May 2, 2026 election (or runoff election, if applicable).

The Election Administrator may contract with other Local Political Subdivisions resulting in Cost Sharing of the May 2, 2026 Uniform Election Date. The Local Political Subdivision agrees to these cost sharing provisions. This includes the Franklin County Elections Office and other contracting Local Political Subdivisions within Franklin County.

The Local Political Subdivision agrees to pay the actual expenses attributable to their portion of the programming, coding, and ballot layout costs. Programming of the voting equipment owned by Franklin County is prepared by Election Systems and Software (ES&S).

The Local Political Subdivision hereby acknowledges that the cost may fluctuate dependent on the number of required polling locations and poll workers required to hold said election.

The Elections Administrator shall compensate all election workers in accordance with the Texas Election Code and using the rates set by the Franklin County Commissioners Court for county elections. The Elections Administrator shall pay the workers and be reimbursed by the Local Political Subdivision.

The cost share for reimbursement of election worker expense will be based upon the number of Local Political Subdivisions participating in an election agreement with the Franklin County Elections Administrator. Each Local Political Subdivision will be responsible for a proportionate shared percentage based upon the number of Local Political Subdivisions participating and the election workers' expense within their respective voting district boundaries.

The Local Political Subdivision agrees to the election expenses incurred, including but not limited to, the costs and expenses of election supplies, newspaper publication of the notice for the Logic and Accuracy Test of the ballots, state mandated mobile WIFI devices for observation of the electronic poll books, equipment transportation, absentee voting expenses, and other election related expenses.

The Elections Administrator shall charge a fee of 7% of the Local Political Subdivision's cost of the election.

The Local Political Subdivision shall pay to Franklin County the balance due within thirty (30) days after receipt of the final invoice from the Elections Administrator.

Runoff Election

The Political Subdivision shall have the option of extending the terms of this Contract through its runoff election, if applicable. In the event of such runoff election, the terms of this Contract shall automatically extend unless the Political Subdivision notifies the Elections Administrator in writing within 10 days of the original election.

The Political Subdivision shall reserve the right to reduce the number of early voting locations and/or election day voting locations in any runoff election.

Effective Date

This Agreement becomes effective upon approval and execution by the Local Political Subdivision.

Amendments

This Agreement may not be amended or modified except in writing executed by the Local Political Subdivision.

Contract Withdrawal.

Any participating authority that certifies their election in accordance with Sections 2.051, 2.052 and 2.053, of the Texas Election Code may withdraw from the general election contract. Any expenditure incurred prior to withdrawal shall be billed and that contracting authority shall be removed from the contract. An addendum to the contract shall be provided to the remaining participating authorities no later than five (5) days after notification of all intents to withdraw have been received by the Franklin County Election Administrator.

Notice

Whenever this agreement requires any consent, approval notice, request or demand, it must be in writing to be effective and shall be delivered to the Franklin County Election Administrator as shown below.

Yesinia Valenzuela Castro
Franklin County Election Administrator
502 E. Main St,
Mount Vernon, Texas 75457
Tel: (903) 537-8353
Email: elections@co.franklin.tx.us

And to the City of Mount Vernon as shown below:

City of Mount Vernon
109 North Kaufman Street
Mount Vernon, TX 75457
Tel: (903) 537-2252
Email: cityhall@comvtx.com

APPROVED BY THE GOVERNING BODY OF THE CITY OF MOUNT VERNON in its meeting held
the

09th day of February, 2026, and hereby executed by its authorized representative.

By: _____

Printed Name: _____

Title: _____

ACKNOWLEDGED BY:

HON. Scott Lee
FRANKLIN County Judge

_____ Date

Yesinia Valenzuela Castro
FRANKLIN County Elections Administrator

_____ Date

RESOLUTION No. 26-03

Item 9.

RESOLUTION BY THE CITY OF MOUNT VERNON, TEXAS, (“CITY”) DENYING SOUTHWESTERN ELECTRIC POWER COMPANY’S REQUEST FOR APPROVAL OF ITS PROPOSED “ELECTRIC SERVICE – LARGE LOAD CONTRACT” TARIFF; REQUIRING THE REIMBURSEMENT OF MUNICIPAL RATE CASE EXPENSES; AUTHORIZING PARTICIPATION IN THE COALITION OF SIMILARLY SITUATED CITIES AND 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, Southwestern Electric Power Company (“SWEPCO” or “Company”) on about October 6, 2025, communicated via electronic mail that on about October 3, 2025, it had filed with the Public Utility Commission of Texas (PUCT) an application seeking approval of a tariff it calls its “Electric Service – Large Load Contract” (ES-LL Contract) and

WHEREAS, on about December 29, 2025, by written submittal, tendered to the City an amendment to its request for approval of SWEPCO’s proposed ES-LL Contract, amending its request by proposing a firm, effective date of February 2, 2026; 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 SWEPCO’s rates, operations, and services within the municipality;

WHEREAS, SPS proposed to implement its proposed increase in rates effective on February 2, 2026, which is 35 days after SWEPCO submitted its amended request for approval of its ES-LL Contract rate; and

WHEREAS, SWEPCO’s rate request presents a complex set of data detailing SWEPCO’s forecasts of potential demand for electricity and the commensurate infrastructure related to that potential load to serve, e.g., large-load customers such as data centers; and

WHEREAS, SWEPCO’s rate request poses novel issues that raise significant issues regarding the extra demand large-load customers will place on SWEPCO’s electric system, the costs of additional infrastructure to meet that demand, and which customers should bear the cost of the additional infrastructure; and

WHEREAS, SWEPCO’s request comprises piecemeal ratemaking generally avoided under sound ratemaking principles; and

WHEREAS, given the complexity of the issues presented by SWEPCO’s request for a new tariff, the City will require the assistance of specialized legal counsel and rate experts to review the merits of SWEPCO’s request; and

WHEREAS, in order to maximize the efficient use of resources and expertise in reviewing, analyzing and investigating SWEPCO's rate requests and changes in tariffs, the City coordinates its efforts with a coalition of similarly situated municipalities known as the Cities Advocating Reasonable Deregulation ("CARD"), to review SWEPCO's requests to change rates; and

WHEREAS, to the extent SWEPCO seeks review at the Public Utility Commission of Texas of the City's final decision regarding SWEPCO's proposed Electric Service – Large Load Contract, or because SWEPCO has submitted a similar request to the Public Utility Commission of Texas for service in the environs of the City and the decision of the Public Utility Commission of Texas will affect rates paid by the City and its citizens who are customers of SWEPCO, 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 MOUNT VERNON, 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. SWEPCO failed to show that its proposed request is just and reasonable.

Section 3. The City hereby **DENIES** SWEPCO's request for approval of its tariff, "Electric Service – Large Load Contract" because, among other factors:

- A.** SWEPCO's request comprises piecemeal ratemaking that precludes a full analysis of whether SWEPCO's proposed rates result in potential, large-load customers paying their fair share of increases in cost;
- B.** SWEPCO's submittal fails to provide sufficient information to justify the terms set forth in its request, and in particular, SWEPCO fails to address, how stranded costs that may result from a departing large-load customer are to be treated;
- C.** SWEPCO's proposed new ES-LL Contract rate makes no mention of cost allocation or assigning of these new marginal costs incurred to solely serve the new large-load customers;

Section 4. The City authorizes intervention in proceedings related to SWEPCO's request for approval of a new tariff, the "Electric Service – Large Load Contract," before the Public Utility Commission of Texas and related proceedings in courts of law and participation in the coalition of cities known as the Cities Advocating Reasonable Deregulation (CARD).

Section 5. The City hereby orders SWEPCO to reimburse the City's rate case expenses as provided in the Public Utility Regulatory Act and that SWEPCO shall 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, through its

participation in CARD, related to its rate review or to related proceedings involving SWEPCO before the Item 9. 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 SWEPCO 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 SWEPCO's rate application subject to approval by the City.

Section 7. The City, in coordination with the Steering Committee, shall review the invoices of the lawyers and rate experts for reasonableness before submitting the invoices to SWEPCO for reimbursement.

Section 8. A copy of this resolution shall be sent to Mr. Alfred R. Herrera, Herrera Law & Associates, PLLC, either by email to AHerrera@HerreraLawPLLC.com, or to P.O. Box 302799, Austin, Texas 78703, and a courtesy copy to SWEPCO's local representative

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. To the extent any Resolution previously adopted by the City Council is inconsistent with this Resolution, it is hereby superseded.

Section 11. This resolution shall become effective from and after its passage.

PASSED AND APPROVED this 09th day of February, 2026.

Brad Hyman, Mayor

ATTEST:

Angie Pike, Interim City Secretary

TASK ORDER FORM

This is Task Order No. 103786,
consisting of 6 pages,
dated _____.

KSA Project Number: 103786

Owner Project (or Purchase Order) Number:

MTV 2025 RWAF Water Dist & Raw Water

Project Name: Improvements

In accordance with paragraph 1.01 of the Standard Form of Agreement Between Owner and Engineer for Professional Services – Task Order Edition, dated March 31, 2021 ("Agreement"), Owner and Engineer agree as follows:

1. Specific Project Data

- A. Owner: City of Mount Vernon
- B. Title: MTV 2025 RWAF Water Dist & Raw Water Improvements
- C. Description: Provide engineering services for the TWDB RWAF (SFY 2025) Application, bidding phase services and construction administration for the water distribution and raw water line improvements being designed as a part of the TWDB DFund Program.

Obtain necessary permits for construction of water distribution lines and raw water improvements including TxDOT Utility Installation Request and railroad permitting. All permitting fees are the responsibility of the Owner and coordination of schedules contained herewithin are dependent on the receipt of applicable permits within 30 days of the issuance of the NTP for construction activities.

- D. Number of Construction Contracts: 2

2. Services of Engineer

- A. Provide the services in Exhibit A – Schedule of Engineer's Services as outlined below:

- a. *Study and Report Phase:*
Not Included
- b. *Preliminary Design Phase:*
Not Included
- c. *Final Design Phase:*
Not Included.
- d. *Bidding or Negotiating Phase:*
Provide loan application assistance for TWDB RWAF (SFY 2025) application.

Water Distribution and Raw Water Improvements:

Provide plans and specifications for Owner's use. Publish documents including plans and specifications to civcastusa.com for use by bidders.

Respond to questions from bidders during the bidding phase and prepare addenda to contract documents if needed through civcastusa.com.

Conduct in person pre-bid meeting for the project.

Assist Owner in conducting bid opening in person and assist in the opening of bids

Prepare bid tabulation for award and analyze the bids

Submit bid tabulation for award of construction contract.

Attend one in person council meeting to present bid tabulation and receive council instruction for award.

e. Construction Phase:

Upon award, prepare contract documents and send to the contractor and Owner for execution.

Conduct an in person preconstruction conference and prepare a written record of the conference.

Review shop drawings submitted by the contractor and accept those which comply with the requirements of the construction contract

Project Manager to make monthly site visits to observe the progress and quality of the executed work and to determine in general if the work is proceeding accordance with the plans, specifications, contract documents and construction schedule.

Organize and attend final walk through with Owner, Contractor, and Project Representative.

Review contractor's application for payment and submit to the Owner for approval and payment.

Review and answer RFI(s) and prepare field work orders and/or change orders as necessary.

Provide part time project representative services. Budget provided is based on 20 hours per week for 18 months for the water distribution improvements and 20 hours per week for 18 months for the raw water line improvements.

Provide a set of reproducible record prints of the plans showing changes made during the construction process based on the marked-up print drawings and other data furnished by the contractor. Provide Owner with a PDF file of record drawings.

f. Commissioning Phase (or Operational Phase):
Not Included.

B. Additional Services of ENGINEER: As noted below, the ENGINEER is hereby authorized to perform the following additional services as outlined in Exhibit A – Paragraphs 2.01 and 2.02:

Included	Excluded		
<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	a.	Design Survey
<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	b.	Grant or Loan Application (TWDB)
<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	c.	Storm Water Pollution Prevention Plan
<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	d.	Environmental Assessment
<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	e.	Environmental Information Document
<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	f.	Resident Project Representative Services
<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	g.	Construction Survey (Baselines and Benchmarks)
<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	h.	Geotechnical Investigation
<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	i.	Materials Testing
<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	j.	Analytical Testing
<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	k.	Reimbursable Expenses (Mileage, Printing, Postage & etc.)
<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	l.	Easement or Boundary Surveys
<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	m.	Easement or Boundary Descriptions
<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	n.	Land Acquisition Services
<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	o.	TxDOT Utility Installation Request Applications
<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	p.	Operation and Maintenance Manual
<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	q.	Other: Project Management (TWDB Coordination)
<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	r.	Other:
<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	s.	Other: Railroad Permitting and Coordination
<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	t.	Other:
<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	u.	Other:
<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	v.	Other:
<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	w.	Other:

3. Owner's Responsibilities

Owner shall have those responsibilities set forth in Article 2 and in Exhibit B, except as modified by this Task Order.

4. Times for Rendering Services

Note:

Should review times exceed those identified above, the project schedule will be extended accordingly.

5. Payments to Engineer

A. Owner shall pay Engineer for services rendered as follows:

Work Task	Study & Report Phase	Preliminary Design Phase	Final Design Phase	Bidding Phase	Construction Phase (See Note Two)	Commissioning Phase	Total	Payment Method (See Note 1)
Basic Services	\$0.00	\$0.00	\$0.00	\$20,000.00	\$190,000.00	\$0.00	\$210,000.00	Lump Sum
Funding Application				\$10,000.00			\$10,000.00	
TWDB Project Management				\$7,500.00	\$7,500.00		\$15,000.00	
Permitting				\$50,000.00			\$50,000.00	
Subtotal	\$0.00	\$0.00	\$0.00	\$87,500.00	\$197,500.00	\$0.00	\$285,000.00	

Construction Survey					\$6,900.00		\$6,900.00	Hourly Rate and Reimbursable Expenses
Materials Testing					\$23,000.00		\$23,000.00	
Part Time RPR Services					\$375,400.00		\$375,400.00	
Subtotal	\$0.00	\$0.00	\$0.00	\$0.00	\$405,300.00	\$0.00	\$405,300.00	
Total	\$0.00	\$0.00	\$0.00	\$0.00	\$87,500.00	\$602,800.00	\$0.00	\$690,300.00

Notes:

¹ Payment Method: Fees shown for services to be provided on the basis of Hourly Rates and Reimbursable Expenses as shown in Par. 6 of this Task Order are estimated only and are not considered lump sum or not-to-exceed values.

² Construction Phase Basic Service assumes a construction period of 550 consecutive calendar days. ENGINEER's work on this phase beyond the construction period will be billed at hourly rates.

6. Hourly Rates and Reimbursable Expenses Schedule

Rates for hourly work and reimbursable expenses effective on the date of this Agreement are:

Principal	\$370.00/hour
Senior Aviation Planner	\$260.00/hour
Aviation Planner	\$185.00/hour
Electrical Engineer	\$225.00/hour
Electrical Design Engineer	\$160.00/hour
Senior Project Manager	\$310.00/hour
Project Manager	\$235.00/hour
Senior Project Engineer	\$200.00/hour
Project Engineer	\$180.00/hour
Senior Design Engineer	\$160.00/hour
Design Engineer	\$140.00/hour
Senior Project Architect	\$285.00/hour
Project Architect	\$145.00/hour
Design Architect	\$110.00/hour
Senior Engineering Technician	\$230.00/hour
Engineering Technician	\$125.00/hour
Senior Design Technician	\$160.00/hour
Design Technician	\$100.00/hour
Safety Manager	\$145.00/hour
Safety Specialist	\$105.00/hour
Regulation Compliance Specialist	\$135.00/hour
Project Assistant	\$100.00/hour
Senior CAD Technician	\$115.00/hour
CAD Technician	\$ 90.00/hour
Senior Project Representative	\$130.00/hour
Project Representative	\$110.00/hour
Graphic Designer	\$ 85.00/hour
Administrative Assistant	\$100.00/hour
Secretary	\$ 60.00/hour
Three-Man Survey Crew	\$235.00/hour
Two-Man Survey Crew	\$190.00/hour
Senior Registered Surveyor	\$215.00/hour
Registered Surveyor	\$175.00/hour
Senior Survey Technician	\$125.00/hour
Survey Technician	\$110.00/hour
Mileage	\$ 0.70/mile
ATV (4-Wheeler)	\$100.00/day
GPS	\$100.00/day

Reimbursable Expenses (Travel, Lodging, Copies, Printing)
Outside Consultants

Actual Cost
Cost + 15%

NOTE: The Standard Hourly Rates and Reimbursable Expenses Schedule shall be adjusted annually as of January to reflect equitable changes in the compensation payable to Engineer.

7. Terms and Conditions: Execution of this Task Order by Owner and Engineer shall make it subject to the terms and conditions of the Agreement (as modified above), which Agreement is incorporated by this reference. Engineer is authorized to begin performance upon its receipt of a copy of this Task Order signed by Owner.

The Effective Date of this Task Order is _____.

OWNER: City of Mount Vernon

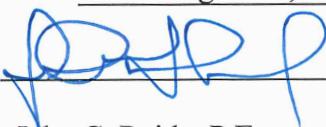
By: _____

Name: Craig Lindholm

Title: City Administrator

Date Signed: _____

ENGINEER: KSA Engineers, Inc.

By: 

Name: John G. Reidy, P.E.

Title: Managing Principal, Water Resources

Date Signed: 01/01/2026

Engineer License or Firm's
Certificate No. F-1356

State of: Texas

DESIGNATED REPRESENTATIVE FOR
TASK ORDER:

Name: Craig Lindholm

Title: City Administrator

Address: PO Box 597
Mount Vernon, TX 75457

E-Mail Address: clindholm@comvtx.com

Phone: 903.537.2252

Fax: 903.537.2634

Name: Blake Powell, P.E.

Title: Project Manager

Address: 140 E. Tyler St., Suite 600
Longview, TX 75601

E-Mail Address: bpowell@ksaeng.com

Phone: 903.236.7700

Fax: 888.224.9418