



617 Tenaha Street • P.O. Box 1744  
Center, Texas 75935-1744

(936) 598-2941 • Fax (936) 598-2615  
[www.centertexas.org](http://www.centertexas.org)

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## **AGENDA**

**The Center City Council will meet in Regular Session on Monday, April 9, 2018 at 5:00 p.m. in Council Room at Center City Hall. The following items are on the agenda for appropriate action:**

- I. Welcome Guests and Visitors.**
- II. Approval of Minutes of the Regular Meeting on March 26, 2018.**
- III. Discuss Consider and Action on the Following:**
  - A. Resolution 2018-05 TWDB Project Completion**
  - B. Resolution 2018-06 Fair Housing Month**
  - C. Resolution 2018-07 SWEPCO Base Rate Filing**
  - D. Change Order #2 Pipe Works – WWTP Aeration Basin Contract.**
  - E. Authorize Emergency Expenditure and Budget Adjustment – WWTP Renovations Supplemental Construction Contract.**
  - F. Approve Budget Adjustment – Drainage Improvements at Center Park.**
  - G. Design Proposal for Soccer Complex.**
- IV. Items of Interest from Council and City Manager and Citizens – No Action Items.**
  - 1. DETCOG Meeting – April 26, 2018 Windham Civic Center.**
- V. Executive Session**

Consider entering executive session for legal consultation with the City Attorney and discussion of pending litigation, personnel matters and land acquisition with possible action related thereto upon reconvening in open session in accordance with Government Code Section 551.071, 551.072 and 551.074
- VI. Adjournment.**

MEMORANDUM

TO: Mayor and City Council

FR: Chad D. Nehring, City Manager



Date: April 6, 2018

RE: Agenda Comments for Regular Meeting of April 9, 2018

REGULAR MEETING AGENDA:

III.A. Resolution 2018-5 – TX Water Development Board Project Completion

This action is similar to other construction projects final payment but since it involved TX Water Development Board financing, a more formal resolution is required. This includes all final payments and releases retainage due the contractor to settle the contract for this construction project and establishing the warranty period. The Tx Water Development Board has already conducted their site inspection for work planned, contracted and completed under the terms of the financing and issued their final report allowing for disbursement upon contract closure. Staff concurs with the project engineer's recommendation for completion by approval of this resolution.

III.B. Resolution 2018-6 – Fair Housing Month

This is an annual formality that allows submittal and retains eligibility for several US HUD programs and applications directly or sponsored by the City. This does not obligate the City to any enforcement of housing disputes or obligate any applications for projects. Staff recommends approval.

III.C. Resolution 2018-7 – AEP-SWEPCO Base Rate Filing

This most recent rate filing was mandated for submittal by the PUC of TX upon the effective date of the revised Federal tax laws lowering the corporate income taxes on utilities this year. The filing as presented institutes an immediate interim rate, pending PUC review and final approval, amounting to savings for all customer classifications. This resolution is not approving the final rate, but suspends the City's ruling for 90 days, giving the PUC time to review and finalize a system-wide rate. This action does however adopt the presented rate as an interim rate so that it will begin being applied to customer bills immediately. Staff concurs with the request of AEP-SWEPCO to adopt this resolution suspending the rate filing for 90 days and authorizing the filed rates on an interim basis.

**III.D. Change Order #2 with Pipe Works – WWTP Aeration Basin Contract**

The contractor on this project has not been responsive to several items of work nor responsive to several requests for alternative system installation in a timely manner. With the condition of the aeration system at the WWTP, staff has been working with the project engineer to adapt several approaches to the final installation product that would be easier for the contractor as well as more serviceable for future maintenance. The design called for bottom mounted installation in each ring of an operating aeration basin. An alternative approach of skid-mounted equipment that could be lowered (and removed) from each basin would be advantageous to the City long-term and the contractor for ease of installation. It is hoped that a final change order to adjust this contract to this approach will be negotiated and achieved prior to Monday night's meeting. While we typically wouldn't include an item without this information in advance, the condition of the plant necessitates and some level of heightened urgency. We hope to have sufficient information by Monday to explain and allow Council to act upon.

**III.E. Authorize Emergency Expenditure and Budget Adjustment – WWTP Renovations Supplemental Aeration Basin Construction Contract**

This item is a follow through on the installation alterations and anticipated adjustments to the prior item for the improvements at the WWTP aeration basin. This item will be approval of two authorizations. First, is declaiming the emergency for timing purposes allowing for the direct contracting with a local construction company rather than a formalized bid process. Second, is allowing for the budget adjustment for a supplemental contract on this activity. The WWTP capital improvement budget currently has sufficient funds available and already appropriated to cover this level of increased costs, but the overall amount of the needed increase is dependent on the completion of the prior item. Staff and/or the project engineer can provide additional information at the meeting but as stated above, this original project contractor has been reluctant to provide cost changes for adapting the project as needed. This authorization, upon the removal of several items from the original contract with PipeWorks, would allow this supplemental contractor to complete the work. This item is completely dependent upon resolving prior item "D". If "D" is approved, this item can be considered or possibly approved contingent to the finalization of the item "D" contract changes.

**III.F. Budget Adjustment – Drainage Improvements at Center Park**

There have been multiple complaints, conditions and one formal injury claim resulting from drainage its resulting impacts on sidewalks at the northern portion of Center Park closest to the football field and Moffett campus. The engineer's report details the drain routing problems as previously noted in prior engineer's report. Now that those problems have resulted in two wash-out areas and one section of sidewalk failure from undermining, we have prepared a budget change and recommendation along with construction quote to make some immediate

repairs to remedy current situations and hopefully prevent some continued physical damages. These are similar improvements that have previously been requested to accommodate off-site drainage to these locations. If approved, the funds will be allocated from City budget for these necessary improvements and staff will proceed with ensuring these improvements according to the included estimate.

**III.G. Design Proposal for Soccer Complex**

Enclosed is a design project to develop plans for soccer field installation at Community Park on Ballard St. These activities were allocated initial funding within the Capital Project budget this year and developed from the Parks Master plan. This would be the first expenditure of these funds and while it is budgeted, staff felt it appropriate to have Council authorize proceeding at this point with the planning since the funding allocated is estimated to be insufficient for immediate construction.

**Items of Interest:**

- A. Dixie Youth Baseball Regional World Series  
As this has so many additional impacts and attention, I will likely leave it as an item for potential discussion until July.
- B. Street Construction – Drewery Construction contact – currently working on 6-7 roads including Wooley, Garrett, College, Riggs, John C Rogers, Old Airport and Rainbow. Finish paving has been completed on Wooley, Garrett, College, Riggs, John C Rogers, Old Airport and Rainbow. Contractor is currently planning completion of John C Rogers, Old Airport and Riggs.
- C. Utility Construction – staff continues to have calls of the phone, fiber and gas company installations in town at various locations. If problems are reported, please let staff know so that the contractors can be notified and advised.
- D. Grill-Fest is slated for Saturday June 9<sup>th</sup> at Windham Civic Center

**MINUTES OF THE CITY OF CENTER  
CITY COUNCIL MEETING  
REGULAR MEETING  
March 26, 2018**

The Center City Council met in a regular session on Monday, March 26, 2018 at 5:00 p.m. in the Council Chambers at Center City Hall. The meeting was open to the public. Notices were properly posted of the date, place and hour and the news media was notified. The following members were present:

David Chadwick	-	Mayor	
Leigh Porterfield	-	Mayor Pro Tem	
Joyce Johnson	-	Council Member	
Howell Howard	-	Council Member	Absent
Jerry Lathan	-	Council Member	
Terry Scull	-	Council Member	
Randy Collard	-	Council Member	
Chad Nehring	-	City Manager	
Barbara Boyd	-	City Secretary	Absent
Jim Payne	-	City Attorney	

Guests signed the register.

**Item I. Mayor David Chadwick opened the meeting and welcomed the visitors and media.**

**Item II. Approval of Minutes of the Regular Meeting on March 26, 2018.**

Council Member Joyce Johnson made a motion to approve the minutes. Council Member Randy Collard seconded the motion. All voted in favor.

**Item III. Consider Discussion and Possible Action on the following:**

- A. Presentation and Acceptance of FY 2017 Audit. City Manager, Chad Nehring stated the Audit Committee met earlier to review in detail the annual audit report prepared by Axley & Rode. Mr. Eric Carver with Axley & Rode introduced and highlighted critical aspects of last year's financials and was available to answer questions. Council Member Leigh Porterfield made a motion to Accept the FY 2017 Audit. Council Member Jerry Lathan seconded the motion. All voted in favor.
- B. Approve Final Payment – J.S. Haren Company – WWTP Clarifier Project. City Manager, Chad Nehring stated this is the final payment, release of retainage and designation of the warranty period for this project that included the complete renovation of all mechanical equipment for both clarifier units at the wastewater treatment plant. Mr. Nehring stated this contractor has completed all work relative to this project and paid all vendors and subs on this job and workmanship was very satisfactory. Council Member Terry Scull made a motion to Approve Final Payment to J.S. Haren Company for the WWTP Clarifier Project. Council Member Joyce Johnson seconded the motion. All voted in favor.

**C. Appointments:**

1. Economic Development Corporation.
2. Deep East Texas Council of Governments.

Council Member Leigh Porterfield made a motion to appoint Steve Waters to the Economic Development Corporation and Joyce Johnson to the Deep East Texas Council of Governments Board. Council Member Jerry Lathan seconded the motion. All voted in favor.

**Item IV. Items of Interest from Council and City Manager, and Citizens – No Action Items.**

City Manager, Chad Nehring updated the Council on the Street Program, World Series Tournament preparations, and the south side sewer project.

**Item V. Executive Session. No Executive Session.**

Consider entering executive session for legal consultation with the City Attorney and discussion of pending litigation, personnel matters and land acquisition with possible action related thereto upon reconvening in open session in accordance with Local Government Code Section 551.071, 551.072 and 551.074.3.

**Item VI. Adjournment.** Mayor David Chadwick adjourned the meeting.

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David Chadwick, Mayor

Attest:

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Barbara Boyd, City Secretary

RESOLUTION 2018-05

OF THE CITY COUNCIL OF THE CITY OF CENTER, TEXAS ACCEPTING THE CONSTRUCTION OF THE SANITARY SEWER COLLECTION IMPROVEMENTS PROJECT UNDER THE TEXAS WATER DEVELOPMENT PROJECT #73623.

WHEREAS, the City Council accepts the actual quantities and costs of said improvements pursuant to final estimate of Everett Griffith, Jr. & Associates, Inc., Consulting Engineers; and

WHEREAS, the City Council establishes the warranty period for said improvements; and

WHEREAS, the City Council authorizes final payment to be made to the Construction Contractor.

NOW THEREFORE BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF CENTER, TEXAS,

1. That the City accepts the project as constructed by the Contractor under contract dated December 19, 2016, between Doughtie Construction and the City of Center, Texas, as approved by final inspection of Everett Griffith Jr. & Associates, Inc., Consulting Engineers.
2. That the City establishes the warranty period under the provision of the contract to be in effect commencing on March 22, 2018, (date of final inspection) to remain in full force and effect until March 22, 2019, at 12:00 p.m., midnight (12 months from final inspection).
3. That the City authorizes payment to the Contractor of \$2,286,676.88 which represents the total cost of the project plus or minus all change orders.
4. That the City authorizes final payment to the Contractor as approved by Everett Griffith Jr. & Associates, Inc. in the amount of \$227,706.70.

PASSED AND APPROVED THIS 9TH DAY OF APRIL, 2018.

\_\_\_\_\_  
David Chadwick, Mayor

ATTEST:

\_\_\_\_\_  
Barbara Boyd, City Secretary



**Everett Griffith, Jr. & Associates Inc.**

March 27, 2018

Chad Nehring, City Manager  
City of Center  
P.O. Box 1744  
Center, Texas 75935

Re: Sanitary Sewer Improvements  
TWDB Project #73623

Dear Chad:

A final inspection was performed on March 22, 2018. Present were a representative from the TWDB, City personnel and myself. All work has been completed in accordance with the plans and specification and to the satisfaction of the TWDB, Engineer and City with the exception of few areas that will need final grooming. Due to the inclement weather at the conclusion of this project some areas were not accessible. The City may elect to have Doughtie return within the one year warranty period to finish out the rough areas.

Attached are the following project close out documents:

1. Pay Request #13 & Final.
2. Change Order #4 & Final.
3. Affidavit of Bills Paid.

Please execute items 1 & 2 and return to me. It is my recommendation to accept this job as complete. The one year warranty period will begin on the date of this letter.

Sincerely,

Bob Staehs, P.E.  
Project Manager

cc: Tony Doughtie, President  
Doughtie Construction Co., Inc.

Laurie Shelton, E.I.T.  
Texas Water Development Board



**MONTHLY ESTIMATE NO. 13 - FINAL**

JOB NO.: TWDB Project No. 73623  
JOB DESCRIPTION: Sanitary Sewer Improvements  
CONTRACTOR: Doughtie Construction Co., Inc.  
NOTICE TO PROCEED: 12/19/2018  
COVERING PERIOD FROM: 2/1/2018 - 3/15/2018

ORIGINAL CONTRACT: \$2,153,323.55  
CURRENT CONTRACT: \$2,286,676.88  
CONTRACT TIME: 420  
DAYS USED: 442  
DAYS REMAINING: -22

RETAINAGE % FOR PROJECT: 10%

% COMPLETE BY TIME: 105%

% COMPLETE IN PLACE: 89%

	PREVIOUS TOTAL	THIS PERIOD	TOTAL TO DATE
Amount of Work Completed :	\$2,034,945.93	\$8,809.00	\$2,043,754.93
Material on Hand :	\$41,877.81	-\$41,877.81	\$0.00
Change Orders :	\$210,748.68	\$32,173.27	\$242,921.95
Retainage:	\$228,602.24	\$228,602.24	\$0.00
Payments :	\$2,058,970.18	\$227,706.70	\$2,286,676.88

AMOUNT DUE THIS PAYMENT:

**\$227,706.70**

Approved By

Chad Nehring, Center City Manager

Verified By

  
Bob Staehs, Project Engineer

Prepared By

  
Tony Doughtie, Project Manager

Date

3/27/18

# CHANGE ORDER

No 4

PROJECT TWDB Sewer System Improvements - Project No. 73623

DATE OF ISSUANCE 3/27/18

EFFECTIVE DATE 3/27/18

OWNER City of Center

OWNER's Contract No. TWDB Sewer System Improvements - Project No. 73623

CONTRACTOR Doughtie Construction Co., Inc.

ENGINEER Everett Griffith, Jr. & Associates, Inc.

You are directed to make the following changes in the Contract Documents

10. Deduct 3 Ea. Sewer Service Reconnects @ \$550.00/Ea. (\$1,650.00)  
 29. Deduct 60 LF of Sewer Service Extension @ \$20.00/LF (\$1,200.00)

Total (\$2,850.00)

Reason For Change: These items not required to complete this project

CHANGE IN CONTRACT PRICE:	CHANGE IN CONTRACT TIMES:
Original Contract Price	Original Contract Times
\$ 2,153,323.55	Substantial Completion <u>365 days</u>
	Ready for final payment: <u>365 days</u>
	days or dates
Net changes from previous Change Orders No. <u>1</u> to No. <u>3</u>	Net change from previous Change Orders No. <u>1</u> to No. <u>3</u>
\$ 136,203.33	<u>55 days</u>
	days
Contract Price prior to this Change Order	Contract Times prior to this Change Order
\$ 2,289,526.88	Substantial Completion <u>420 days</u>
	Ready for final payment: <u>420 days</u>
	days or dates
Net Decrease of this Change Order	Net Increase of this Change Order
\$ (2,850.00)	<u>0</u>
	days
Contract Price with all approved Change Orders	Contract Times with all approved Change Orders
\$ 2,286,676.88	Substantial Completion <u>420 days</u>
	Ready for final payment: <u>420 days</u>
	days or dates

RECOMMENDED:

By Everett Griffith, Jr. & Associates, Inc.

Date 3/27/18

APPROVED:

By City of Center

Date \_\_\_\_\_

ACCEPTED

By Doughtie Construction

Date 3/27/18

AFFIDAVIT OF BILLS PAID

STATE OF TEXAS §

COUNTY OF WALKER §

THAT I, the undersigned, being duly sworn, say that I was the Contractor for the performance of certain work under TWDB Contract No. 73623 entered into the 16th day of November, 2016, between the City of Center, Texas and for construction of Sanitary Sewer Improvements project.

KNOW ALL MEN BY THESE PRESENTS:

1. The undersigned hereby certifies the improvements on the aforementioned project have been fully and satisfactorily completed in conformity with the contract.
2. The undersigned further certifies that there are no claims of laborers or mechanics for unpaid wages arising out of the performance of said contract and that the wage rates paid by Contractor and all Subcontractors were in conformity with the contract provisions relating to said wage rates.
3. The undersigned further certifies that there are no claims of subcontractors or materials suppliers for unpaid bills for labor or materials and supplies furnished in the course of the contract.

CERTIFIED TRUE AND CORRECT

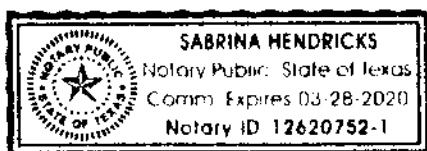
Tony Doughtie  
Contractor - Doughtie Construction Co., Inc.

STATE OF TEXAS §

COUNTY OF WALKER §

BEFORE me, the undersigned, a Notary Public in and for said County and State, on this day personally appeared Tony Doughtie, known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the same for the purposes and consideration therein expressed.

Given under my hand and seal of office this 26<sup>th</sup> day of March, A.D., 20 18.



Sabrina Hendricks  
NOTARY PUBLIC IN AND FOR  
Walker COUNTY, TEXAS

# Texas Water Development Board

P.O. Box 13231, 1700 N. Congress Ave.  
Austin, TX 78711-3231, [www.twdb.texas.gov](http://www.twdb.texas.gov)  
Phone (512) 463-7847, Fax (512) 475-2053  
1-800-RELAYTX (for hearing impaired)

March 28, 2018

Mr. Chad Nehring  
City Manager  
City of Center  
P.O. Box 1744  
Center, TX 75935-1744

Re: Center - Hwy 96 Lift Station  
TWDB Project ID: 73623  
Contract 01: Sanitary Sewer Collection System Improvements  
CWSRF EQ Loan L110070

Dear Mr. Nehring:

A final inspection of the above-referenced contract was conducted on March 22, 2018 by a representative of the Texas Water Development Board. A copy of the report is enclosed for your review.

This will be our Construction Contract Final Inspection for Contract 01: Sanitary Sewer Collection System Improvements. The report indicates that the work on this contract is now essentially complete and appears to be in accordance with contract documents. Since this was the only contract, this CCFI will also be our last inspection of the project.

As a reminder, in order for TWDB to authorize release of retainage for the above contract, the documents listed below must be submitted to:

Texas Water Development Board  
Houston Field Office  
3920 Cypress Creek Pkwy Ste 330  
Houston, TX 77068-3547

- A copy of the final pay request from the contractor.
- An affidavit by the contractor that all bills have been paid.
- The engineer's certification that the contract has been completed and that the work is constructed in accordance with the plans and specifications.
- Notification of the beginning date of the one-year warranty period for the contract and confirmation that the as-built drawings have been received from the contractor.

## Our Mission | Board Members

To provide leadership, information, education, and support for planning, financial assistance, and outreach for the conservation and responsible development of water for Texas

Bech Bruun, Chairman

Kathleen Jackson, Member

Peter Lake, Member

Jeff Walker, Executive Administrator

- Any outstanding change orders or a statement that there are no further change orders.
- Acceptance of the work under this contract by the owner in the form of a written resolution or other formal action.

If you have any questions about the construction contract final inspection or authorization to release retainage, please contact me in our Houston office at (281) 895-0722.

We appreciate the City of Center supporting improved water infrastructure in the state with the construction of this project. If you have need for other improvements to your water, wastewater, or solid waste facilities in the future, please do not hesitate to let us know; we may be able to assist you with one of our loan programs. If you wish to get further information about our programs or set up a meeting to discuss the possibilities of funding a specific project, please contact Nancy Richards at (512) 463-0250.

Sincerely,



Laurie Shelton  
Project Reviewer  
East Team  
Regional Water Project Development  
*Email: Laurie.Shelton@twdb.texas.gov*

LAS/LAS/c\_a  
Enclosure

cc: Ms. Debbie Fitzgerald, Project Manager, Everett Griffith Jr. & Assoc., Inc. (Email)  
Mr. Bob Staehs, P.E., Everett Griffith Jr. & Assoc., Inc. (Email)



**TEXAS WATER DEVELOPMENT BOARD**  
**Inspection & Field Support Services Division**  
**Construction Inspection and Management Report**

*This report is based on observations by the TWDB representative during one or more visits to the project site and on information provided by representatives of the owner and contractor. The report and inspections by TWDB are not intended to relieve the owner of the responsibility to provide adequate onsite inspection and engineering review to determine acceptability of the work and compliance with the contract documents.*

**Center - Hwy 96 Lift Station**

**Inspection Date:** 3/23/18

**TWDB Project ID: 73623; CWSRF Project: 2253-01**

**Submitted By:** Laurie Shelton

**Owner:** City Of Center

**Project Manager:** Debbie Fitzgerald, Project Manager, Everett Griffith Jr. & Assoc., Inc.

**TWDB Project Reviewer:** Laurie Shelton, East Team (Laurie.Shelton@twdb.texas.gov)

*Construct a new lift station south of the City on Highway 96 near Loop 500. Construct gravity sewers from sub-systems in the southern and western portions of the service area to enable gravity flow to the new lift station, and construct 20,000 feet of force main to deliver collected flow to the City's WWTP on the northeast side. Improvements will allow the City to abandon many smaller, inefficient lift stations.*

**TWDB Funding:**

Clean Water State Revolving Fund	EQ Loan	L110070	\$2,070,000
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<b>Total TWDB Funding:</b>	<b>\$2,070,000</b>
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**Summary of Operational Status of the Entire Project:**

This project includes one defined construction contract. Construction under Contract 1 is complete.

CID 1 - Sanitary Sewer Collection System Improvements. A Construction Contract Final Inspection (CCFI) was conducted on 3/22/18. At the time of the CCFI, all work appeared to be complete and in accordance with the approved plans and specifications. Close-out documents have not yet been received.

**Funding Program Requirements and Other Project Level Comments:**

- Construction progress photos taken by TWDB field representatives are available for viewing on the internet at <http://www2.twdb.texas.gov/apps/projinfo/photos.asp?proj=73623>.
- TWDB funding for this project does not include funds for preparation of an O&M Manual.
- TWDB funding from loan L110070 of this project requires that contractor's payrolls meet Davis-Bacon requirements.
- TWDB funding does not require that the project comply with American Iron and Steel Manufactured Goods requirements.
- TWDB funding for this project requires that Outlay Reports be submitted to the agency.

--- People listed below took part in the scheduled inspection. They may not all have been present at all times or at all locations. ---

**Inspection Participants:**

Marcus Camero	City of Center	(936) 598-2941
Gary Frame, Operator	City of Center	(936) 598-2941
Bob Staehs, P.E.	Everett Griffith Jr. & Assoc., Inc.	(903) 658-2065
Laurie Shelton, Project Reviewer	Texas Water Development Board	(281) 895-0722

**Contract Summary**

<b>CID</b>	<b>Contract Description</b>	<b>Contractor</b>	<b>Current Contract</b>		<b>% Complete</b>		<b>Date</b>	
			<b>Amount</b>	<b>Time</b>	<b>Start Date</b>	<b>Time</b>	<b>\$</b>	<b>Complete</b>
01	Sanitary Sewer Collection System Improvements	Doughtie Construction Co., Inc.	\$2,289,527	420	A 11/28/16	114%	100%	A 3/22/18 #
<b>Project Summary</b>			<b>\$2,289,527</b>		<b>A 11/28/16</b>	<b>114%</b>	<b>100%</b>	<b>A 3/22/18</b>

\* --- Actual or target Completion Dates with an asterisk indicate completion beyond the end of allowed contract time.

# --- Contracts listed with a '#' are complete but a Certificate of Approval has not been issued by TWDB. COA approval status of contracts completed before 1/1/06 is generally not available.

--- Contract details of active contracts and comments concerning the current inspection are shown on the following pages. ---

-- Contract 01:

No recent pay request was available for this contract, so the Percent Complete is based on an estimate of work complete at this inspection.



**Center - Hwy 96 Lift Station****Inspection Date:** 3/23/18**TWDB Project ID:** 73623; **CWSRF Project:** 2253-01**Submitted By:** Laurie Shelton**TWDB CID 01: Sanitary Sewer Collection System Improvements**

The contract calls for the installation of approximately 14,078 LF of 8-, 10-, 14-, 18- and 20- inch SDR26 sanitary sewer lines and 17,443 LF of 14-inch force main. The construction of a new lift station is also included in the contract work. Work is to be completed within 365 calendar days.

**Contractor:** Doughtie Construction Co., Inc.**Contractor's Representative:** Larry Wells, Superintendent Ph: (936) 438-0296**Engineer's Representative:** Bob Staehs, P.E., Everett Griffith Jr. & Assoc., Inc. Ph: (903) 658-2065**Owner's Chief Inspector:** Keith Oliver, City of Center Ph: (936) 572-2158

<b>Original Contract Amt/Time:</b>	\$2,153,324	365	Calendar Days	<b>Start Date:</b>	A	11/28/16
<b>Current Contract Amt/Time:</b>	\$2,289,527	420	Calendar Days	<b>Contract End:</b>		1/22/18
<b>Current Pay Request Amt/Time:</b>	\$2,289,527	3/22/18	Est - Recent PayReq Not Avail	<b>Final Date:</b>	A	3/22/18

**Change Orders:**

<b>CO</b>	<b>Description</b>	<b>Before CO</b>		<b>CO Change</b>		<b>After CO</b>		<b>Date Executed</b>
		<b>\$</b>	<b>Time</b>	<b>\$</b>	<b>Time</b>	<b>\$</b>	<b>Time</b>	
01	Bid quantity adjustments due to the resur..., etc.	\$2,153,324	365	(\$34,213)	15	\$2,119,110	380	4/11/17
02	Quantity adjustments due to the realignme..., etc.	\$2,119,110	380	\$120,008	40	\$2,239,119	420	6/27/17
03	Field changes to complete project.	\$2,239,119	420	\$50,408	0	\$2,289,527	420	3/12/18
<b>Total for 3 approved changes:</b>				<b>\$136,203</b>	<b>55</b>	<b>6.3%</b>		

**Contract Comments:**

A construction contract final inspection was conducted on March 22, 2018. At the time of the final inspection, all work appeared to be complete and in accordance with the plans and specifications. There was some erosion on the north bank at the new Gilchrist lift station. Due to recent wet weather, the contractor was not able to address this item. It will be treated as a warranty item.

Three change orders were issued for this contract which increased the contract amount by \$136,203.33 for a current contract amount of \$2,289,526.88. A final quantity adjustment change order is expected to be issued.

The one-year warranty start date will be established when the City accepts the contract as complete.

The contractor installed approximately 14,300 LF of 8- to 20-inch sanitary sewer pipe, 17,600 LF of 14-inch force main, and a new lift station. Five existing lift stations were modified to act as manholes and send influent to the new lift station. The new Gilchrist lift station was put online in December of 2017. The engineer, Mr. Bob Staehs, P.E. and Mr. Marcus Camero from the City both stated that the lift station and collection lines were working as satisfactorily.

**Date Submitted:** 3/28/18**Submitted By:** Laurie Shelton, Project Manager

East Team

**Email:** Laurie.Shelton@twdb.texas.gov



**Center - Hwy 96 Lift Station - 73623**  
**March 2018 Inspection Report Photos**



1

*Ho12\_2041 Taken 3/22/18*

**CID 01 - Sanitary Sewer Collection System Improvements**

The new Gilchrist Lift Station is equipped with 3 submersible pumps. The generator and boom and winch are visible.



2

*Ho12\_2042 Taken 3/22/18*

**CID 01 - Sanitary Sewer Collection System Improvements**

The new Gilchrist Lift Station. Controls, communications antenna, and electrical supply are shown. Wet weather prevented the regrading of the north bank. Erosion on the north bank will be treated as a warranty item.



3

*Ho12\_2043 Taken 3/22/18*

**CID 01 - Sanitary Sewer Collection System Improvements**

Existing Riggs Lift Station. One of 5 existing lift stations that were decommissioned and converted to act as manholes for existing gravity flows.



4

*Ho12\_2044 Taken 3/22/18*

**CID 01 - Sanitary Sewer Collection System Improvements**

Receiving vault for the flow from the new 14-inch force main. Flow continues to the existing wastewater treatment plant via new 18-inch pvc gravity flow piping.



5

*Ho12-2047 Taken 3/22/18*

**CID 01 - Sanitary Sewer Collection System Improvements**

The new Gilchrist Lift Station receives gravity flow from throughout the city via new pvc piping and sends it to the existing wastewater treatment plant via a new 14-inch force main.

**RESOLUTION NO. 2018-06**

**Fair Housing Month Proclamation  
Proclamation of April as Fair Housing Month**

WHEREAS Title VIII of the Civil Rights Act of 1968, as amended, prohibits discrimination in housing and declares it a national policy to provide, within constitutional limits, for fair housing in the United States; and

WHEREAS The principle of Fair Housing is not only national law and national policy, but a fundamental human concept and entitlement for all Americans; and

WHEREAS The National Fair Housing Law, during the month of April, provides an opportunity for all Americans to recognize that complete success in the goal of equal housing opportunity can only be accomplished with the help and cooperation of all Americans.

NOW THEREFORE, WE, the City Council of Center, Texas, do proclaim April as Fair Housing Month in the City of Center and do hereby urge all the citizens of this locality to become aware of and support the Fair Housing law.

IN WITNESS WHEREOF we have affixed our signatures and seal on this 9<sup>th</sup> day of April, 2018.

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David Chadwick, Mayor

ATTEST

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Barbara Boyd, City Secretary

## **RESOLUTION 2018-07**

**A RESOLUTION OF THE CITY OF CENTER FINDING, AFTER REASONABLE NOTICE AND HEARING, THAT SOUTHWESTERN ELECTRIC POWER COMPANY'S PROPOSED BASE RATE REDUCTION SHOULD BE ADOPTED ON AN INTERIM BASIS, AND THAT ITS APPLICATION SHOULD BE SUSPENDED AS PROVIDED BY LAW.**

**WHEREAS**, PURSUANT TO §33.001 OF THE Public Utility Regulatory Act, the city of Center has exclusive, original jurisdiction over the electric rates, operations and services provided within city limits by Southwestern Electric Power Company (SWEPCO or the Company).

**WHEREAS**, on April 5, 2018, SWEPCO filed with the City of Center, a Petition and Statement of Intent seeking an overall net decrease of 4.9% in total non-fuel revenues.

**WHEREAS**, the Company proposed an effective date of May 10, 2018.

**WHEREAS**, SWEPCO requested that the City suspend its application as provided by law, and the Company further requested that the City approve the proposed rate reduction on the interim bases during the suspension period, subject to refund or surcharge consistent with the final approved rates.

**WHEREAS**, SWEPCO requested an effective date for the interim rate reduction of May 14, 2018, or such other date as is consistent with the effective date for the interim rates ordered by the Public Utility Commission of Texas.

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

**SECTION 1.** It is hereby found and determined that said meeting at which this Ordinance/Resolution was passed was open to the public, as required by Texas law, and that advance public notice of the time, place and purpose of said meeting was given.

**SECTION 2.** Pursuant to the authority granted in section 36.109 of the Public Utility Regulatory Act, SWEPCO's request for approval of its base rate reduction is approved on an interim basis during the suspension period established in Section 3, with an effective date of May 14, 2018, or such other effective date that coincides with the effective date for interim rates ordered by the Public Utility Commission of Texas.

**SECTION 3.** SWEPCO's application to change rates is suspended for the maximum period authorized by section 36.108(a)(1) of the Public Utility Regulatory Act. During the suspension period, the interim rates established in Section 2 shall be observed, subject to refund or surcharge as necessary to be consistent with the final approved rates. The base rates set forth in this Ordinance/Resolution may be changed and amended by either the City or the Company only as provided by law.

**SECTION 4.** This Resolution shall be served on SWEPCO by U.S. Mail to the Company's authorized representative, Henry C. Steele, 400 West 15<sup>th</sup> Street, Suite 1520, Austin, Texas 78701.

**SECTION 5.** Nothing contained in this Resolution shall be construed now or hereafter as limiting or modifying, in any manner, the right and power of the City under law to regulate the base rate and charges of SWEPCO.

**CONSIDERED, PASSED, APPROVED AND SIGNED** this the 9<sup>th</sup> day of April, 2018, at a regular called meeting of the City Council of the City of Center, Texas, at which a quorum was present and which was held in accordance with the provisions of Chapter 551, Texas Government Code.

**SIGNED** this 9<sup>th</sup> day of April, 2018.

---

David Chadwick, Mayor

ATTEST:

---

Barbara Boyd, City Secretary

APPROVED AS TO FORM:

---

Jim Payne, City Attorney



Southwestern Electric  
Power Company  
P.O. Box 21106  
Shreveport, LA 71156-0001  
SWEPCO.com

Malcolm Smoak  
Interim President and Chief Operating Officer

April 5, 2018

Chad Nehring  
City Manager, City of Center  
P. O. Box 1744  
Center TX 75935-1744

**Re: Docket No. \_\_\_\_\_ – Application of Southwestern Electric Power Company to  
Implement Base Rate Reductions in Compliance with Docket No. 46449**

Dear City Manager Nehring:

SWEPCO is proud of its community partnership and the opportunity to serve your residents and businesses for more than 100 years. The economic vitality of each of the communities SWEPCO serves benefits from a dependable supply of electric power at a reasonable cost.

SWEPCO is making a rate reduction filing with all its municipalities exercising original rate setting authority and with the Public Utility Commission of Texas (PUC) on April 5, 2018. The filing is made pursuant to Section 36.102 of the Public Utility Regulatory Act, in order to comply with the requirements of the final order of the Public Utility Commission of Texas in SWEPCO's last base rate case, Docket No. 46449.

SWEPCO is making this filing to reduce its base rates, in order to reflect the impact of the recently adopted federal law lowering the corporate income tax rate. SWEPCO estimates that its overall annual revenue requirement will decrease by approximately \$18 million upon approval by municipalities and the PUC of this filing.

If your municipality has ceded its original rate-setting jurisdiction to the Commission, this information is being provided to you as a courtesy and you do not have to take any further action.

For those cities that have retained original jurisdiction over SWEPCO's retail electric rates, further action sought by SWEPCO is explained below. For your convenience, the following is a list of cities that have retained original jurisdiction over SWEPCO's rates and of those cities that have ceded original jurisdiction to the PUC.

Alba	Childress	Fruitvale	*Henderson
Atlanta	*Clarendon	*Gary	Hooks
Avery	Clarksville City	*Gilmer	*Hughes Springs
*Beckville	Daingerfield	Gladewater	Jefferson
Big Sandy	DeKalb	Grand Saline	Kilgore
Bloomburg	*Dodson	Hallsville	Lakeport
Carthage	East Mountain	Hawkins	*Lakeview
Center	Estelline	*Hedley	Leary

Linden	Mount Vernon	Red Lick	Waskom
Longview	Naples	Scottsville	Wellington
Marshall	Nash	*Shamrock	White Oak
Maud	New Boston	*Tatum	*Winfield
*Memphis	New London	Tenaha	Winnsboro
Miller's Cove	*Omaha	Texarkana	Winona
Mineola	Overton	*Union Grove	
Mount Enterprise	Pittsburg	Wake Village	
Mount Pleasant	Queen City	Warren City	

\* Ceded original jurisdiction to the PUC

**Attachment 1** to this letter explains in detail the regulatory actions and approvals SWEPCO is seeking from cities exercising original jurisdiction. These requested actions first and foremost include suspension of SWEPCO's rate application, and approval of the proposed rate reduction on an interim basis. These actions must be taken by the cities **on or before May 10, 2018**. SWEPCO is providing a sample city ordinance suspending the application and approving the interim rate reduction for your consideration. As explained in Attachment 1, once SWEPCO is able to obtain final approval of the rate reduction from the Public Utility Commission, it will return to all of its cities exercising original jurisdiction for final approval of the reduction within the city limits of those cities.

**Attachment 2** to this letter is a copy of the testimony of John O. Aaron, which describes the nature and calculation of the proposed rate reduction.

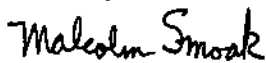
**Attachment 3** is SWEPCO's Petition and Statement of Intent, which describes SWEPCO's request to change its rates and the impact of the reduction on various customer classes.

**Attachment 4** is a copy of the proposed tariffs (provided on the attached flash drive) included in EXHIBIT JOA-3 to Mr. Aaron's testimony.

As has always been the case, SWEPCO is committed to working with local and state officials to ensure the timely construction and maintenance of a strong and robust generation, transmission and distribution system. We believe such strength enhances overall service reliability and the economic potential for the state and the communities we serve.

If you have any questions about SWEPCO's request to change its retail rates in Texas, please contact Hank Steele, SWEPCO Regulatory Case Manager, at (214) 777-1084. You may also contact your respective local SWEPCO external affairs manager. Jennifer Harland can be reached at (903) 223-5880, Mark Robinson can be reached at (903) 234-7351 and Tony Barley can be reached at (940) 937-3192.

Sincerely,



Malcolm Smoak  
Southwestern Electric Power Company  
Interim President and Chief Operating Officer

Attachments

## **ACTION REQUIRED BY MAY 10, 2018**

Action is required by your City as a regulatory authority which has retained original jurisdiction to review and act on SWEPCO's requested change in base rates. SWEPCO is making this filing, consistent with the directions of the Public Utility Commission in SWEPCO's most recent base rate case, to reduce its rates so that they are consistent with recent changes in federal law which reduced the corporate income tax rate.

Your City's exercise of its regulatory authority is governed by the Public Utility Regulatory Act, commonly referred to as "PURA." PURA provides for a municipal regulatory authority to take initial action on SWEPCO's rate request within 35 days after the case is filed. SWEPCO requests that you take the following actions, which will support SWEPCO's efforts to put the rate reduction in place for the benefit of its customers as soon as reasonably possible:

- 1) Approve SWEPCO's request to put the rate reduction in force on an interim basis, effective May 14, 2018 (or, in the alternative, on the same date that the Public Utility Commission makes interim rates effective); and
- 2) "Suspend" SWEPCO's application for an additional 90 days (a total of 125 days) in order to provide additional time before taking final action.

A draft municipal ordinance designed for the purpose of implementing these two initial actions is attached for your consideration.

**The deadline under PURA for your city to take these actions is May 10, 2018.** SWEPCO needs for all of its municipal regulators, and the Public Utility Commission, to act in a coordinated fashion by this deadline to establish interim rates and suspend its application. In this way, the rate reduction will be applied on a uniform, system wide basis to all of SWEPCO's Texas retail customers.

Approving the rate reduction on an interim basis and suspending the application is only the first step in the process to approve the rate reduction. Once SWEPCO is able to obtain certainty as to the action the Public Utility Commission will take on its application, it will return to all of its cities exercising original jurisdiction for final approval of the reduction within the city limits of those cities.

The interim rates SWEPCO asks you to approve are just that; they are designed to be implemented quickly, so that customers will receive the benefit of the rate reduction as soon as reasonably possible. The rates finally approved by the Public Utility Commission will supersede the interim rates, and if the final rates approved by the Commission are different from those approved on an interim basis, SWEPCO will be required to "true-up" the final rate so that it is as if customers were billed the correct final rate from the very outset of the regulatory process.

In order to support timely reduction of SWEPCO rates to the benefit of all Texas customers, **SWEPCO requests that your City Council take action to adopt the attached draft municipal ordinance by May 10, 2018.**

Once your City Council has taken action, please mail a copy of the approved ordinance in the enclosed postage paid envelope to:

Henry C. Steele, SWEPCO Regulatory Case Manager  
400 West 15<sup>th</sup> St., Suite 1520  
Austin, Texas 78701  
(214) 777-1084

If you have questions on this request or the draft ordinance, please do not hesitate to call your City's respective SWEPCO external affairs manager. Jennifer Harland can be reached at (903) 223-5880, Mark Robinson can be reached at (903) 234-7351 and Tony Barley can be reached at (940) 937-3192.

Thank you for your attention to this matter.





April 3<sup>rd</sup>, 2018

Chad Nehring, City Manager  
City Hall  
617 Tenaha Street  
Center, Texas 75935

RE: Center Soccer Site Design and Construction Documents

Dear Mr. Nehring:

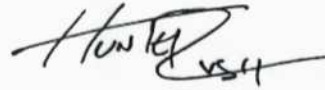
It is my pleasure to submit this proposal for Site Master Planning and Construction Documents for the Soccer Complex in Center, Texas. Our scope of services for this project is as follows:

1. Develop two preliminary site plans (hand sketched) based on the provided topographic survey, previous site visit and discussions with the City.  
\$1,200.00
2. Present the two preliminary site plans for review and comment. After receiving city comments, we will prepare a final Site Plan (digital) for construction documents and technical specifications.  
\$1,550.00
3. Develop construction documents for the Soccer Complex, including: Site Plan, Erosion Control, Grading, Field Layout & Striping, Grassing, Landscape and Irrigation.  
\$8,600.00
4. Provide three (3) on-site field visits during construction and submittal review.  
\$2,250.00

Based on this scope of services, our lump sum fee for the project is \$13,600.00. If our services are needed beyond the above scope, we will amend this agreement and bill you hourly with a "Not to Exceed" limit based on the hourly work sheet attached.

If you find this proposal meets your needs, please sign below on the space provided, retain one copy for your file and return one to us. Once we receive the signed proposal, we will begin work. If you have any questions or need us to revise our proposal, please let me know.

Sincerely,

A handwritten signature in black ink, appearing to read "Hunter N. Rush", with a stylized flourish at the end.

Hunter N. Rush

Approved & Accepted

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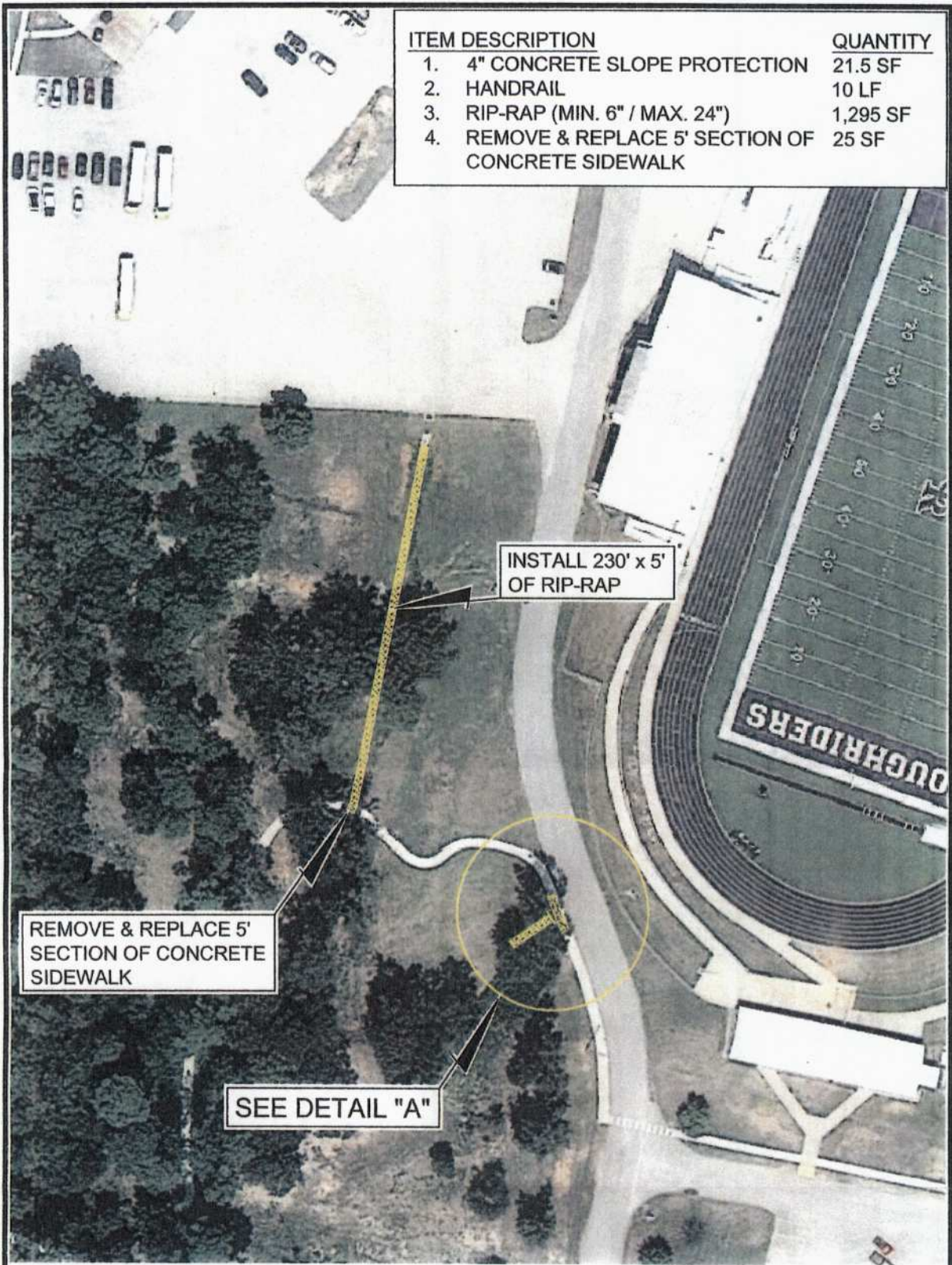
Date



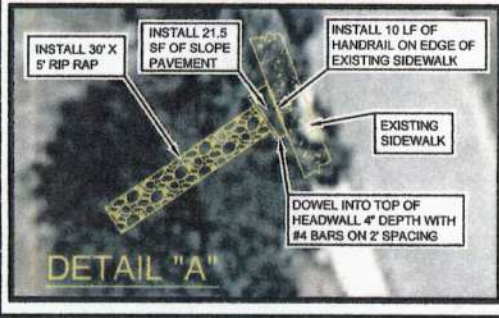
**MHS Planning & Design**  
**Hourly Rates**  
**Effective January 1, 2018**

Managing Partner	\$ 150.00 per hour
Professional Engineer	\$ 130.00 per hour
Senior Planner	\$ 100.00 per hour
Landscape Architect	\$ 90.00 per hour
CADD Drafter	\$ 80.00 per hour
Word Processing/Clerical	\$ 45.00 per hour
Mileage	\$ .56 per mile
Surveying, engineering, architectural, reproduction, aerial photography & all other expenses & contracted services	Cost plus 15%





ITEM DESCRIPTION	QUANTITY
1. 4" CONCRETE SLOPE PROTECTION	21.5 SF
2. HANDRAIL	10 LF
3. RIP-RAP (MIN. 6" / MAX. 24")	1,295 SF
4. REMOVE & REPLACE 5' SECTION OF CONCRETE SIDEWALK	25 SF



STATE OF TEXAS  
REGISTERED PROFESSIONAL ENGINEER  
ROBERT J. GRIFFITH  
72523  
LULFORD, TEXAS  
936/634-5528  
4/3/18

**CITY OF CENTER  
DRAINAGE IMPROVEMENTS  
CITY BALL PARK**

ENGINEERS SURVEYORS  
**EVERETT GRIFFITH JR. & ASSOCIATES, INC.**  
408 North Third Street  
Lufkin, Texas  
936/634-5528  
TEXAS ENGINEERING FIRM No. F-1156

DESIGNED BY: N/A	CHECKED BY: BS	SCALE: 1"=60'	1 OF 1
DRAWN BY: TCL/CKE	APPROVED BY: BS	DATE: 04/02/2018	

Norris Daniel Construction

936-585-0582

232 Cr 233

Nacogdoches Texas 75961

Date 04/05/2018

Job Estimate: E-062

City of Center

Drainage improvements city ball park

1. 4" concrete slope protection 21.5 SF @ \$20.00 per SF

\$430.00

2. handrail 10 foot long \$450.00

3. rip-rap (Min. 6"/Max 24") 1,295 SF @ \$8.00 per SF

\$10,360.00

4. remove and replace 5' section of concrete sidewalk 25 SF

@ \$25.00 per SF \$625.00

Total

\$11,865.00

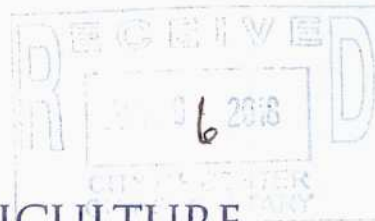
## **ITEMS OF INTEREST**

1. Texas Dept of Agriculture Letter.





TEXAS DEPARTMENT OF AGRICULTURE  
COMMISSIONER SID MILLER



April 2, 2018

The Honorable David Chadwick  
Mayor  
City of Center  
P.O. Box 1744  
Center, TX 75935

RE: Texas Community Development Block Grant (TxCDBG)  
City of Center/Contract No. 7215018  
**Acceptance of Certified Self-Monitoring – Administratively Complete**

Dear Mayor Chadwick:

Thank you for your cooperation with the compliance self-monitoring review of the above-referenced contract. The Texas Department of Agriculture (TDA) program monitoring staff reviewed the City of Center's (City) certified checklists for completeness and to confirm that any self-reported findings have been satisfactorily addressed. In addition, TDA concurrently conducted a desk review of financial management records to ensure that grant funds were properly administered for eligible project costs, and any findings and concerns have been resolved. Therefore, TDA has accepted the self-monitoring review results as certified.

Please note that the City's project records for all areas of compliance remain subject to further review where warranted, which can result in appropriate enforcement action in accordance with 24 CFR §570.492 and 2 CFR §200.338. Furthermore, project records must be locally retained until TDA provides notice of the close-out of the U.S. Department of Housing and Urban Development (HUD) grant to the State of Texas.

In addition, compliance staff reviewed the closeout reports that were submitted for the above-referenced contract. We determined that these reports comply with federal and contractual requirements. Therefore, this contract is administratively complete, subject to the right to recover funds or questioned costs based upon findings of the Single Audit and final review by HUD.

Please be advised, while this contract has been administratively completed, the City is required to satisfy their TxCDBG Contract No. 7215018, Special Condition: B 1, "Other Special Conditions," which states as follows:

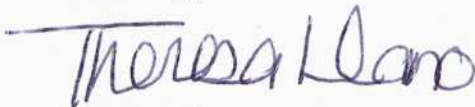
"Contractor shall submit a report detailing the services and/or functions, to also include the cost savings on utility expenses, of the facility developed with contract funds. The initial report shall be submitted by December 31<sup>st</sup> of the year in which this contract is closed and shall continue to be submitted annually for the subsequent four (4) years."

The City's first report will be due on December 31, 2018, and must be sent to the TxCDBG Director, describing the services and/or functions of the facility, and to be submitted annually for the next following four years.

December 31, 2019
December 31, 2020
December 31, 2021
December 31, 2022

If you have any questions concerning this letter, please contact me at (512) 936-0286 or at Theresa.Llano@TexasAgriculture.gov.

Sincerely,



Theresa Llano  
TxCDBG Program Monitor

TL/TL/tl

Enclosure: Self-Monitoring Review Certification

cc: Wanda Wance, Traylor & Associates,  
Travis Brown, TxCDBG Contract Specialist, TDA




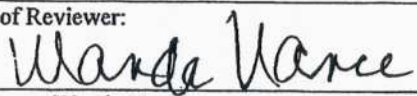


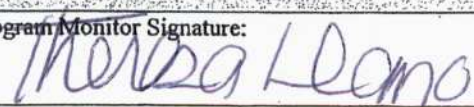
COMMISSIONER SID MILLER

**Office of Rural Affairs  
Texas Community Development Block Grant Program**

**SELF-MONITORING REVIEW CERTIFICATION**

Grant Recipient: City of Center	TxCDBG No. 7215018
By signing this Self-Monitoring Review Certification, I certify to the best of my knowledge and belief that the attached monitoring review checklists are true, complete, and accurate and that they were completed by a person possessing a current certificate for successful completion of TxCDBG Program Project Implementation training. I also certify that any findings of non-compliance have been accurately self-reported. A copy of this Self-Monitoring Review will be retained in local files with all project records in accordance with TxCDBG program project implementation policy.	
	
Chief Elected Official Signature	Title: Mayor
Printed Name: David Chadwick	
Date:	
1-22-18	

Based on my examination of pertinent project records for the referenced TxCDBG contract, I hereby certify that I have truthfully and accurately completed the attached Self-Monitoring Review checklist.	
Signature of Reviewer:	Reviewer Title or Name of Firm:
	Traylor & Associates
Printed Name: Wanda Vance	
Date:	
1-23-18	

<b>TDA Use Only</b>	
<b>Acceptance of Self-Monitoring Review</b>	
TxCDBG Program Monitor Signature:	Date:
	4/2/18
Printed Name:	
Theresa Llano	