

**Minutes
Special Meeting
March 2, 2010**

On this 2nd day of March 2010, at 7:00 p.m., the City Council of the City of Devine convened in a Special Meeting, the same being opened to the public at their regular meeting place, thereof at City Hall, 303 S. Teel Drive, Devine, Texas. Notice of said meeting having been prescribed in Chapter 551, Government Code and Vernon's Texas Codes, Annotated, and the following members thereof, being present:

Mayor Jerry Beck
Alderman Frank Cortez, III
Alderman David Espinosa
Alderman Hal Lance
Alderman Marina Antu

Absent being Alderman John Ramirez; thus, constituting a quorum.

Personnel present: Dora V. Rodriguez, Interim City Administrator/City Secretary; Ofilia H. Pedroza, Assistant City Secretary; Billy Grote, Director of Public Works; and Ismael Carrillo, Superintendent of Public Works.

Others present: Dimitri Karastamatis, P.E., CenterPoint Energy; Simon Pena-Gas Consultant; Chris Sepulveda, Mickey Davis, and Monica Cortez, of Devine.

Mayor Jerry Beck, presiding, declared the meeting opened.

The first order of business was a Presentation by CenterPoint Energy Mobile Solutions and Simon Pena concerning Mobile Gas Supply options for Pipeline Integrity Project for this summer.

Mr. Simon Pena, gas consultant, addressed City Council to bring them up-to-date. He told Council we are looking at a proposed project by Enterprise Products to do an integrity testing on their pipeline, so we are going to have an interruption in service later on this summer. He explained that in the process, the City of Devine will need some type of backup gas supply service for 20-21 days. Hopefully the outage won't last that long, but we need to prepare for the worst case scenario. The testing is required by State and Federal regulations. According to Mr. Pena, this is the first test for this pipeline segment; however the Enterprise system itself is statewide. He explained that due to federal regulations, they were told to run each one of their pipeline systems through a risk model to see which ones had more risk potential. According to Mr. Pena, 50% of those pipelines had to be assessed by 2007, and the other half had to be tested by 2012. Our pipeline segment fell in the second half of the risk model and was due last year in 2009, but we were not prepared financially for this test and were not ready for the outage. He explained that a series of meetings were held and we were able to push it back one year. This will be done every seven years, and hopefully the next time it will just be a routine test. However, in the interim, we need to prepare for backup gas supply. Mr. Pena explained that we have a contract with West Texas Gas as our gas supplier; however, the pipeline is going to have to be physically shut down. In order to have this backup supply, we are

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looking at two potential vendors to provide us with proposals to see how much it will cost to provide this service. Right now, he said, we don't have any numbers yet; they're still working on that. Mr. Pena then went on to introduce Dimitri Karastamatis with CenterPoint Energy.

Mr. Dimitri Karastamatis told Council he represents CenterPoint Mobile Energy Solutions out of Houston, Texas; the third largest in the U.S. He proceeded with a Power Point presentation to educate us on a mobile pipeline, what his company provides, and the process of backup gas supply.

CenterPoint Energy Mobile Energy Solutions can provide portable, temporary natural gas supply in the form of compressed natural (CNG) or liquefied natural gas (LNG) quickly and safely for long periods of time, and they go wherever they need to go to make it work for their customers. According to Mr. Karastamatis, 80% of his company's primary work is temporarily supplying gas for pipeline integrity testing during these outages. In most cases, he said, no one will even know the testing is being done; and services will not be interrupted. Besides pipeline integrity testing, they also provide natural gas supply for pipeline pressurization and testing, emergency pipeline outages, winter supplemental gas supply, start up and commissioning of equipment and facilities, temporary gas supply for commercial and industrial facilities, temporary gas supply for residential communities, temporary farm gas supply, and natural gas well pressurization.

Mr. Karastamatis told Council that their natural gas supply services meet the proper insurance requirements. Their technicians are properly certified and trained to meet operator qualification regulations, Texas Railroad Commission and DOT requirements.

Mr. Karastamatis explained their trucks will be brought in already filled with gas to our city gate, and will hook up there. We will probably need 60,000 cubic feet per day, and we're looking at a trailer every two days. They will be manning the sites and trailers for safety issues.

Interim City Administrator Dora V. Rodriguez inquired if our Public Works Superintendent, Ismael Carrillo, could be present to see how everything is going and to be able to communicate with CenterPoint. Mr. Pena's response was, yes; he said it's going to take an effort from both sides to make sure that everything works as smoothly as possible. He said we're anticipating that with 60,000 cubic feet per day, the period we're looking at is from July 7th to July 26th. That's not saying it will take that long, but hopefully it won't go beyond that date; it could be shorter. Simon Pena mentioned that the testing will be done in sections; it was broken down to Section 1 and Section 2 but they basically will be done at the same time, around July 7th.

Council held a more detailed discussion with Mr. Simon Pena on the procedure that will take place with the pipeline. Mr. Pena told Council that we can't have any third party incidents that will make our gas volume to up. He suggested that it wouldn't hurt to educate the public before and during the testing period to "call before you dig," so that it won't affect our gas supply with additional distribution that we were not anticipating. Council inquired as to where our city gate is and where all this will be hooked up. Mr. Ismael Carrillo, Public Works Superintendent told Council that it is located 7 miles out of CR 5710 (Calame Store Road).

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Discussion was also held on the price of gas fluctuating. Simon explained that right now we're on an Index which means that our price fluctuates. Dimitri Karastamatis talked about cost and how the charges are higher, but usually the invoices end up less than the estimates. Dimitri told City Council that he will try to put some numbers together in the next couple of weeks for them.

Council was good with the presentation and thanked Dimitri Karastamatis and Simon Pena, who both will be coming in Monday for a meeting.

The second order of business was to discuss and consider request made by Mr. Chris Sepulveda for the City to pay for his vehicle tire damage that TML denied.

Mr. Chris Sepulveda addressed City Council about the claim denied by TML regarding his damaged tire. Council reviewed denial letter submitted by TML. Mr. Sepulveda showed Council the actual piece of drill bit that ruined his tire.

Alderman Cortez asked Public Works if the City uses those types of drills. Public Works Superintendent Ismael Carrillo stated that the City does not use those, and added that they don't know how it got there. Director of Public Works Billy Grote stated that they haven't worked on Fullerton for many, many years now. Interim City Administrator Dora V. Rodriguez stated she feels that the City has no control over what happens on the streets; however, she had informed Mr. Sepulveda that his next option would be to come before City Council since TML had denied his claim.

Council held discussion with Mr. Sepulveda over how the drill bit got there and where it came from. Council could not see where the City would be held responsible or liable. They expressed they were sorry that it happened but felt the City has no control over what happened, considering that it's been years since the City has worked on that street and it seemed obvious that the piece of metal has been in the ground for a long time. Council discussed that anything is possible.

Motioned by Alderman Cortez, seconded by Alderman Lance to deny request made by Mr. Chris Sepulveda for the City to pay for his vehicle tire damage that TML denied.

Ayes	--	Four
Nays	--	None
Absent	--	One (Alderman Ramirez)

Motion carried.

The third order of business was to discuss and consider awarding contract for air conditioning bid under the Energy Efficiency and Conservation Block Grant.

Council reviewed bids submitted from Sub Zero. There were only two proposals from Sub Zero; one for \$23,672.00 and the other for \$18,728.00. Council discussed that the difference is in the efficiency system (EER); one is "high" and the other is "standard". The optional equipment is also

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different. Also, the duct work will be repaired. Council also reviewed the other bids submitted and held discussion on the tonnage and the split controls between City Hall and the Police Dept.

Interim City Administrator Dora V. Rodriguez informed Council that each one of the bidders was shown the same thing and they were all given the same information. Accountant Nancy Pepper told Council that our grant will be for \$23,060.00, and this is for energy efficiency.

Alderman Espinosa commented that the more tonnage we have available, the less our equipment will work. He told Council that he has no problem in going with Sub Zero because he's worked with them before and they are very reliable.

Motioned by Alderman Cortez, seconded by Alderman Espinosa to award bid to Sub Zero Air Conditioning and Heating LLC with (13.1 EER) for \$23,672.00.

Ayes	--	Four
Nays	--	None
Absent	--	One (Alderman Ramirez)

Motion carried.

The fourth order of business was to discuss and consider Ordinance declaring a Public purpose and Necessity for the Acquisition of 0.800 Acres, more or less, and any Legal Interest in adjoining Lot No. 7, consisting of 0.7708 acres that the City of Devine may not already own, for Park Improvements to the City of Devine of said Parcel(s) being out of and a Part of those certain tracts out of the M.A. Hattox Subdivision, Lots 6 and 7, in New City Block 93 according to the revised Plat of 1955 recorded in Volume One, Page 2A of the records of Medina County, Texas; authorizing Eminent Domain Condemnation proceedings to acquire property rights; authorizing Special Legal Counsel to the City to attempt Final Negotiations with private landowner for Real Estate Associated with the intended Public Park Facility and failing such attempt at negotiation, to initiate Eminent Domain Condemnation proceedings in a Court of competent jurisdiction to effectuate the purposes of this ordinance; authorizing the Special legal Counsel to retain professional services of Wade Gibson, Appraiser, to value the tract(s); ratifying and affirming all prior acts and proceedings performed or initiated by attorneys and employees of the City to acquire such property; declaring a public purpose and necessity; providing for severability and setting an effective date.

Interim City Administrator Dora V. Rodriguez informed City Council that this ordinance is the next step needed in order to proceed with all that needs to be completed with the park on Hester.

Council held brief discussion.

Motioned by Alderman Lance, seconded by Alderwoman Antu to adopt Ordinance 03-10 as presented.

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Ordinance 03-10 attached as Exhibit A.

Ayes	--	Four
Nays	--	None
Absent	--	One (Alderman Ramirez)

Motion carried.

There being no further business to come before the governing body, motion was made by Alderman Cortez to adjourn the meeting.

Mayor

City Secretary