

CITY OF PEÑITAS

HIDALGO COUNTY

ORDINANCE NO. 2006-07

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF PEÑITAS, TEXAS, (“CITY”) TO ADOPT A SETTLEMENT AGREEMENT BETWEEN THE CITY AND TEXAS GAS SERVICE COMPANY, A DIVISION OF ONEOK, INC. (“TGS” OR “COMPANY”) WITH REGARD TO TGS’S STATEMENT OF INTENT TO INCREASE RATES FILED ON MARCH 30, 2006; AND DETERMINING THAT THIS ORDINANCE WAS PASSED IN ACCORDANCE WITH THE REQUIREMENTS OF THE TEXAS OPEN MEETINGS ACT; AND DECLARING AN EFFECTIVE DATE.

WHEREAS, on March 30, 2006, TGS filed a Statement of Intent to Increase Rates (“Statement of Intent”) with the City; and,

WHEREAS, the City of Peñitas suspended the proposed effective date of the new rates; and,

WHEREAS, the City, along with other cities served by the TGS Rio Grande Valley Distribution System, negotiated with the Company a Settlement Agreement resolving the issues raised in the Company’s March 30, 2006 Statement of Intent; and

WHEREAS, the Rate Schedules attached to the Settlement Agreement are just, reasonable, and in the public interest; and

WHEREAS, the Settlement Agreement as a whole is in the public interest;

NOW, THEREFORE,

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF PEÑITAS, TEXAS:

Section 1. That the findings set forth in this Ordinance are hereby in all things approved.

Section 2. That the City Council finds that the Settlement Agreement and attached Rate Schedules, which are attached hereto and incorporated herein as Exhibit "A", are just, reasonable and in the public interest and hereby adopted in all respects.

Section 3. That to the extent any resolution or ordinance previously adopted by the Council is inconsistent with the Settlement Agreement, it is hereby repealed.

Section 4. That the meeting at which this ordinance was approved was in all things conducted in strict compliance with the Texas Open Meetings Act, Texas Government Code, Chapter 551.

Section 5. That this Ordinance shall become effective from and after its passage.

PASSED AND APPROVED this 2ND day of AUGUST 2006.



Mayor Servando Ramirez

ATTEST:



City Secretary Dina Garcia

APPROVED AS TO FORM:



City Attorney
Ricardo Gonzalez