

CITY OF BRADY
CITY COUNCIL CORRESPONDNECE

TO: MAYOR AND CITY COUNCIL
FROM: LISA REMINI, FINANCE DIRECTOR

SUBJECT: METER PROJECT HISTORY AND STATUS REPORT
DATE: FEBRUARY 28, 2014

This project has a well-documented history of events and is not a decision or process that was made "overnight". The City Utility fund is a business enterprise, and as with any company that is dependent upon mechanical equipment to produce revenues, it is prudent for staff to recommend replacement of worn out, antiquated, and / or inefficient equipment. It is the Board/Council's obligation to evaluate the merits of the request and approve or disapprove the request. This project was recommended by multiple Department Heads, and City Managers, and reviewed and approved by multiple Council members in open meetings from 2006 to 2012.

The \$2.8 million cost for providing a new metering system was weighed against the revenue stream the system produces. Annually, the City collects about \$11 million in electric, gas, water and sewer sales. Over 10 years, projected collections, without further customer growth is about \$110 million. These funds in turn are used by City Council to provide ongoing Fire/EMS service, Police protection, safe and reliable utility service, and all other governmental services that this City has come expect.

The following information was presented at City Council meeting (Exhibit 1) held December 11, 2012:
YEARS 2002 - 2005

Prior staff no longer with the city, had failed to replace aging meters. So, in 2002 an analysis was done that determined that the city's water meters alone were losing between 15-20% billable consumption. Therefore, the City of Brady entered into a 10 year financing agreement in the amount of \$2,970,334.00 with annual debt service requirements of \$376,872 to purchase and install all new electric, gas and water meters, to be read by a touch read wand meter reading system.

During the installation process, the subcontractor of the Company that the City contracted with, Johnson Controls, did a very poor installation job and caused damage to many water meters. Additionally, the City learned after the fact that the residential electric meters installed were no longer in production, limiting the availability to maintenance such meters as years go by and prohibited the ability to upgrade to future metering efficiencies. These actions became a springboard of controversial issues between the City and its satisfaction with the performance of Johnson Controls contract. A settlement was reached, and Johnson Controls paid the City \$250,000 for damages in 2010. (Exhibit 2) These funds were immediately deposited into the City's depository bank in a specific checking account to be applied to the future purchase of meters and or meter reading infrastructure.

Issues that came up while reading meters with the touch read system:

1. Reading time was not materially reduced as the meter readers still had to walk to each meter to obtain the reading.
2. The electronic reading device could be easily knocked off / broken, and frequently was.
3. Unable to adequately determine failing meters in a reasonable time.
4. Large consumption use from electrical problems, water leaks, and gas leaks are not readily detected until a 30 day reading is taken.
5. Unable to provide customer data to help determine changes in consumption.
6. New TCEQ rulings requiring all water meters to be virtually lead free. The City's brass water meters contained lead in amounts outside TCEQ regulations.

YEARS 2006 -2009

In 2006 City staff began the process of researching companies that provided for a more efficient means of reading meters. From 2006 to 2009 City staff heard presentations from the following companies:

1. Techline
2. Elster
3. Aqua-Metric / Sensus

Council minutes that noted these meetings:

May 17, 2006 City Manager Report

June 7, 2006 City Manager Report

June 21, 2006 City Manager Report

YEAR 2010

GW Resources out of Arizona presented their AMI system to the City staff in early 2010. The quote provided was \$3,522,624.20 with a proposed 10 year pay-out of \$443,021, or total interest cost of \$907,586. In addition, we would have to pay an additional \$42,360 annually for technical support services.

Staff determined that this proposal was not acceptable based on price, financing cost, annual support costs, and distance of the provider.

Budget workshop discussions for Fiscal year 2010-2011 with the department heads for water, gas, and electric, in an effort to be proactive, determined that it was appropriate to request the purchase of new metering infrastructure in FY 2011 to begin the process of addressing the task of implementing a more efficient means of reading meters with the intentions of replacing city meters in FY 2012.

Points discussed:

- The City had immediate funds, \$250,000, to purchase the meter reading infrastructure
- Current meters approaching 10 years useful life - industry standard benchmark for replacement
- Accuracy levels dropping
- Maintenance issues increasing
- Meter Reader turn-over high – lost labor cost efficiencies with continual training, and use of more expensive labor to cover periods of transition
- The City's note for the current metering system maturing August 2012, allowing for funds to pay on new debt service needs in FY 2012.

Public Budget workshops with the Council were conducted in July 2010 and formal approval of the 2011 Budget was adopted by ordinance on **September 1, 2010. (Exhibit 3)**

The 2011 Budget clearly documents: To spend a total of \$250,000 in cash reserves for Radio Read Equipment benefiting the Water, Gas, and Electric systems.

Subsequently, Council formally directed the City Manager to solicit requests for proposals for utility metering systems on **October 6, 2010.**

In late 2010 the City asked Elster and Aqua-Metric / Sensus to come back to the City and present their proposal to the City staff again.

After both presentations, City staff concluded the following:

Elster cons:

- Product had reliability issues according to the City of Fredericksburg. Since the City of Brady is spread over an 11 mile radius, the type of radio transmission technology used would be difficult to successfully implement.
- Elster technology uses pods to transmit signals. These signals are continuous, unlike Sensus meters.
- City had no working relationship established with Elster.

Aqua-Metric / Sensus pros:

- Product has the most reliable technology. Readings transmitted every 4 hours for a total of less than 1 second a day in transmission time.
- Well established company – Sensus has been in business for 125 years and a leader of the product in the metering industry – installing over 8 million meters through 2012.
- Established, positive, relationship with the City of Brady through the purchase of water and gas meters already through Aqua-Metric – the exclusive distributor of Sensus products.
- Product technology proven to interface with Incode – therefore no additional costs for billing needs.
- Offer provided as a “turnkey” job which included:
 1. a recommended financing company that the City had also had a well-established working relationship through previous equipment loans,
 2. an installation team that was directly responsible to Aqua-Metric,

3. an on-going software support program for successful data collection and billing,
4. a qualified project cost under State approved HGAC protocol, insuring competitive pricing that has been let for bid; therefore, eliminating the requirement for the City to conduct a separate bid, saving time and money to the City.

City Staff then traveled to the Cities of Brenham and Bellville to talk to the staff at each City without the Aqua Metric staff around so that questions on product quality, implementation, and co-ordination with Incode billing software, and over-all customer service as problems occurred during and after the transition could be asked and answered candidly.

Both Cities were happy with implementation of the project, cohesiveness with Incode billing software, and the overall function of the meters.

However,

City staff decided to delay project to address concerns with the School District.

YEARS 2012 - 2014

The project was presented again in the **Fiscal year 2012-2013 Budget**.

The Budget request is documented in the official 2013 Budget:

Finance \$2,133,587 for Meter/System Improvements benefiting the Water, Gas, and Electric systems.

4 Council Workshops were held to discuss the proposed FY 2013 Budget

July 17, July 24, July 30, July 31 2012

The FY 2013 Budget was approved and adopted at the **September 10, 2012** Council meeting.

At the City Council meeting dated **October 15, 2012**, representatives from Aqua-Metric and Sensus provided a formal presentation of the approved project and confirmed information City staff conveyed throughout the budgeting workshops. Council allowed various questions from the audience.

The Council then approved the financing agreement in the amount of \$2,155,000 for the purpose of procuring an AMR/AMI system.

- Total interest cost of \$388,660.80.
- Annual debt service payments of \$254,366.80 - which is \$122,505.92 less than the previous cost of the metering system being replaced.
- Up to \$250,000 from cash reserves to be used to pay for the total project cost.
- Total cost of new metering system - \$969,060* less than the existing system.

Meter project cost in 2001: \$376,872 annual debt service payment X 10 years = \$3,768,720

Meter project cost in 2012: \$254,366 annual debt service payment X 10 years = \$2,543,660

Cash payment	<u>\$ 250,000</u>
	\$2,799,660

\$3,768,720 - \$2,799,660 = \$969,060*

Additionally:

1. The City saved an additional \$30,000 in financing costs by utilizing a Finance Contract.
2. The Council effectively reduced the Electric rate by 1 cent per kWh in Budget year 12-13. This effectively saved our utility customers an approximately \$500,000 in utility charges.

STATUS UPDATE

Once funding for the project was approved and loan proceeds in place as of **October 15, 2012**, a purchase order dated **October 17, 2012** for the project was issued. HGAC executed the City's purchase order on November 7, 2012. Contract terms were finalized and signed **12/13/12** with Aqua-Metric and **12/17/12** with Sensus.

- First invoice check for product and services issued **1/15/2013**
- Delivery and Installation of infrastructure **February 2013**
- Delivery and Installation of meters began:
 - Electric February / March 2013
 - Gas April 2013
 - Water June 2013

The FY 2013 Budget was formally amended May 21, 2013 to recognize the city's cash contribution of \$256,000 to the cost of the project, the budget expenditure for the project was increased by like amount, and the financed cost of the project was \$21,413 more than originally projected. (Exhibit 4)

City placed several documents on the City of Brady's website highlighting the position of the Public Utility Commission, Federal Communications Commission, US Food and Drug Administration, and the World Health Organization.

All indicate that there are no proven health risks from radio frequency meters.

December 7, 2012 application was submitted by 2 citizens for a Temporary Restraining Order. The Judge denied the request.

Motion for non-suit was filed December 19, 2012.

Legal fees for the City, \$4,943.54 (Exhibit 5)

An election was held on May 11, 2013 in which a petition to opt-out was passed.

74% or 2,310 of the registered voters did not cast a vote

18% or 542 of the registered voters voted in favor of the petition

8% or 246 of the registered voters voted against the petition

Once the election results were officially approved, City staff implemented Charter directives in July 2013. Approximately 131 accounts exercised the opt-out option.

The City retains \$14,000 in unreturnable electric meters that were purchased prior to the knowledge of the petition action.

As of March 4, 2014 the project is about 90% complete. The City crews will complete the installation of the remaining meters. The electric and water meter installation should be completed within 2.5 months. The City is working towards having the gas meters fully installed within 6 months.

Remaining meters to install:

45 electric meters - All commercial. On order. Will take up to 10 weeks to deliver.

130 water meters

850 gas meters

In conclusion, this project is financially sound, has been lawfully executed, and responsibly reported to the public as required by law.

OPEN RECORDS REQUESTS CONCERNS

MEMORANDUM

To: City Manager, Mayor and Council

From: Christy Badilla, Municipal Clerk/City Secretary

Date: February 20, 2014

**Subject: OPEN RECORDS REQUESTS/PUBLIC INFORMATION ACT
CLARIFICATION**

The following information comes from the Attorney General of Texas training on the Public Information Act (formerly the Open Records Act).

- A governmental body is not required to produce information which is not in existence at the time of the request. Thus, a government body is not required to create new information in response to a request.
- However, if the request only requires programming or manipulation of existing data, it is not considered a request for creating new information. (Example: If the data exists in the software system of a government entity and a report can be easily run to collect that data then no new information is being created. The information is simply being compiled in that case.)
- The Public Information Act (PIA) does not require a governmental body to calculate statistics, to perform legal research or prepare answers to questions. Whether in writing or in person asking a question does not constitute an Open Records Request.
- The Public Information Act (PIA) only requires a governmental body to provide information or documents that relate to the information sought by the requestor.

Ms. Hemphill's Open Record Request dated 11-15-12 (**Exhibit 6**) asked for items that the City did not have in written form. Therefore, the City's response was appropriate and in compliance with the law.

1. No written technical evaluation exists.
2. No written list of employees was ever created.
3. An RFQ was not necessary as the City chose to go through a State approved bidding process under Houston- Galveston Area Council (HGAC).
4. Same
5. Same
6. No written review exists.

**CITY OF BRADY, TEXAS
NOTICE OF MEETING**

Notice is hereby given that the City Council of the City of Brady, Texas will meet for a Special Session on Tuesday, December 11th, 2012 at 6:00pm at the Ed Davenport Civic Center located at 200 Country Club Rd, Brady, Texas.

AGENDA

The presiding officer shall open each meeting with the following statement:

"This meeting is being held in accordance with the provisions of the Texas Open Meetings Act. Discussions and Actions are limited to the agenda items as posted. Persons desiring to address the City Council or express their opinion about a particular item on this agenda must follow the procedures outlined in Ordinance No. 910. A quorum being present, as evidenced by the presence of members present on the City Council, this meeting is hereby called to order."

A. COMMENCEMENT

1. Call to Order
2. Invocation and Pledge of Allegiance

B. ITEMS FOR DISCUSSION, and CONSIDERATION

Presentations by City Staff and consultants on purchase and installation of Sensus Utility Meters and A FlexNet System

- History
- Safety
- Installation Process
- Scheduling

C. QUESTIONS AND ANSWER SECTION

D. ANNOUNCEMENTS

E. ADJOURNMENT

I, the undersigned authority, do hereby certify that the above notice of meeting was posted on the bulletin board at City Hall, 201 East Main Street, Brady, Texas on _____, 2012 at _____ a.m./p.m. I further certify that the news media was notified of said meeting as stated above.

Christy Badilla, City Secretary

The Ed Davenport Civic Center is ADA compliant. Any citizen needing assistance in order to participate or attend the meeting should submit a request to the City Secretary at least 48 hours in advance.

RECONCILED CASH ACCOUNTS
At
BRADY NATIONAL BANK

As of: February 28, 2010

1. Operating Fund	#172601	\$ 1,138,817.91
2. Airport Grant	#172791	\$ 40,769.18
3. EMS - RAC Funds	#166470	\$ 6,381.81
4. Willie Washington Park	#172825	\$ 2,418.35
5. Repair and Replacement Fund	#138768	\$ 676,103.04
6. Meter Replacement Fund	#173229	\$ 250,068.49
7. Water Repair & Replace Fund	#172817	\$ 223,554.03
8. TXDOT Bridge Street Reimb.	#173153	\$ 364,849.47
9. WWTP Construction Fund	#173211	\$ 100.60
10. Sinking Fund 2000	#172890	\$ 175,332.63
11. Sinking Fund 2003	#173021	\$ 189,125.11
12. Sinking Fund 2004	#176727	\$ 42,143.74
13. Sinking Fund 2007	#168617	\$ 31,873.03
14. Sinking Fund 2009	#165316	\$ 72,837.77
15. Landfill Closure Fund	#172775	\$ 142,173.76
16. Drug Seizure FDS	#172668	\$ 3,657.82
17. Police Educational Account	#172700	\$ 4,563.88
18. Community Dev. Block	#172627	\$ 0.00
19. Aquatic Complex Fund	#136762	\$ 35,430.57
	TOTAL	<u>\$ 3,400,201.19</u>

Exhibit 2

UTILITY FUND CAPITAL EXPENDITURES
FISCAL YEAR 2010-2011

22 - Electric	Radio Read Equipment	87,500
	Used Boom Truck	80,000
	100 Poles	56,000
	4 Breakers	52,000
	130 Crossarms	16,000
		TOTAL
		291,500
23 - Waste Water	Used Pickup Truck	15,000
	Generator for Lift Station	10,000
		TOTAL
		25,000
31 - Water	Refurbish Elevated Storage Tank - PH1	100,000
	Radio Read Equipment	87,500
	WTP upgrade - back wash pond	25,000
	Line replacement near Brady Elementary	14,400
	Sewer line inspection system	11,115
		TOTAL
		238,015
42 - Gas	Radio Read Equipment	75,000
	Leak detection equipment	15,000
		TOTAL
		90,000
TOTAL UTILITY FUND CAPITAL EXPENDITURES		644,515

Fiscal Year 2010-2011 - P

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87,500 • 00+
 87,500 • 00+
 75,000 • 00+
250,000 • 00*

Exhibit 3

ELECTRIC DISTRIBUTION DEPARTMENT
DEPARTMENT NUMBER: 22
FISCAL YEAR 2010-2011

DEPARTMENT SUPERVISOR-ELECTRIC FOREMAN

This department is responsible for the operation, maintenance and construction of the electric distribution system. They also install and replace electric meters; patrol power lines to detect defective poles or lines and loose or broken insulators; performs electrical installations and repairs in City buildings or at City sites. They are on call 24 hours a day to insure constant electrical service for City customers.

GOALS / OBJECTIVES

- Add line feeder tap disconnects to reduce area out of service
- Continued installation of varmint guards on transformers in the system
- Continue Tree Trimming Program
- Increase continued education/training of lineman
- Upgrade Electrical System to reduce line loss
- Implement recommendations from the LCRA ESVI Program Report.
- Increase the distribution charge by .007 cents to meet budget demands

CAPITAL EXPENDITURE APPROVED

	\$ 87,500 - Radio Read Equipment - funded by Reserves
	\$ 80,000 - Used Boom Truck - Financed
\$291,500	\$ 56,000 - 100 Poles
	\$ 52,000 - 4 Breakers
	\$ 16,000 - 130 Crossarms

EMPLOYMENT HISTORY BY POSITION

	<u>FY06-07</u>	<u>FY07-08</u>	<u>FY08-09</u>	<u>FY09-10</u>	<u>FY10-11</u>
Foreman	1	1	1	1	1
Crewman	3	3	3	3	3
Groundsman	1	0	0	1	1
Part-Time Groundsman	1	2	2	1	0

Exhibit 3

**WATER DEPARTMENT
DEPARTMENT NUMBER: 31
FISCAL YEAR 2010-2011**

DEPARTMENT SUPERVISOR: WATER/WASTE WATER FOREMAN

This department is responsible for the operation, maintenance and repair of the water distribution system. The duties include performing test for PH and chlorine content of water, operating pumps to bring water to the plant for purification, maintaining water sample reports to be sent to Texas State Board of Health, and repairing water leaks on City water lines. This department is responsible for conducting extension and replacement projects for water and waste water lines in the systems. Responsibilities include excavations, installation and/or removal of lines, service taps, and other duties within parameters of local, state, and federal guidelines. They also include the maintenance and operation of the sanitary sewer collection system and the wastewater lift station.

GOALS / OBJECTIVES

- Continue line replacement/program upgrades
- Continue fire hydrant program
- Continue operator education for Surface Water Treatment Plant
- Make improvements at Water Treatment Plant
- Refurbish Elevated Storage Tank

CAPITAL EXPENDITURE APPROVED

	\$ 87,500 - Radio Read Equipment - funded by Reserves
	\$100,000 - Refurbish Elevated Storage Tank - Financed *
\$238,015	\$ 25,000 - WTP upgrade - back wash ponds
	\$ 14,400 - Line replacement near Brady Elementary
	\$ 11,115 - Sewer line inspection system

EMPLOYMENT HISTORY BY POSITION

	<u>FY06-07</u>	<u>FY07-08</u>	<u>FY08-09</u>	<u>FY09-10</u>	<u>FY10-11</u>
Chief Operator	1	1	1	1	1
Utility Crewman/Operator	4	4	3	4	3
Part-Time Crewman	0	0	1	1	0
Part-Time Seasonal Crewman	0	2	1	5	5

Exhibit 3

GAS DISTRIBUTION DEPARTMENT
DEPARTMENT NUMBER: 42
FISCAL YEAR 2010-2011

DEPARTMENT SUPERVISOR-GAS/STREET/PPM FOREMAN

This department is responsible for the planning, operation, development, maintenance and repairs of the City gas distribution system. The duties include maintaining records on leaks, replacements, inspections, odorization tests, etc. The work involves repair and replacement of gas lines on the distribution system, checking for leaks and following guidelines and requirements set out by the R.R.C. of Texas.

GOALS / OBJECTIVES

- Continue line replacement program - rebuild regulator stations
- Replace out of date Gas Detection Equipment
- Continue operator education program & public awareness
- Replace old out dated tools, pipe, squeezer's, etc.
- Continue work to keep unaccounted-for gas to a minimum

CAPITAL EXPENDITURE APPROVED

\$90,000 \$ 75,000 - Radio Read Equipment - funded by Reserves
 \$ 15,000 - Leak detection equipment

EMPLOYMENT HISTORY BY POSITION

	<u>FY06-07</u>	<u>FY07-08</u>	<u>FY08-09</u>	<u>FY09-10</u>	<u>FY10-11</u>
Foreman	1/2	1/2	1/2	1/2	1/2
Crewman	3	3	3	3	3
Part-Time Crewman	1	1	1	1	0

Exhibit 3



Clint Arnold
Director of Business Development
6700 Guadalupe Dr.
Schertz, Texas 78154
210-967-6300 office
214-663-6831
clint.arnold@aqua-metric.com
www.aqua-metric.com

08/15/2012

Quote for City of Brady Flex Net Project

Automatic Meter Infrastructure

Subject : Sensus Flex-Net Fixed Base System

Note: Propagation Study Shows the City of Brady requires 2 TGB's for complete coverage.

			REVISED 10-15-12		
Tower Base Station Units	\$ 85,000.00	ea.	\$ 153,333.34	2 \$	170,000.00 CASH
Tower Site Backhaul/ Universal Support Structures	\$ 5,500.00	ea.	0	1 \$	5,500.00 OUT
Regional Network Interface Unit (RNI 40)	\$ 70,000.00	ea.		1 \$	70,000.00 CASH
Server Rack and Battery Back Up	\$ 1,000.00			1 \$	1,000.00 CASH
FlexNet Programmers/ Command Links	\$ 8,000.00	ea.		2 \$	16,000.00
Propagation Study	\$ 500.00			1	N/C
Configuration of FlexNet Infrastructure	\$ 5,000.00			1 \$	5,000.00
Training	\$ 5,000.00			1 \$	5,000.00
3/4" IPerl Water Meters	2580 \$ 118.00	ea.		\$	304,440.00
1" IPerl Water Meters	248 \$ 172.96	ea.		\$	42,894.08
1 1/2" R2 Omni Meters	95 \$ 466.26	ea.		\$	44,294.70
2" R2 Omni Meters	42 \$ 654.19	ea.		\$	27,475.98
1 1/2" C2 Compound Meters	59 \$ 1,050.40	ea.		\$	61,973.60
2" C2 Compound Meters	46 \$ 1,212.00	ea.		\$	55,752.00
3" C2 Compound Meters	7 \$ 1,535.20	ea.		\$	10,746.40
4" C2 Compound Meter	3 \$ 2,666.40	ea.		\$	7,999.20
Water Radios	3080 \$ 128.00	ea.		\$	394,240.00
Installation FlexNet Water Meters & Endpoints	2971 \$ 45.00	ea.		\$	133,695.00
120 Single Phase	66 \$ 110.00	ea.		\$	7,260.00
2S Single Phase	2700 \$ 110.00	ea.		\$	297,000.00
2S Single Phase w Remote Disconnect	200 \$ 155.00	ea.		\$	31,000.00
5S/45S APX 3 Phase	34 \$ 350.00	ea.		\$	11,900.00
8S APX 3 Phase	90 \$ 350.00	ea.		\$	31,500.00
16S APX 3 Phase	125 \$ 350.00	ea.		\$	43,750.00
2SE 320 Amp Single Phase	17 \$ 155.00	ea.		\$	2,635.00
Installation FlexNet Residential Electric Meters	3141 \$ 25.00	ea.		\$	78,525.00

Exhibit 4

		Meter Price	Radio Price	
Sonix 880	20	\$ 988.00 ea.	\$ 350.00 ea.	\$ 26,720.00
Sonix 2000	2	\$ 2,425.00 ea.	\$ 350.00 ea.	\$ 5,550.00
Sonix 600	25	\$ 850.00 ea.	\$ 350.00 ea.	\$ 30,000.00
R-275 (Install New R-275 & Flex Radio)	1961	\$ 115.00 ea.	\$ 110.00 ea.	\$ 441,225.00
FlexNet Residential Gas Radio Programming	1983	\$ 15.00 ea.		\$ 29,745.00
			REVISED	
			\$ 2,370,654.34	\$ 2,392,820.96
				\$ (5,000.96) OUT
Cash payment of Infrastructure				
		\$ (256,000.00)		\$ (256,000.00)
Part - time crewman for Gas meter Installation needs				
Incode electronic conversion		\$ 15,000.00		\$ 15,000.00
Gas change-out tool - STAYLIT		\$ 16,150.00		\$ 16,150.00
Contingency		\$ 5,000.00		\$ 5,000.00
Rounding		\$ 4,195.66		\$ 5,000.00
		\$ -		\$ 2,030.00
			FINAL	\$ 2,155,000.00
				\$ 2,175,000.00

Annual Service Agreement (per TGB; 1st Year included - Fees start 2nd year)

\$ 6,500.00

2 \$ 13,000.00 starts FY 14

- Includes all software upgrades. Does not include hardware for RNI.
- FCC License Protection / Maintenance
- RNI Remote Diagnostics - Customer must provide access and communications to the RNI.
- Technical Support access - 24/7
- One (1) business day response time - SMS will dispatch personnel to TGB site to analyze problem after first consulting with SMS technical personnel to resolve the issue.
- Loaner equipment within 72 hours should it be required.
- Replacement of defective TGB (1) includes labor (2) Does not include damage caused by "Act of God".
- Price does not include tower rental, communications or electrical fees.
- Includes extended maintenance program for AR6501, charging stand and FlexNet programmer up to two units (each)

Loan Proceeds	\$ 2,155,000.00
Cash Reserves	\$ 256,000.00
Purchase Order	\$ (2,370,654.00)
Payroll	\$ (15,000.00)
Incode	\$ (16,150.00)
Gas tool	\$ (5,000.00)
Contingency	\$ (4,196.00)
	\$ -

Exhibit 4

ORDINANCE NO. 1125

**AN ORDINANCE OF THE CITY OF BRADY, TEXAS AMENDING THE
FISCAL YEAR 2012-2013 BUDGET**

An ordinance amending the 2012-2013 Fiscal Year Budget as follows:

Decreasing total revenues and expenditures by \$250,575 for a budget of \$23,589,298 as per attached summary, made a part of this ordinance.

These amendments will allow for the completion of the fiscal year operations for the City of Brady.

**NOW, THEREFORE BE IT ORDAINED BY THE CITY COUNCIL OF THE
CITY OF BRADY TEXAS** that the FY 2012-2013 budget be amended accordingly.

PASSED AND APPROVED THIS THE 21st DAY OF May 2012.



Mayor Pro-Tem

ATTEST: Christy Badilla
Christy Badilla, City Secretary

Exhibit 4

RECOMMENDED SET AMENDMENTS
for Fiscal Year 12-13
per Departments

REVENUES		FY 2012-2013		CURRENT BUDGET		AMENDED BUDGET		PROPOSED BUDGET		AMENDED BUDGET		PROPOSED BUDGET	
GENERAL FUND REVENUES													
Administration		1,510,175	1,603,140	84,965	5,60%	GENERAL FUND EXPENSES				CURRENT BUDGET		AMENDED BUDGET	
Airport		744,844	889,431	144,587	19.41%	Administration				BUDGET		\$ CHANGE	
Public Property Maintenance		56,400	43,544	(12,856)	-22.79%	Airport				627,131		33,770	5.3
Golf Course	0	116,100	122,375	6,275	5.40%	Public Property Maintenance				849,164		68,125	8.0
Swimming Pool		15,000	15,000	0	0.00%	Mayor & Council				345,018		452,375	106,757
Fire		83,000	83,000	0	0.00%	Golf Course				36,194		33,919	30.8
Police		50,785	53,160	2,375	4.68%	Swimming Pool				319,700		325,466	(2,275)
Emergency Management		16,000	15,000	(1,000)	-6.25%	Fire				98,139		113,139	5.765
Street		650	650	0	0.00%	Police				813,462		796,828	(16,634)
Civic Center		12,500	264,000	251,500	2012.00%	Emergency Management				1,042,130		1,042,580	450
Municipal Court	0	60,200	41,300	(18,900)	-31.40%	Street				41,972		46,442	0.0
Repair Shop		0	245	245	0.00%	Civic Center				706,602		701,902	4,070
Animal Control		700	1,090	390	55.71%	Municipal Court				25,500		276,500	(4,700)
EMS		583,388	703,672	120,284	20.62%	Community Services				76,668		251,000	984.3
Brady Lake		157,779	156,454	(1,225)	-0.78%	Repair Shop				45,783		(30,885)	-40.2
G. Rollie White Complex		3,100	0	(3,100)	-100.00%	Animal Control				48,000		56,826	0.0
Finance		0	0	0	0.00%	EMS				174,549		175,699	245
Building Permitting		20,000	13,500	16,500	32.50%	Brady Lake				759,785		783,794	1,150
Subtotal		1,438,521	4,005,561	567,040	16.49%	G. Rollie White Complex				217,264		217,895	0.6
SPECIAL SERVICE FUND REVENUES						Finance				24,700		631	0.2
Pass Through		365,000	410,164	45,164	12.37%	Building Permitting				228,531		225,951	255
Senior Citizens		158,000	159,000	1,000	0.63%	Subtotal				139,210		102,880	(2,580)
Community Development		2,002,000	4,474,872	2,467,879	122.96%	SPECIAL SERVICE FUND EXPENSES				6,631,900		(29,830)	-21.3
Subtotal		2,530,000	5,044,043	2,514,041	99.37%	Pass Through				7,056,224		424,324	6.41
TOTAL GEN/SPECIAL FUNDS		5,968,521	9,049,604	3,081,083	51.62%	TOTAL GEN/SPECIAL FUNDS		9,493,085	12,610,690	3,117,605	32.84		
UTILITY FUND REVENUES						TOTAL UTILITY EXPENSES							
Electric Service		7,944,810	7,839,905	(104,905)	-1.32%	UTILITY FUND EXPENSES				5,573,626		5,484,343	(89,283)
Sewer Service		3,663,500	670,000	(2,993,500)	-81.71%	Electric Service				3,451,747		392,326	(3,059,421)
Water Service		3,402,087	2,874,078	(528,010)	-15.52%	Sever Service				2,912,128		2,585,180	(326,048)
Gas Distribution		1,085,325	1,871,673	(13,552)	-0.72%	Water Service				1,350,766		1,420,704	69,938
Solid Waste Collection		816,500	813,480	(3,020)	-0.37%	Gas Distribution				744,353		760,627	16,274
Meter		0	429	429	0.00%	Solid Waste Collection				1,655		3,155	1,500
Billing & Collection Dept.		159,130	0	0	0.00%	Power Plant				105,412		146,501	0
Utility Support Services		163,130	4,000	4,000	2.51%	Meter				60,600		60,360	0
TOTAL UTILITY REVENUES		17,871,352	14,232,694	(3,638,658)	-20.36%	TOTAL UTILITY EXPENSES		14,346,788	10,978,608	(3,368,180)	-23.48		
OTHER SOURCES						TOTAL EXPENSES							
Repair and Replace Checking		0	51,000	51,000	0.00%								
Meter Replacement Checking		1	256,000	256,000	0.00%								
Total Other Sources		0	307,000	307,000	0.00%								
TOTAL REVENUES		23,839,873	23,589,298	(250,575)	-1.05%	TOTAL EXPENSES		23,839,873	23,589,298	(250,575)	-1.05%		

4

**CITY OF BRADY
BUDGET AMENDMENTS for FY 2013**

UTILITY FUNDS

Original cost projections for the meter replacement project were slightly lower than the final quote. Council approved the transaction at the final quote amount, which was \$21,413 more than the original budget estimates. The impact to the budget is presented now. Loan proceeds and capital improvements financed is adjusted to reflect the actual financed cost to the Electric, Water, and Gas Departments. Additionally, the capital improvements line item in the Electric, Water, and Gas Departments now reflect the cost of the project funded with cash reserves. *

- **Electric Department** – Wholesale costs of electricity is expected to be \$200,000 less than original projections therefore, pass-through charge revenues collected to pass on the City's wholesale provider, are also adjusted downward by \$200,000. Distribution revenues are favorably adjusted by \$50,000. No material changes were made to the operational expenditures budget.
- **Sewer Department** – Since the new waste water treatment project is partially funded by grant funds, the cost of this project along with loan proceeds budgeted was moved to the Special fund for accounting purposes. Once the loan from the Texas Water Development Board was issued in November, the debt service cost was \$91,193 less than originally estimated. Repair and Replacement expenditures were increased by \$51,028 to reflect the unexpected clean-up cost of the spill that happened earlier in the fiscal year.
- **Water Department** – The original budget included \$500,000 in anticipation of receiving loan proceeds and starting the Drinking Water State Revolving project. This project is still under evaluation and is not expected to fund until FY 14. Debt service costs associated with this project is also omitted from the budget at this time. \$45,832 is added to personnel costs to provide for a Project Manager position to monitor the Clean water and Drinking water projects. \$90,000 is added to the budget to provide for needed repairs to Wells 2 and 8.

OTHER REVENUE SOURCES

- Funds in the amount of \$51,000 from the City's Repair and Replacement Checking account are available to provide for the spill damage repair costs at the sewer plant.
- Settlement funds in the amount of \$256,000 from the City's Meter Replacement Checking account are available to provide for the meter replacement project. *

City of Brady Payment Authorization

Pay to (Vendor) No.:

82

PURCHASE ORDER #

PARTIAL PAYMENT OF P.O.

CLOSEOUT PAYMENT OF P.O.

Bicerstaff Heath Delgado Acosta LLP
3711 S. Mo-Pac Expressway, Building One, Suite 300
Austin, Texas 78746

SELECT PAYMENT OF P.O.
Please check appropriate payment

The above has been reviewed, and recommendation for payment is made by the undersigned.

Requested by

112 / 13

Date

Finance Approval

2000

Department Head

1/7/13

Date _____

Finance Approval

Date

Exhibit 5

City of Brady Payment Authorization

Pay to (Vendor) No:

82

PURCHASE ORDER #

PARTIAL PAYMENT OF P.O.

CLOSEOUT PAYMENT OF RQ

REQUEST PAYMENT OF P.O.

Bicerstaff Heath Delgado Acosta LLP
3711 S. Mo-Pac Expressway, Building One, Suite 300
Austin, Texas 78746

The above has been reviewed, and recommendation for payment is made by the undersigned.

Request for

2/6/13

Dato

Department Head

2/6/13
Date

Date _____

Finance Approval

Date

2/6/13

B6A-

Exhibit 5

OPEN RECORDS ACT - REQUEST FORM

A copy of this form is to be given or mailed each time to each requestor of Open Records. The form must be filled out every time a request is made in order to obtain or access any information pertaining to government records of the City of Brady, Texas.

Requestor Name: Sheila Hembill Date: 11-15-12
Address: 4016 W. 13th Brady, TX 76825 Phone: 325-226-365

Notice to Requestor

The City of Brady, Texas will comply with all provisions of the Open Records Act. Pursuant to the Open Records Act, the City is authorized to charge a fee for the authorized reproduction of requested information. A fee schedule is printed on opposite page. Viewing the documents instead of requesting reproduction may reduce fees. All fees are due and payable prior to the release of information. The City will promptly, and usually not later than ten (10) working days after receipt of the Open Records Request, provide the requested information.

1. A copy of the written technical evaluation of the current electrical metering system and why this project warranted a \$2, 543,660.80 million capital expenditure.
2. The list of City employees who recommended the Smart Meter technology.
3. A copy of the request for proposals (RFP) for the Smart Meter Technology and list of Company's responding to RFP's.
4. A copy of the request for bids (RFB) that were let for the Smart Meter Technology and list of Company's responding to RFB's and documentation on why Sensus was selected.
5. A copy of the bid proposal for the financing of project and the list of companies who responded.
6. Review of the current finance contract with Government Capital Corporation signed by Mayor Lohn on October 29, after citizen objections were submitted by 11:36 AM on October 29.
7. Contract status with Sensus, manufacturer of the Flex Net Smart Technology.

Sheila Hembill

Date Received by City Secretary: _____ Signature: _____

Fees:

Labor Fee	\$	_____
Reproduction Fee	\$	_____
Other fee	\$	_____ i.e. _____
Total Fee	\$	_____

Reviewed /Authorized by City Secretary/City Manager/City Attorney: _____

Date: _____

Request Denied due to: _____

Date Requestor informed of Reproduction available: _____ Initial: _____

Requestor's Signature of Receipt: _____ Date: _____

11/21/2012

Mrs. Hemphill,

In response to your request dated 11/15/2012.

A reply to each numbered item is listed as follows:

- 1) The City of Brady has no record responsive to this request.
- 2) The City of Brady has no record responsive to this request.
- 3) The City of Brady has no record responsive to this request.
- 4) The City of Brady has no record responsive to this request.
- 5) The City of Brady has no record responsive to this request.
- 6) The City of Brady has no record responsive to this request.
- 7) This item is currently in negotiation.

As for items 3 and 4, the city is not required to go through a bidding process since the city chose to go through HGAC.

Respectfully,
Christy Badilla
City Secretary
City of Brady

Exhibit 6