

**LOUIS R. RIGBY**  
Mayor  
**JOHN ZEMANEK**  
Councilmember At Large A  
**DOTTIE KAMINSKI**  
Mayor Pro-Tem  
Councilmember At Large B  
**DANNY EARP**  
Councilmember District 1  
**CHUCK ENGELKEN**  
Councilmember District 2



**DARYL LEONARD**  
Councilmember District 3  
**TOMMY MOSER**  
Councilmember District 4  
**JAY MARTIN**  
Councilmember District 5  
**MIKE CLAUSEN**  
Councilmember District 6

## **CITY COUNCIL MEETING AGENDA**

**Notice is hereby given of a Regular Meeting of the La Porte City Council to be held April 27, 2015, beginning at 6:00 PM in the City Hall Council Chambers, 604 W. Fairmont Parkway, La Porte, Texas, for the purpose of considering the following agenda items. All agenda items are subject to action.**

- 1. CALL TO ORDER**
- 2. INVOCATION** – The invocation will be given by Michael Thannisch, Congregation Benim Avraham.
- 3. PLEDGE OF ALLEGIANCE** – The Pledge of Allegiance will be led by Councilmember Jay Martin.
- 4. PUBLIC COMMENTS** (Limited to five minutes per person.)
- 5. CONSENT AGENDA** *(All consent agenda items are considered routine by City Council and will be enacted by one motion. There will be no separate discussion of these items unless a Councilmember requests an item be removed and considered separately.)*
  - (a)** Consider approval or other action of the minutes of the Council meeting held on April 13, 2015 - P. Fogarty
  - (b)** Consider approval or other action authorizing expenditure by the La Porte Development Corporation in an amount not to exceed \$300,000 in connection with project for economic development incentive to Gantstein Esquire, LLC, for a Pipeline Grill Restaurant - S. Livingston
  - (c)** Consider approval or other action regarding an Ordinance amending the City of La Porte Fiscal Year 2014-2015 Budget - M. Dolby
- 6. PUBLIC HEARINGS AND ASSOCIATED ORDINANCES**
  - (a)** Public Hearing to receive comments regarding recommendation by the Planning and Zoning Commission to approve Rezone Request #15-92000003, changing the zoning classification from Neighborhood Commercial (NC) to Mixed Use (MU), for Lots 1-28, Block 29; Lots 1-28, Block 30; Lots 1-28, Block 31; Lots 1-28, Block 32; Lots 7-10, Block 49; Beach Park Subdivision, Harris County, Texas - E. Ensey
  - (b)** Consider approval or other action regarding an Ordinance amending Chapter 106 "Zoning" of the Code of Ordinances of the City of La Porte, by changing the zoning classification from Neighborhood Commercial (NC) to Mixed Use (MU), for Lots 1-28, Block 29; Lots 1-28, Block 30; Lots 1-28, Block 31; Lots 1-28, Block 32; Lots 7-10, Block 49; Beach Park Subdivision, Harris County, Texas - E. Ensey
- 7. AUTHORIZATIONS**
  - (a)** Consider approval or other action of a Resolution denying the rate application proposed by CenterPoint - C. Alexander

- (b) Consider approval or other action authorizing the City Manager to expend City contingency funds in connection with the reconstruction of the La Porte Recreation & Fitness Center due to flooding damage, provide direction on state law exception to bidding procedures, and discuss related matters - C. Alexander

**8. REPORTS**

- (a) Receive report on the quarterly Delinquent Tax Report - T. Leach
- (b) Receive the 2014 La Porte Police Department Annual Crime and Activity Report - K. Adcox

**9. ADMINISTRATIVE REPORTS**

- Fiscal Affairs Committee Meeting, Monday, May 11, 2015
- City Council Meeting, Monday, May 11, 2015
- La Porte Development Corporation Board Meeting, Wednesday, May 13, 2015
- Memorial Day Observed, Monday, May 25, 2015

- 10. COUNCIL COMMENTS** regarding matters appearing on the agenda; recognition of community members, city employees, and upcoming events; inquiry of staff regarding specific factual information or existing policies – Councilmembers Martin, Moser, Kaminski, Zemanek, Leonard, Engelken, Earp, Clausen and Mayor Rigby

**11. EXECUTIVE SESSION**

The City Council reserves the right to meet in closed session on any agenda item should the need arise and if applicable pursuant to authorization by Title 5, Chapter 551, of the Texas Government Code, in accordance with the authority contained in:

**Texas Government Code, Section 551.072** – For the purpose of deliberating the purchase, exchange, lease or value of real property: Klein Retreat property and former Happy Harbour property.

**Texas Government Code, Section 551.071(1)(A)** – Pending or Contemplated Litigation: Meet with City Attorney and City Manager to discuss case of Everardo Garza vs. City of La Porte.

- 12. RECONVENE** into regular session and consider action, if any, on item(s) discussed in executive session.

**13. ADJOURN**

**In compliance with the Americans with Disabilities Act, the City of La Porte will provide for reasonable accommodations for persons attending public meetings. To better serve attendees, requests should be received 24 hours prior to the meeting. Please contact Patrice Fogarty, City Secretary, at 281.470.5019.**

**CERTIFICATION**

I certify that a copy of the April 27, 2015, agenda of items to be considered by the City Council was posted on the City Hall bulletin board on April 21, 2015.

*Patrice Fogarty*



**Council Agenda Item  
April 27, 2015**

1. **CALL TO ORDER**
2. **INVOCATION** – The invocation will be given by Michael Thannisch, Congregation Benim Avraham.
3. **PLEDGE OF ALLEGIANCE** – The Pledge of Allegiance will be led by Councilmember Jay Martin.
4. **PUBLIC COMMENTS** (Limited to five minutes per person.)

\*\*\*\*\*



## Council Agenda Item April 27, 2015

5. **CONSENT AGENDA** *(All consent agenda items are considered routine by City Council and will be enacted by one motion. There will be no separate discussion of these items unless a Councilmember requests an item be removed and considered separately.)*
- (a) Consider approval or other action of the minutes of the Council meeting held on April 13, 2015 - P. Fogarty
  
  - (b) Consider approval or other action authorizing expenditure by the La Porte Development Corporation in an amount not to exceed \$300,000 in connection with project for economic development incentive to Gantstein Esquire, LLC, for a Pipeline Grill Restaurant - S. Livingston
  
  - (c) Consider approval or other action regarding an Ordinance amending the City of La Porte Fiscal Year 2014-2015 Budget - M. Dolby

\*\*\*\*\*

**LOUIS RIGBY**  
Mayor  
**JOHN ZEMANEK**  
Councilmember At Large A  
**DOTTIE KAMINSKI**  
Mayor Pro Tem  
Councilmember At Large B  
**DANNY EARP**  
Councilmember District 1  
**CHUCK ENGELKEN**  
Councilmember District 2



**DARYL LEONARD**  
Councilmember District 3  
**TOMMY MOSER**  
Councilmember District 4  
**JAY MARTIN**  
Councilmember District 5  
**MIKE CLAUSEN**  
Councilmember District 6

**MINUTES OF THE REGULAR MEETING OF THE  
CITY COUNCIL OF THE CITY OF LA PORTE  
APRIL 13, 2015**

The City Council of the City of La Porte met in a regular meeting on **Monday, April 13, 2015**, at the City Hall Council Chambers, 604 West Fairmont Parkway, La Porte, Texas, at **6:00 p.m.** to consider the following items of business:

**1. CALL TO ORDER**

Mayor Rigby called the meeting to order at 6:00 p.m. Members of Council present: Councilmembers Kaminski, Martin, Earp, Leonard, Clausen, Zemanek and Engelken. Absent: Councilmember Moser. Also present were City Secretary Patrice Fogarty and City Manager Corby Alexander.

**2. INVOCATION** – The invocation was given by Windell Gill, First Baptist Church.

**3. PLEDGE OF ALLEGIANCE** – The Pledge of Allegiance was led by Councilmember Danny Earp.

**4. PRESENTATIONS, PROCLAMATIONS, and RECOGNITIONS**

**(a) Proclamation** – Fair Housing Month in the City of La Porte – Mayor Rigby

Mayor Rigby presented the proclamation on Fair Housing Month, and Planning Director Tim Tietjens accepted it.

**(b) Proclamation** – National Volunteer Week – Mayor Rigby

Mayor Rigby presented the National Volunteer Week proclamation. Chief Adcox shared the proclamation with the volunteers who were in attendance.

**(c) Proclamation** – National Public Safety-Telecommunications Week – Mayor Rigby

Mayor Rigby presented the National Public Safety-Telecommunications Week proclamation. Chief Adcox shared the proclamation with the telecommunicators who were in attendance.

**5. PUBLIC COMMENTS** (Limited to five minutes per person.)

Chuck Rosa, 812 S. Virginia, addressed Council in regards to the La Porte Development Corporation Board awarding economic development incentives to new businesses. He is not in favor of doing this, and believes the ED Board needs to be abolished.

Al Flores, 2601 Underwood, general counsel for Gringo's, addressed Council in regards to Item 8a, the surcharge fee component of the City of La Porte Industrial Waste Ordinance. Mr. Flores suggested Council revisit the definition of industrial waste and commented he does not believe the definition includes restaurants.

Jeff Brown, 1302 S. Broadway, addressed Council and invited everyone to the Annual Shrimp Boil on April 18, 2015, at the Special Programs Center. Mr. Brown informed plates are \$10.00 and tickets are for sale tonight at the council meeting and also the day of the event, which is from 11 a.m. to 1 p.m.

**6. CONSENT AGENDA** *(All consent agenda items are considered routine by City Council and will be enacted by one motion. There will be no separate discussion of these items unless a Councilmember requests an item be removed and considered separately.)*

- (a) Consider approval or other action regarding the minutes of the City Council Meeting held on March 23, 2015 – P. Fogarty
- (b) Consider approval or other action regarding a Mutual Aid Agreement between the City of La Porte and Harris County for disaster services – D. Mahan
- (c) Consider approval or other action to purchase medical supplies and pharmaceuticals from Bound Tree Medical under the terms of the Interlocal Purchasing Agreement with the City of Houston and METRO – C. Daeumer
- (d) Consider approval or other action awarding Bid No. 15009 for Aerator Rotor Gear Boxes D. Mick
- (e) Consider approval or other action authorizing the City Manager to execute a Water Service Agreement and Sanitary Sewer Service Agreement with Carson Bayport 2, LLC., for property located at 4300 Malone Dr., in the Bayport Industrial District – T. Tietjens
- (f) Consider approval or other action authorizing the City Manager to execute a Water Service Agreement and Sanitary Sewer Service Agreement with IPT Bayport DC, LP, for property located at 4330 Underwood Rd., in the Bayport Industrial District – T. Tietjens
- (g) Consider approval or other action authorizing the City Manager to execute a Water Service Agreement and Sanitary Sewer Service Agreement with Schutz Container Systems, Inc., for property located at 4720 Underwood Rd., in the Bayport Industrial District – T. Tietjens
- (h) Consider approval or other action regarding a contract with Paskey Incorporated for the construction of the D Street Outfall Structure in the amount of \$139,135.59, plus a 5% contingency of \$6,956.78 for a total requested amount of \$146,092.37 – B. Eng

Councilmember Leonard moved to approve the Consent Agenda items pursuant to staff recommendations. Councilmember Engelken seconded. **MOTION PASSED.**

Ayes:	Mayor Rigby, Councilmembers Clausen, Leonard, Engelken, Martin, Zemanek, Kaminski and Earp
Nays:	None
Absent:	Councilmember Moser

**7. AUTHORIZATIONS**

- (a) Consider approval or other action to reschedule or cancel the May 25, 2015, Council meeting due to the Memorial Day holiday – P. Fogarty

City Secretary Patrice Fogarty presented a summary.

Councilmember Engelken moved to cancel the May 25, 2015, City Council meeting due to the Memorial Day holiday. Councilmember Earp seconded. **MOTION PASSED.**

Ayes: Mayor Rigby, Councilmembers Clausen, Leonard, Engelken, Martin, Zemanek, Kaminski and Earp  
Nays: None  
Absent: Councilmember Moser

**8. DISCUSSION OR OTHER ACTION**

- (a)** Discussion or other action regarding the surcharge fee component of the City of La Porte Industrial Waste Ordinance – D. Mick

Public Works Director Dave Mick presented a summary and passed out a community survey of other cities. Mr. Mick advised even on higher Biological Chemical Demand (BOD), the plant never reaches the top capacity. In addition, Mr. Mick provided four different options to reduce surcharge rates for Industrial Waste.

Councilmember Zemanek moved to adopt Option 2 and have staff review it for a 6-month period, and bring back an ordinance for official adoption. Councilmember Leonard seconded. **MOTION PASSED.**

Ayes: Councilmembers Clausen, Leonard, Engelken, Zemanek, Kaminski and Earp  
Nays: Mayor Rigby and Councilmember Martin  
Absent: Councilmember Moser

- (b)** Discussion or other action regarding maintenance of Buy-Out properties in the Brookglen Neighborhood – T. Leach

City Manager Corby Alexander presented a summary.

Councilmember Engelken advised properties were purchased by Harris County Flood Control with participation and following guidelines with FEMA. Councilmember Engelken informed the properties are only being mowed once a month and are not maintained. Councilmember Engelken advised Council he would like Council to direct staff to write a letter to the U.S. Justice Department advising that Harris County Flood Control is not following FEMA guidelines.

Mayor Rigby questioned City Manager Alexander if a letter was sent last year in August to the Justice Department regarding the maintenance of buy-out properties in the Brookglen Neighborhood. Mr. Alexander advised an email was sent to the Justice Department Customer Service Hotline, and no response has been received. Mayor Rigby asked staff to call the Justice Department and get the name of a direct contact person if it is the desire of Council to move forward with Councilmember Engelken's request; and, in addition, make one more phone call to Harris County Flood Control District.

Councilmember Leonard suggested issuing citations on all 44 lots. Planning and Development Director Tim Tietjens advised 10-day warning letters were sent to Harris County Flood Control and believes they argued immunity.

Public Works Director Dave Mick addressed Council and advised Harris County Precinct 2 is on track with getting the lots mowed.

Councilmember Engelken commented that with no results, it is now time for them to answer to a higher authority.

Councilmember Earp asked what will it take to get the properties reclaimed, back on the tax rolls and what can be done to rebuild the land. City Manager Corby Alexander informed it is his understanding that is not an option with Harris County Flood Control. Mr. Alexander advised staff

can certainly explore the options. Planning and Development Director Tim Tietjens advised a deed was filed for each acquisition and the property is open space and the program in which the land was acquired was through a Hazard Grant Mitigation Program. Mr. Tietjens commented it may be possible without federal legislation. Councilmember Earp asked if local representatives can be contacted to inquire. City Manager Corby Alexander informed staff has a tentative meeting with Congressman Babin in May and will forward the information to anyone who has an interest in attending the meeting.

Councilmember Engelken moved to file a complaint with the Justice Department. Councilmember Zemanek seconded. **MOTION PASSED.**

Ayes: Mayor Rigby, Councilmembers Clausen, Martin, Leonard, Engelken, Zemanek, Kaminski and Earp  
Nays: None  
Absent: Councilmember Moser

## 9. REPORTS

(a) Receive report of the Drainage and Flooding Committee Meeting – Councilmember Clausen

Councilmember Clausen provided a report from the Drainage and Flooding Committee meeting held on March 30, 2015.

(b) Receive report of the La Porte Development Corporation Board Meeting – Councilmember Engelken

Councilmember Engelken provided a report of the La Porte Development Corporation Board Meeting held on April 6, 2015.

## 10. ADMINISTRATIVE REPORTS

City Manager Corby Alexander advised he will see everyone at the Council Budget Retreat on Saturday, April 18, 2015.

11. **COUNCIL COMMENTS** regarding matters appearing on the agenda; recognition of community members, city employees, and upcoming events; inquiry of staff regarding specific factual information or existing policies – Councilmembers Moser, Kaminski, Zemanek, Leonard, Engelken, Earp, Clausen, Martin and Mayor Rigby.

Councilmember Zemanek commented he read a great article in the Houston Chronicle on Councilmember Kaminski and her family; Councilmember Engelken congratulated the recipients receiving proclamations tonight and thanked Council for their support on the Brookglen issue; Mayor Rigby reported he testified in Austin on surge protection; he and Mayor Bechtel also testified on heavy haul. The Mayor reported there is no companion bills in the Senate on heavy haul and everyone in Austin spoke in favor of the surge protection.

12. **EXECUTIVE SESSION** The City reserves the right to meet in closed session on any agenda item should the need arise and if applicable pursuant to authorization by Title 5, Chapter 551, of the Texas Government Code, including, but not limited to, the following:

**Texas Government Code, Section 551.074** – Deliberation concerning the appointment, employment, evaluation, reassignment, duties, discipline, or dismissal of a public officer or employee: Denise Mitrano, Municipal Court Judge.

City Council recessed the regular Council meeting to convene an executive session at 7:13 p.m. to evaluate Denise Mitrano, Municipal Court Judge.

13. **RECONVENE** into regular session and consider action, if any on item(s) discussed in executive session.

Council reconvened into the regular Council meeting at 7:40 p.m.

Councilmember Kaminski moved to grant Denise Mitrano, Municipal Court Judge a 4.5 percent increase on her salary only. Her car allowance will not be increased by the 4.5 percent. Councilmember Zemanek seconded. **MOTION PASSED.**

Ayes:	Mayor Rigby, Councilmembers Leonard, Martin, Clausen, Kaminski, Engelken, Zemanek, and Earp
Nays:	None
Absent:	Councilmember Moser

14. **ADJOURN**

There being no further business, the meeting adjourned at 7:40 p.m.

---

Patrice Fogarty, City Secretary

Passed and approved on April 27, 2015.

---

Mayor Louis R. Rigby

## REQUEST FOR CITY COUNCIL AGENDA ITEM

Agenda Date Requested: April 27, 2015 Appropriation  
Requested By: Scott D. Livingston Source of Funds:  
Department: Economic Development/Tourism Account Number:  
Report:  Resolution:  Ordinance:  Amount Budgeted: \$300,000  
Other:  Amount Requested:  
Budgeted Item:  YES  NO

### Attachments :

1. Project Introduction
2. Project Presentation
3. Proposed Floor Plan
4. Project Score Card with Gantstein
5. Public Hearing Posting
6. Proposective Projects Financial Cash Flow Analysis

---

### SUMMARY & RECOMMENDATIONS

The principals of Gantstein Esquire, LLC, which own a restaurant concept called the Pipeline Grill ([www.pipelinegrill.com](http://www.pipelinegrill.com)) in Baytown, Texas, initially contacted the Economic Development Department in early December 2014. The purpose of the initial contact and subsequent meeting was to discuss Gantstein Esquire, LLC's interest in purchasing the former Texans Sports Bar & Grill, redeveloping the property, and turning it into a Pipeline Grill Restaurant. The project principals liked the Texans Sports Bar & Grill because of its location in La Porte, which offers the restaurant concept an opportunity to expand its footprint into a market, which is reasonably similar to Baytown. Also, the property offers a very large kitchen to handle the Pipeline Grill's catering business in all the communities surrounding the Houston Ship Channel. However, the principals explained that an extraordinary amount of investment would be required to:

(1) re-develop the property after sitting vacant for several years, (2) replace the property's infrastructure, which vandals had stripped and stolen from the property, (3) and "upgrade" the property, both inside and outside, to make it suitable to accommodate a new, family-oriented, themed restaurant.

Therefore, the project principals asked economic development staff whether or not incentives might be available to redevelop the former Texans Sports Bar & Grill into a new Pipeline Grill. Economic Development Staff understood that the citizens of La Porte wishes to attract new restaurant and retail development to the city, remove blight, and improve the quality of life for the citizens of La Porte, which includes attracting nice places to shop, eat, and play. Therefore, Economic Development Staff brought this project to the attention of the Board of the La Porte Development Corporation for consideration on 26 January 2015.

The principals of Gantstein Esquire, LLC are considering the option of buying and investing approximately \$1.2 million to improve the former Texans Sports Bar and Grill at 10003 Spencer Hwy. Please note the enclosed project materials for additional information.

The project principals are requesting an incentive in the amount of \$300,000 to support the re-development of the vacant building and develop a new Pipeline Grill at this location. The estimated payback period for \$300,000 to this proposed project is 3.54 years. Please note the enclosed Project Score Card.

On Thursday, 5 February 2015, staff published public notice in the Bay Area Observer of a hearing to be held

more than 60 days later on 13 April 2015. On 13 April 2015, the 4B Board voted 6-0 in favor of offering an economic development incentive to Gantstein Esquire, LLC, for an amount not to exceed \$300,000.

## Project Updates

To date, the project principals have:

- Closed on the purchase of the subject property,
- Submitted demolition plans to the City of La Porte (CLP) on 2/25/15, which were approved by staff on 3/6/15,
- Submitted a request for an electrical permit to the CLP, which was approved by staff on 3/10/15,
- Submitted a request for a zoning permit to the CLP on 2/25/15, which was approved by staff on 3/9/15,
- Submitted remodel plans to the CLP on 3/24/15, and staff completed a plan review 3/25/15. Staff and the contractor are still discussing some plan review items,
- Submitted building plans to the Harris County Health Department (HCHD), which is required to receive a food service permit from the HCHD and, subsequently, a building permit from the City of La Porte,
- Have received a liquor license from the TABC, which may be used by the Pipeline Grill or transferred to another tenant,
- Discovered that all the grease lines in the floor of the kitchen are clogged beyond repair and will have to be torn out and replaced,
- Discovered that all the metal studs in the kitchen, which were previously planned to be saved and re-used, will have to be torn out and replaced,
- Discovered that the fire suppression system will have to be brought up to code, and
- Discovered that the restroom facilities will have to be expanded and brought up to the standards outlined in the current building code.

---

### **Action Required of Council:**

Consider approval or other action to award an economic development incentive to Gantstein Esquire, LLC for an amount not to exceed \$300,000.

6 January 2015

City of La Porte  
Development Corporation  
604 W. Fairmont Parkway  
La Porte, Texas 77571  
Attn: Board of Directors

### **Proposed Project Criteria Worksheet**

1. Gantstein Esquire, LLC is a commercial development company that specializes in rehabilitating underutilized commercial buildings and turning them into revenue and tax generating assets.
2. Gantstein Esquire, LLC is currently negotiating the purchase of a 9,000 square foot restaurant, formally known as “Texans Sports Bar and Grill” and the concrete parking lot adjoining the property to the east, both located at 10003 Spencer Highway, La Porte, Texas 77571. Our goal is to finalize the purchase of the existing, vacant building and renovate the exterior and interior of the building. The current building is a pre-engineered steel building with a stucco veneer. Our goal is to renovate the exterior to a more architecturally pleasing design. We would like to install a new Texas limestone veneer to the existing stucco facades, remove the damaged wood patio covers, install new steel exterior dining patio structures with tongue and groove, stained wood roof decking and soft lighting, install outdoor televisions and exterior patio dining tables and chairs under the dining structures, remove portions of the overbearing concrete landscape planters, remove portions of the overgrown landscaping and re-landscape, remove the neon colored plastic palm trees and update the overall look of the property. The interior of the building would undergo a complete remodel to allow for a new dining lay-out, new kitchen equipment, private banquet room & private patio with seating for 75 people. This will allow for banquets, meetings and special events.
3. Gantstein Esquire, LLC would like to begin the project as soon as possible so the project can be complete by the summer of 2015.
4. Gantstein Esquire, LLC is interested in conducting business in La Porte because we feel it is a growing community that could benefit from commercial development located east of Underwood Road. We also believe the City of La Porte could benefit from our family friendly restaurant concept, known as “Pipeline Grill”. Please visit [www.pipelinegrill.com](http://www.pipelinegrill.com) for additional information. We currently have this concept located in one of our redeveloped shopping centers in Baytown, Texas. The concept was an instant success at this location, offering American fare in an oil themed, family friendly atmosphere. The restaurant serves large portions of quality food for the value minded patron. We would also have our catering services operating within the same facility. Our catering concept delivers to both public and private entities along the ship channel, including La Porte, Deer Park, Pasadena and Houston. The overall theme and décor of the restaurant is vintage and antique oil signs, gas pumps and other oil memorabilia. Pipeline Grill is a community focused restaurant concept that would like to become a contributing member of the La Porte community. We offer discounts to uniformed “first responders”,

be they police, fire fighters or EMS employees for their service to the community. We also offer discounts to educators to show our appreciation for the services they provide to the community as well. Pipeline Grill donates to various community activities such as little league, school supported functions and non-profit community organizations.

5. Gantstein Esquire, LLC would like to receive a \$300,000 grant from the City of La Porte Development Corporation in order to assist us in redeveloping the existing building. This will allow us to update the existing building and bring in our "Pipeline Grill" concept to the La Porte community.
6. The current taxable value of the building is \$1,103,272. This taxable value will be adjusted to the purchase price of the building which is \$560,000.
7. In a short time, Gantstein Esquire, LLC will begin the renovation of the property and raise the values as stated below:
  - A. Taxable value of equipment to be relocated: \$0.00
  - B. Taxable value of new equipment to be purchased: \$400,000
  - C. Taxable value of improvements to existing building: \$800,000
  - D. Taxable value of new building construction: (Included in the above \$800,000)
  - E. Taxable inventory to be relocated /added: \$0.00
  - F. Taxable retail sales to be added: \$4,000,000
  - G. Taxable value of any other real property or business personal property additions: \$100,000
8. Pipeline Grill will relocate 3 existing employees to the La Porte location.
9. There will be 100 new employees hired as a result of Pipeline Grill. There will be 40 new full time positions and 60 part time positions.
10. Pipeline Grill utilizes high school students for host and to go positions. There will be 15 positions for high school students. Pipeline Grill has an excellent reputation for working around the complex schedules of students. We adjust the students work schedules to fit around school activities, extracurricular school activities, family activities and church activities. All positions at Pipeline Grill are paid positions. There are no unpaid internships. When a student joins the Pipeline Grill family, they are treated with the upmost respect and paid for their contributions.
11. The employee breakdown for Pipeline Grill is as follows:
  - a. Host: 15 employees @ \$7.25 per hour
  - b. Bussers: 8 employees @ \$3.45 per hour plus tip pool
  - c. Bartenders: 7 employees @ \$2.75 per hour plus tips
  - d. Servers: 40 employees @ 2.13 per hour plus tips
  - e. Kitchen: 25 employees @ \$9.00 to \$11.00 per hour
  - f. Managers: 5 employees @ \$35,000 per year.

12. Gantstein Esquire, LLC is seeking the assistance from the La Porte Development Corporation in order to upgrade the existing building to allow for the opening of the Pipeline Grill concept. Without the assistance from the Development Corporation, Gantstein Esquire, LLC has two possible options. The first option would be to not finalize the purchase of the property. The second option would be acquiring the existing building and seek a commercial lease from a third party user. Gantstein Esquire would offer a small tenant improvement allowance that will allow the third party tenant a small portion of funds to help with the interior renovations only. The funds allowed will only cover a small portion of the interior work required to ready the facility for the new tenant. The funds offered would not be enough to renovate the exterior of the building. The facility could end up any number of possible commercial uses. However, we feel the best use of the building would be the Pipeline Grill restaurant concept. This use will provide the most taxable revenue and highest property value for the existing facility. Gantstein would request a grant from the Development Corporation in the amount of \$300,000.

I would like to personally thank the Board of Directors for their consideration in this matter. If I may be of further assistance, please contact me at your earliest convenience.

Regards,

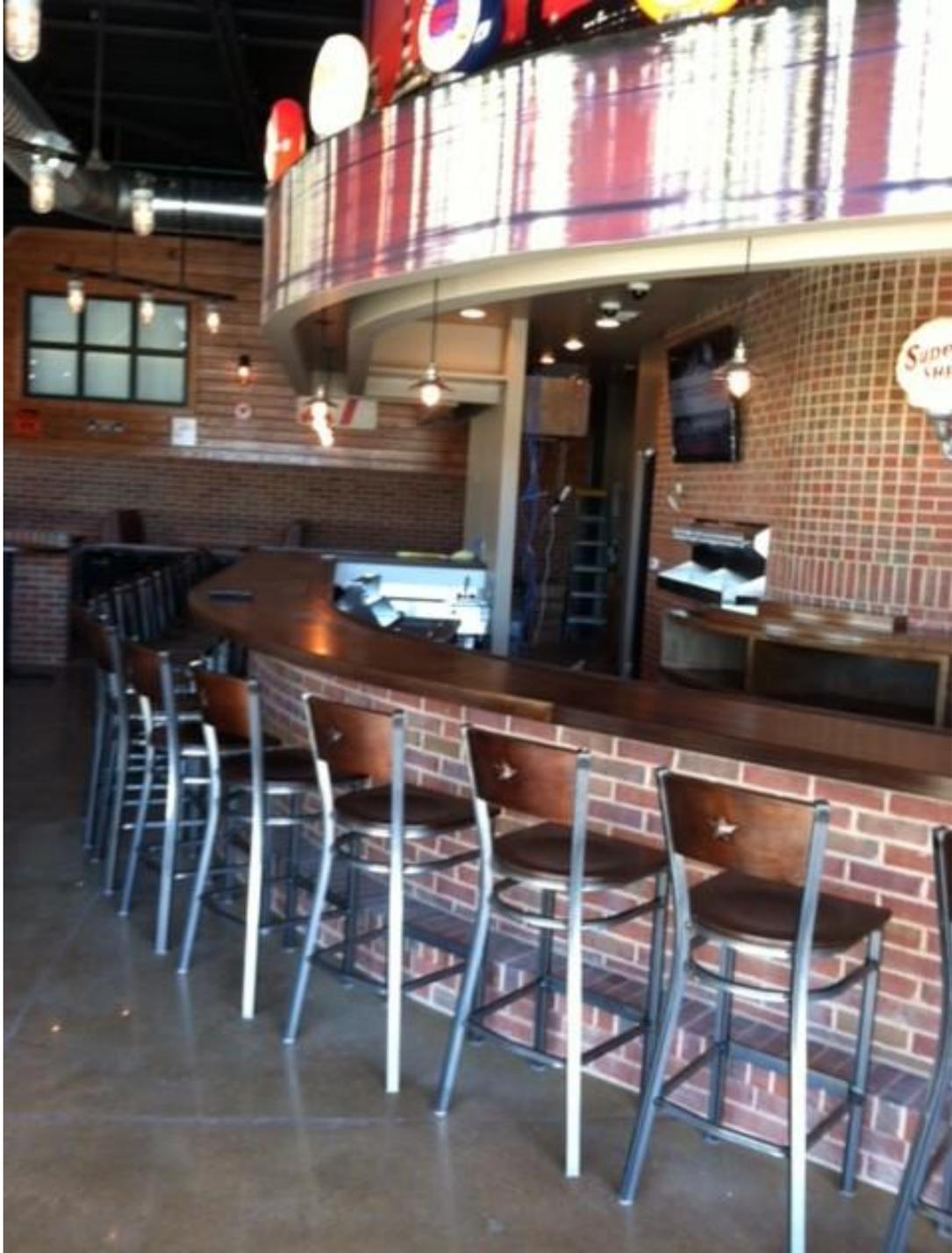
Kris Gant  
Gantstein Esquire, LLC

# Pipeline Grill

[www.pipelinegrill.com](http://www.pipelinegrill.com)

















EXON



TR

8



**Kris Gant**

**Gantstein Esquire, LLC**

**333 Freeport Street**

**Houston, Texas 77015**

**713-455-2100 (Office)**

**713-450-2434 (Fax)**

**[kgant11@yahoo.com](mailto:kgant11@yahoo.com)**

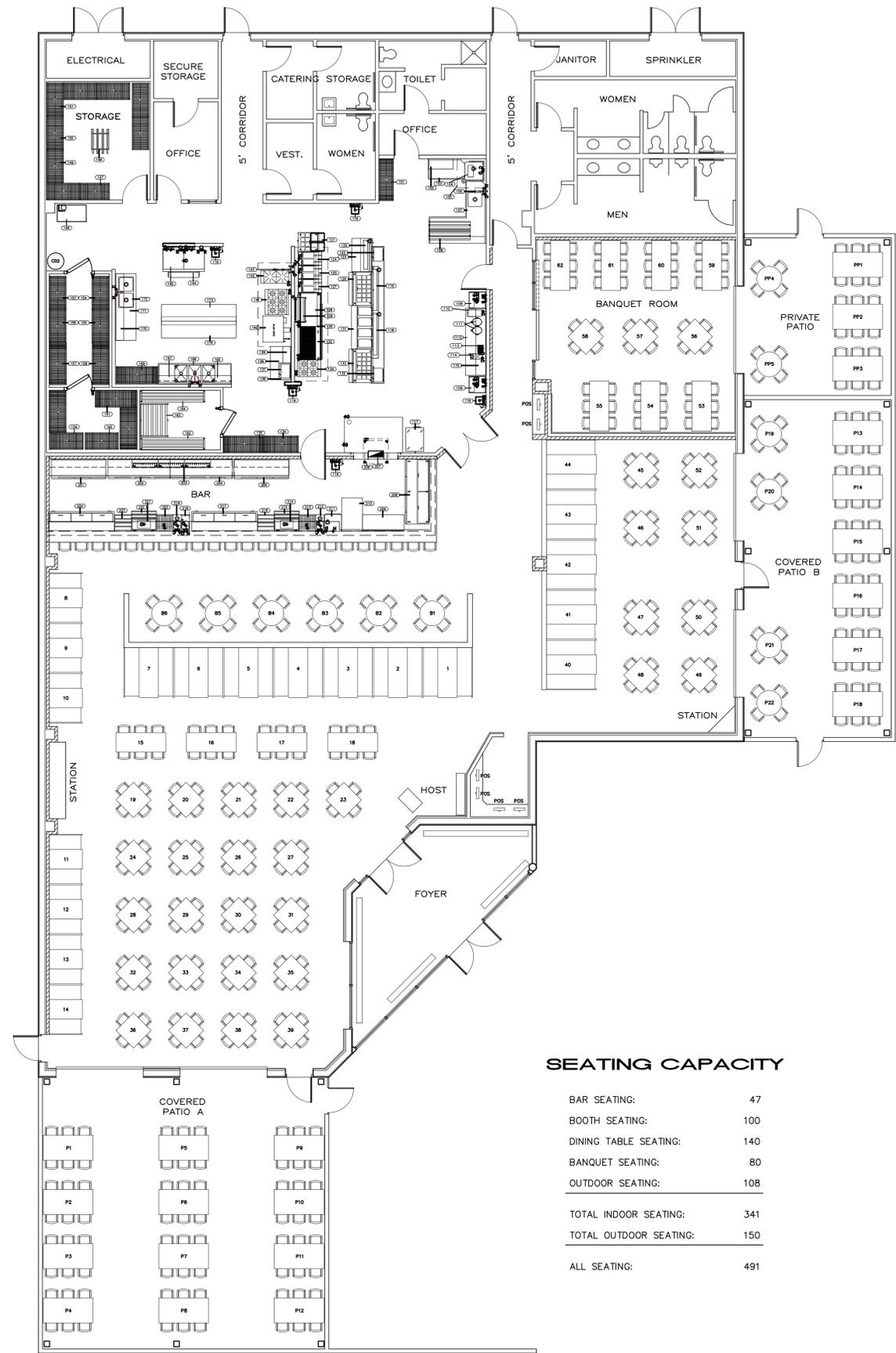
REVISIONS

NO	DATE	DESCRIPTION

ITEM NO	QTY	EQUIPMENT CATEGORY	EQUIPMENT REMARKS
101	1	SHELVING, WIRE	
102	1	SHELF, WALL MOUNT	
103	1	DISHWASHER, STRAIGHT, 16 GAUGE	
104	1	WAREWASHER, DOOR TYPE, LOW TEMP	
105	1	CONDENSATE HOOD	
106	1	PRE-RINSE FAUCET, WALL MOUNT	
107	1	DISHTABLE, U SHAPE, 16 GAUGE	
108	1	DISHTABLE, SORTING SHELF	
109	2	DISPENSER, ICE/BEVERAGE	
110	1	ICED TEA BREWER	
111	1	DISPENSER, ICE TEA/ICE COFFEE	
113	1	DROP-IN, WATER STATION	
114	1	COFFEE MAKER, AUTOMATIC	
115	1	SHELF, WALL MOUNT	
118	8	HAND SINK, WALL MOUNT	
117	1	REFRIGERATOR/FREEZER, DUAL-TEMP	
118	1	WARMER, FOOD OVERHEAD	
119	1	WARMER, FOOD OVERHEAD	
120	1	WARMER, FOOD OVERHEAD	
121	1	REFRIGERATOR, SANDWICH/SALAD PREP	
122	1	OVEN, MICROWAVE	
123	1	FREEZER, UNDERCOUNTER, COMPACT WITH OVERSHELF	
124	1	FRYER, DEEP FAT, GAS	
125	1	FRYER, DEEP FAT, GAS	
126	1	REFRIGERATOR, SANDWICH/SALAD PREP	
127	1	FRYER, DEEP FAT, GAS	
128	1	GRIDDLE, GAS	
129	1	CHEESEMELTER, GAS	
130	1	GRIDDLE STAND, REFRIGERATOR	
131	1	HOT FOOD TABLE	
132	1	BROILER, UNDER-FIRED, GAS, COUNTER	
133	1	REFRIGERATOR, SANDWICH/SALAD PREP	
134	1	SHELVING, WIRE	
134	1	RANGE, RESTAURANT, GAS	
135	1	SHELVING, WIRE	
135	1	OVEN, MICROWAVE	
136	1	SHELF, MICROWAVE	
137	1	OVEN, MICROWAVE	

ITEM NO	QTY	EQUIPMENT CATEGORY	EQUIPMENT REMARKS
138	1	TABLE, WORK, 16 GAUGE, BACK SPLASH W/ UNDERSHELF	
139	1	SHELF, WALL MOUNT	
140	1	OVEN, CONVECTION, GAS	
141	1	RANGE, RESTAURANT, GAS	
142	1	STOVE, BAKERS/CONFECTIONERS/STOCK POT	
143	1	FILLER, POT	
144	1	BIN, ICE	
145	1	ICE MAKER W/O BIN	
146	1	BAG-IN-BOX	
147	1	SHELVING, WIRE	
148	1	RACK, CAN	
149	1	SHELVING, WIRE	
150	1	SHELVING, WIRE	
151	1	SHELVING, WIRE	
152	1	COOLER, FREEZER	
153	1	SHELVING, WIRE	
154	1	SHELVING, WIRE	
155	1	SHELVING, WIRE	
156	1	SHELVING, WIRE	
157	1	SHELVING, WIRE	
158	1	SHELVING, WIRE	
159	1	SHELVING, WIRE	
160	1	SHELVING, WIRE	
161	1	SHELVING, WIRE	
162	1	RACK, KEG	
163	1	RACK, KEG	
164	1	RACK, KEG	
165	1	SHELF, WALL MOUNT	
166	1	SINK, SCULLERY, 3 COMPARTMENTS	
167	1	SHELF, WALL MOUNT	
169	1	SHELVING, WIRE	
170	1	SHELF, WALL MOUNT	
171	1	TABLE, WORK, 16 GAUGE, BACK SPLASH W/ UNDERSHELF	
172	1	SINK, WELDED INTO TABLE	
173	1	TABLE, WORK, 16 GAUGE, FLAT TOP W/ UNDERSHELF	
174	1	TABLE, WORK, 16 GAUGE, FLAT TOP W/ UNDERSHELF	
201	1	BACK BAR COOLER	
202	1	BACK BAR COOLER	

ITEM NO	QTY	EQUIPMENT CATEGORY	EQUIPMENT REMARKS
203	2	UNDERBAR BEVERAGE TOWER	
204	1	BACK BAR COOLER	
205	1	BACK BAR COOLER	
206	1	CLASS ONE HOOD	
207	1	OVEN, PIZZA	
208	1	REFRIGERATOR, PIZZA PREP	
209	1	TABLE, WORK, 16 GAUGE, BACK SPLASH W/ UNDERSHELF	
210	1	TABLE, WORK, 16 GAUGE, FLAT TOP W/ UNDERSHELF	
211	1	WAREWASHER, UNDERCOUNTER, HIGH TEMP	
212	1	UNDERBAR BLENDER STATION	
213	1	UNDERBAR GLASS RACK	
214	1	UNDERBAR ICE CHEST	
215	1	UNDERBAR SPEED RAIL	
216	1	UNDERBAR LIQUOR DISPLAY	
217	1	COOLER, BOTTLE	
218	1	UNDERBAR HANGSINK	
219	1	UNDERBAR BLENDER STATION	
220	1	UNDERBAR GLASS RACK	
221	1	UNDERBAR ICE CHEST	
222	1	UNDERBAR SPEED RAIL	
223	1	UNDERBAR LIQUOR DISPLAY	
224	1	COOLER, BOTTLE	
1112	1	TABLE, WORK, 16 GAUGE, BACK SPLASH W/ UNDERSHELF	



SEATING CAPACITY

BAR SEATING:	47
BOOTH SEATING:	100
DINING TABLE SEATING:	140
BANQUET SEATING:	80
OUTDOOR SEATING:	108
<hr/>	
TOTAL INDOOR SEATING:	341
TOTAL OUTDOOR SEATING:	150
<hr/>	
ALL SEATING:	491

**PROPOSED RESTAURANT**  
 10003 SPENCER HIGHWAY  
 LA PORTE, TEXAS 77571



**A-2**  
 OF  
 02

### La Porte Development Corporation Project Score Card

<u>Project Name</u>	<u>Added Taxable Value</u>	<u>10 Year PILOT or Tax Revenue</u>	<u># of Full Time Jobs</u>	<u># of Coop Positions</u>	<u>Grant Award</u>	<u>Raw Payback Period (Years)</u> <sup>6</sup>	<u>Adj. Payback Period for # of Jobs (Years)</u>	<u>Raw 10 Year ROI</u> <sup>10</sup>	<u>Adj. 10 Year ROI for # of Jobs</u>
Project Nebula, Unit #1	\$250 million	\$6,603,000	24	0	\$300,000	0.85	-2.75 <sup>7</sup>	2101%	2461% <sup>12</sup>
Project Nebula, Unit #2	\$500 million	\$13,206,000	60	0	\$700,000	0.99	-8.01 <sup>7</sup>	1787%	2687% <sup>12</sup>
InterGulf Corporation	\$2.1 million	\$149,100	30	0	\$500,000	33.53	29.03 <sup>7</sup>	-70%	380% <sup>12</sup>
Rob Johnson	\$6 million	\$843,750	10 <sup>2</sup>	0	\$106,000	1.26	1.26 <sup>8</sup>	696%	696% <sup>13</sup>
Project Gantstein, LLC	\$656,728	\$846,628	100 <sup>15</sup>	0	\$300,000	3.54	3.56	182%	182%
Richard Industrial Group	\$500,000	\$10,650	75 <sup>3</sup>	0	\$15,000	4.23	-7.02 <sup>7</sup>	-29% <sup>11</sup>	1096% <sup>12</sup>
Sector 23	\$8 million <sup>1</sup>	\$497,000	35 <sup>4</sup>	0	\$175,000	3.52	0.02 <sup>9</sup>	184%	534% <sup>14</sup>
ACT Independent Turbo	\$6 million	\$426,000	60	5 <sup>5</sup>	\$426,000	10.00	0.25 <sup>7</sup>	0%	975% <sup>12</sup>

**Notes:**

1. Based upon estimated from information provided, so far, by Alton Ogden.
2. Estimated sales of \$2 million results in estimated sales tax of \$2 million x 2%, or \$40,000. Annual sales tax of \$40,000 is included in the figure.
3. The term for this project is three (3) years as opposed to ten (10) years.
4. This assumption is based upon 15 buildings (from info provided by Alton Ogden), and 3 employees per building, minus 10 employees for a development agreement estimate.
5. Staff's estimate of the number of "Career Preparation" (i.e. Coop) positions to be offered by ACT to LPISD students. ACT will provide additional information in late September 2014.
6. Grant Award/Annual PILOT or Tax Revenue.
7. Grant Award/Annual PILOT or Tax Revenue - (# of Full Time Positions x 0.15) - (# of Coop Positions x 0.15), because the arbitrary assigned value for each full time job is "0.15".
8. Grant Award/Annual PILOT or Tax Revenue - (# of Full Time Positions x 0) - (# of Coop Positions x 0), because the arbitrary assigned value for each full time job is "0".
9. Grant Award/Annual PILOT or Tax Revenue - (# of Full Time Positions x 0.1) - (# of Coop Positions x 0.1), because the arbitrary assigned value for each full time job is "0.1".
10. ((Annual Property Tax Revenues - Grant Award)/Grant Award) x 100
11. The term and ROI for this project is three (3) years as opposed to ten (10) years, because it was an industrial "attraction" project rather than an "expansion" or "relocation".
12. ((Annual PILOT or Tax Revenue - Grant Award)/Grant Award + (# of Full Time Positions x 0.15) + (# of Coop Positions x 0.15)) x 100
13. ((Annual PILOT or Tax Revenue - Grant Award)/Grant Award + (# of Full Time Positions x 0) + (# of Coop Positions x 0)) x 100
14. ((Annual PILOT or Tax Revenue - Grant Award)/Grant Award + (# of Full Time Positions x 0.10) + (# of Coop Positions x 0.10)) x 100

# Classifieds

LEGAL/PUBLIC NOTICES  
\$9.50 per column inch

LIQUOR LEGAL NOTICES  
\$10.50 per column inch

SERVICES

## RETIRED LAWYER/JUDGE

Available To Prepare Wills, Powers of Attorney, Living Wills etc, Probate Wills & Estates,  
Authorized To Perform Marriage Ceremonies Will Come To Your Home  
Reasonable Rates  
**Joe M. Pirtle**  
Telephone & Fax  
**(281) 942-9268**

HELP WANTED

## Houston Yacht Club

Is Now Taking Applications For  
**Housekeeping**  
May be subject to background check/drug test.  
*Please Apply In Person Wednesday – Sunday*  
3620 Miramar, La Porte  
281-471-1255

## Now Hiring

### Air Technician Turnaround Attendant

Total Safety is Hiring Air Technicians for the 2015 Turnaround Season. Requirements: 6 months refinery and turnaround experience, stable work history, must also possess a valid drivers license with a good driving record. Apply online at [www.totalsafety.com/careers](http://www.totalsafety.com/careers) Job #14-0623 Apply Today; Get Hired Tomorrow!

## CAREGIVER IN LA PORTE PERSONAL CARE HOME

Caregiver in small pleasant La Porte Personal Care Home. Only 4 residents. Other caregivers. Previous elder care experience in a facility. Meals included. Full or Part-Time. MUST LIVE IN OR NEAR LA PORTE.

References, drug & criminal background check.  
Visit [www.rosegardenpersonalcarehome.com](http://www.rosegardenpersonalcarehome.com)  
E-mail: [rosegardenpcc@aol.com](mailto:rosegardenpcc@aol.com)  
Fax: (281)-867-5701 or call (281)-470-6000.  
Call Bob Andrews between 1:00 and 4:30 daily.

## Houston Yacht Club

Is Now Taking Applications For  
**Maintenance**  
Experience Preferred  
May be subject to background check/drug test.  
Ask For Will  
*Please Apply In Person Wednesday – Sunday*  
3620 Miramar, La Porte  
281-471-1255

## Curran International

Seeking Sandblasters/Coaters. Must be able to pass Safety Council Classes, Basic Plus, Drug Testing, & be able to travel out of state for long periods of time. Must have TWIC card to apply. Fax resumes  
**281-339-9994**  
or Email:  
[hhammer@curranintl.com](mailto:hhammer@curranintl.com)  
or apply in person at  
**4610 Vicksburg Lane Dickinson, TX 77539**  
between 9am - 3pm  
Mon-Fri

## House Parents

Dedicated couple needed for full-time live-in position caring for up to 10 children. One parent may work off-campus. Part-time positions available. Must be able to pass criminal background check and have a good driving record.  
Please call  
**281-471-9622**  
or email  
[jjeter@boysandgirlsharbor.org](mailto:jjeter@boysandgirlsharbor.org)  
for more information or to fill out an application.

## Advertising Works!

Let Our Readers See Your Business

## The Bay Area Observer

Call  
**Josie Smith**  
**281-702-1935**

# LEGAL/PUBLIC NOTICES

To Place Legal and Public Notices:  
Email [editor@bayareaobserver.com](mailto:editor@bayareaobserver.com) or Call 281-907-3140

## City of La Porte Solicitations:

The City of La Porte Sealed Bid #15006 – D Street Ditch Outfall Improvements will be accepted until 2:00 p.m. on Tuesday February 17, 2015, at the City Hall Information Desk, located at 604 W. Fairmont Pkwy., La Porte, TX 77571. Solicitations will be opened and read immediately following the closing hour. For information to register and bid, visit: [www.publicpurchase.com](http://www.publicpurchase.com). For questions, contact [purchasing@laportetx.gov](mailto:purchasing@laportetx.gov).

## NOTICE OF PUBLIC HEARING ON SPECIAL CONDITIONAL USE PERMIT # 14-9100003

Notice is hereby given that the La Porte City Council will conduct a public hearing at **6:00 P.M. on the 23rd day of February, 2015**, in the Council Chambers of the City Hall, 604 West Fairmont Parkway, La Porte, Texas, in accordance with the provisions in Section 106-171 of the City of La Porte's Code of Ordinances, and the provisions of the Texas Local Government Code.

The purpose of the public hearing is to receive public input on Special Conditional Use Permit #14-9100003, requested for a 6,250 square foot tract described as Lots 1 and 2, Block 789, Town of La Porte. Medders Construction Inc. is seeking approval of a Special Conditional Use Permit to allow for the development of the site as an off-site parking lot with awning cover for their main facility located across W. C Street at 311 S. 16th Street. The subject site is located at the southeast corner of S. 16th Street and W. C Street and is zoned GC, General Commercial. Per Section 106-441 of the Code of Ordinances, a Special Conditional Use Permit is required for the development of "off-site parking."

Following the public hearing, the City Council will act upon the public hearing item and conduct other matters pertaining to the Council.

Citizens wishing to address the Council pro or con during the public hearing are required to sign in before the meeting is convened.

CITY OF LA PORTE  
Patrice Fogarty, City Secretary

In compliance with the Americans with Disabilities Act, the City of La Porte will provide for reasonable accommodation for persons attending public meetings. To better serve attendees, requests should be received 24 hours prior to the meetings. Please contact Patrice Fogarty, City Secretary, at 281.470.5019.

## NOTICE OF PUBLIC HEARING

### LA PORTE DEVELOPMENT CORPORATION BOARD (TYPE B BOARD)

Notice is hereby given that the La Porte Development Corporation Board (Type B Board) of the City of La Porte, Texas will conduct a public hearing at **5:00 p.m. on the 13th day of April, 2015**, in the Council Chambers at City Hall, 604 West Fairmont Parkway, La Porte, Texas. The purpose of the public hearing is to receive public input on a proposed project by the La Porte Development Corporation in an amount not to exceed \$300,000.00, to promote and develop a new and expanded business enterprise, specifically for site improvements and other related improvements for infrastructure at property at 10003 Spencer Hwy, on behalf of Gantstein Esquire, LLC.

Persons wishing to address the Board pro or con shall be required to sign in before the meeting is convened.

CITY OF LA PORTE  
Patrice Fogarty, TRMC  
City Secretary

A quorum of City Council members may be present and participate in discussions during this meeting, however, no action will be taken by Council.

This facility has disability accommodations available. Requests for accommodations or interpretive services at meetings should be made 48 hours prior to the meeting. Please contact the City Secretary's office at (281) 471-5020 or TDD Line (281) 471-5030 for further information.

## SPRING SPLURGE CRAFTS & VENDORS FAIR BAKE SALE & CONCESSIONS

SATURDAY, FEBRUARY 28TH, 10AM - 4PM

FREE ADMISSION

BAYSHORE BAPTIST CHURCH  
11315 SPENCER HWY, LA PORTE, TEXAS  
SPACES ARE STILL AVAILABLE  
CONTACT 281-471-0332

GET FREE VENDING MACHINES! All Cash-New Concept. No Competition, Ground Floor Opportunity, Part or Full Time, Protected Territories. Full Details Call Now, 1-866-668-6629: [WWW.TCVEND.COM](http://WWW.TCVEND.COM). RUN YOUR OWN Medical alert company. Be the only distributor in your area! Excellent income opportunity. Small investment required. Limited available, start today, 1-844-225-1200.

ATTENTION DRIVERS New Kenworth trucks! APU equipped, earn up to 50¢ cpm plus bonuses. Full benefits plus rider/pet program. CDL-A required. 1-877-258-8782, [www.ad-drivers.com](http://www.ad-drivers.com)

AVERITT EXPRESS New Pay Increase For Regional Drivers! 40¢ to 46¢ CPM + Fuel Bonus! Also, Post-Training Pay Increase for Students! (Depending on Domicile) Get Home EVERY Week + Excellent Benefits. CDL-A required. 1-888-602-7440 Apply @ [AverittCareers.com](http://AverittCareers.com) EOE - Females, minorities, protected veterans, and individuals with disabilities are encouraged to apply.

MAKE A CHANGE this Fall. PAM has owner operator and company driver. Team positions available based out of Laredo, TX. Laredo, TX to Detroit, MI. Off 2 days per week. Idea candidate will live in 50 mile radius of Laredo TX; Irving, TX; North Little Rock, AR; Memphis, TN; Indianapolis, IN; Detroit, MI. Call PAM; 1-855-899-6916 or [pamjobs.com](http://pamjobs.com)

YOUR PARTNER in excellence. Drivers needed. Great home time \$650 sign-on bonus! All miles paid 1-800-528-7825 or [www.butlertransport.com](http://www.butlertransport.com)

25 DRIVER TRAINEES NEEDED! Learn to drive for Stevens Transport! No experience needed! Paid CDL training! New drivers can earn \$800 per week! 1-866-861-1323, [drive4stevens.com](http://drive4stevens.com)

NEEDING PASTURE for cows. Milo or corn stock field, grass, or wheat. Cattlemen's II. Call Gene Hommel, 1-806-669-8766 or 1-806-856-5984.

SAWMILLS FROM ONLY \$4397.00. Make and save money with your own bandmill. In stock ready to ship. FREE Information/DVD: [www.NorwoodSawmills.com](http://www.NorwoodSawmills.com) 1-800-578-1363 Ext.300N

SCHOOL/TRAINING MEDICAL BILLING TRAINEES needed! Train to process medical billing and insurance claims from home! No experience needed! Online training program! HS Diploma/GED and PC/Internet needed! 1-888-926-6073

# SERVICE AND BUSINESS DIRECTORY

HANDGUN CLASSES

**Concealed Handgun License Certification**  
*Classes Held At Gunrange*  
**\$60**  
8204 S Humble Camp Rd. • Dickinson, Texas 77539  
Call Al - 281-330-5455



PHARMACY

*The Medicine Shoppe*  
PHARMACY  
*Caring beyond prescriptions*  
800 South Broadway • La Porte  
281-471-1241  
[www.medicinestoppe.com](http://www.medicinestoppe.com)

Neal Broussard, R.Ph.  
\$2 Deliveries  
Immunizations  
Diabetic Shoes & Supplies  
M-F • 9:00 - 6:00 • SAT. • 9:00 - 1:00

REAL ESTATE

**LEOPARD REALTY**  
COMMERCIAL & RESIDENTIAL  
701 S. 8th - La Porte  
[www.LeopardRealty.com](http://www.LeopardRealty.com)  
Horace - 713-858-4716  
Jason - 713-299-2607

*This is an Unaudited Statement.*

**City of La Porte  
La Porte Development Corporation Fund Projections  
(Section 4B Sales Tax)**

	<u>FY 2014-15</u>	<u>FY 2015-2016</u>	<u>FY 2016-2017</u>	<u>FY 2017-2018</u>
<b>Estimated Beginning Funds</b>	\$ 3,313,389	\$ 1,657,240	\$ 2,298,280	2,092,855
<b>Plus Year to Date Revenues:</b>				
1/2 Cent Sales Tax	2,208,630	2,252,803	2,297,859	2,343,816
Interest Income	4,500	4,590	4,682	4,775
Release of District 23	175,000			
Release of Project Nebula/Ineos		700,000		
<b>Total Revenues</b>	<u>2,388,130</u>	<u>2,957,393</u>	<u>2,302,540</u>	<u>2,348,591</u>
<b>Equals Total Resources</b>	5,701,519	4,614,633	4,600,820	4,441,446
<b>Less Year to Date Expenditures:</b>				
Payroll	100,367	103,378	106,479	109,674
Supplies	3,000	3,075	3,152	3,231
Services & Charges (Memberships, Training, Advertising, Legal, Utilities)	331,427	339,713	348,205	356,911
Capital Outlay	-	-	-	
Debt Service Transfer *	1,083,817	680,668	698,519	1,026,610
<b>Total Expenditures</b>	<u>1,518,611</u>	<u>1,126,834</u>	<u>1,156,356</u>	<u>1,496,425</u>
<b>Estimated Year to Funds Before Commitments</b>	\$ 4,182,908	\$ 3,487,799	\$ 3,444,465	\$ 2,945,021
<b>Commitments</b>				
Project Nebula/Ineos**	\$ 700,000			
Richard Industrial Group	10,000			
ACT Independent Turbo Service, Inc.	260,000	166,000	\$ -	
Current Prospective Projects	875,000	325,000	\$ 325,000	-
Debt Service Reserve	680,668	698,519	\$ 1,026,610	1,037,783
	<u>\$ 2,525,668</u>	<u>\$ 1,189,519</u>	<u>\$ 1,351,610</u>	<u>\$ 1,037,783</u>
<b>Adjusted Year to Date Funds</b>	\$ 1,657,240	\$ 2,298,280	\$ 2,092,855	\$ 1,907,238

**Previously Funded Projects (Funding in Fund 015 - General CIP Fund)**

	<u>Budget</u>	<u>Expenditures</u>	<u>Balance</u>
Enhancement Grants	300,000	81,570	218,430
Total	<u>300,000</u>	<u>81,570</u>	<u>218,430</u>

\*Debt Service Payments for Library, Bay Area Boulevard & Canada Road and Ballfields.

\*\*EDC Coordinator awaiting termination letter.

## REQUEST FOR CITY COUNCIL AGENDA ITEM

<b>Agenda Date Requested:</b> <u>April 27, 2015</u>
<b>Requested By:</b> <u>Michael Dolby, CPA</u>
<b>Department:</b> <u>Finance</u>
<b>Report:</b> <u>    </u> <b>Resolution:</b> <u>    </u> <b>Ordinance:</b> <u>XX</u>

<b><u>Appropriation</u></b>	
<b>Source of Funds:</b>	<u>N/A</u>
<b>Account Number:</b>	<u>N/A</u>
<b>Amount Budgeted:</b>	<u>N/A</u>
<b>Amount Requested:</b>	<u>N/A</u>
<b>Budgeted Item:</b>	<b>YES    NO</b>

**Exhibits:** Ordinance

**Exhibits:** Excerpt from FY 2015 Adopted Budget & Amended Budget (Exhibit A & B)

**Exhibits:** Explanations / Backup for Amendment

### **SUMMARY & RECOMMENDATION**

The City Council adopted the Fiscal Year 2014-15 Budget on September 8, 2014.

The Summary of Funds, which is shown below, represents the amendments which council previously approved to the FY 2014-15 Budget. (\*denotes funds with current changes)

	Original Budget	Previously Amended Budget	Proposed Amended Budget
<b>General Fund</b>	\$ 42,524,058	\$ 42,612,320	\$ 42,702,320 *
<b>Grant Fund</b>	502,678	1,092,838	1,114,282 *
Street Maintenance Sales Tax Fund	795,000	795,000	795,000
Emergency Services District Sales Tax Fund	1,322,638	1,390,917	1,390,917
<b>Hotel/Motel Occupancy Tax</b>	<b>826,039</b>	<b>826,039</b>	<b>828,589 *</b>
Economic Development Corporation	1,418,611	1,518,611	1,518,611
Tax Increment Reinvestment Zone	2,807,737	2,807,737	2,807,737
<b>Utility</b>	<b>8,056,291</b>	<b>8,064,075</b>	<b>8,133,236 *</b>
<b>Airport</b>	<b>47,496</b>	<b>77,496</b>	<b>78,082 *</b>
La Porte Area Water Authority	1,129,481	1,129,481	1,129,481
<b>Motor Pool</b>	<b>3,130,099</b>	<b>3,161,805</b>	<b>3,177,768 *</b>
Insurance Fund	6,247,649	6,247,649	6,247,649
Technology Fund	220,000	269,600	269,600
<b>General Capital Improvement</b>	<b>1,615,000</b>	<b>1,615,000</b>	<b>1,790,000 *</b>
Utility Capital Improvement	1,175,000	1,175,000	1,175,000
Sewer Rehabilitation Capital Improvement	350,000	350,000	350,000
Drainage Improvement Fund	240,000	240,000	240,000
2010 Certificates of Obligation Bond Fund	280,000	280,000	280,000
General Debt Service	4,358,723	4,358,723	4,358,723
Utility Debt Service	277,226	277,226	277,226
La Porte Area Water Authority Debt Service	691,838	691,838	691,838
Total of All Funds	\$78,015,564	\$78,981,355	\$79,356,059

#### **Action Required by Council:**

Adopt Ordinance Amending Fiscal Year 2014-15 Budget for the following items:

- A. \$65,000 in the General Fund for legal services.
- B. \$10,000 in the General Fund for appraisals related to street and alley closing requests.
- C. \$8,944 in the Grant Fund for a shade structure at the San Jacinto Pool. Park Zone 10 funding will be used.
- D. \$15,000 in the General Fund for air monitoring equipment.
- E. \$175,000 in the General CIP Fund to transfer monies reserved for District 23<sup>rd</sup> Street Paving back to the Economic Development Fund.
- F. \$12,500 in the Grant Fund for monies received from WCA Management Company for the Household Hazardous Waste Collection Day.
- G. \$69,161 in the Utility Fund, \$586 in the Airport Fund, \$15,963 in the Vehicle Maintenance Fund and \$2,550 in the Hotel/Motel Fund to spread the 2.5% COLA adjustment funds that were initially budgeted in the General Fund.

**Action Required of Council:**

Adopt Ordinance Amending Fiscal Year 2014-15 Budget for the following items:

1. \$65,000 in the General Fund for legal services.
2. \$10,000 in the General Fund for appraisals related to street and alley closing requests.
3. \$8,944 in the Grant Fund for a shade structure at the San Jacinto Pool. Park Zone 10 funding will be used.
4. \$15,000 in the General Fund for air monitoring equipment.
5. \$175,000 in the General CIP Fund to transfer monies reserved for District 23<sup>rd</sup> Street Paving back to the Economic Development Fund.
6. \$12,500 in the Grant Fund for monies received from WCA Management Company for the Household Hazardous Waste Collection Day.
7. \$69,161 in the Utility Fund, \$586 in the Airport Fund, \$15,963 in the Vehicle Maintenance Fund and \$2,550 in the Hotel/Motel Fund to spread the 2.5% COLA adjustment funds that were initially budgeted in the General Fund.

---

**Approved for City Council Agenda**

---

**Corby D. Alexander, City Manager**

---

**Date**

## ORDINANCE

AN ORDINANCE APPROVING AN AMENDMENT TO THE BUDGET FOR THE CITY OF LA PORTE, TEXAS, FOR THE PERIOD OF OCTOBER 1, 2014 THROUGH SEPTEMBER 30, 2015; FINDING THAT ALL THINGS REQUISITE AND NECESSARY HAVE BEEN DONE IN PREPARATION AND PRESENTMENT OF SAID BUDGET; FINDING COMPLIANCE WITH THE OPEN MEETINGS LAW; AND PROVIDING AN EFFECTIVE DATE HEREOF.

WHEREAS, the Charter of the City of La Porte, Texas, and the Statutes of the State of Texas, require that an annual budget be prepared and presented to the City Council of the City of La Porte, Texas, prior to the beginning of the fiscal year of said City, and that a public hearing be held prior to the adoption of said Budget; and

WHEREAS, the Budget for the fiscal year October 1, 2014, through September 30, 2015, has heretofore been presented to the City Council and due deliberation had thereon, was filed in the office of the City Secretary on July 28, 2014, and a public hearing scheduled for September 8, 2014 was duly advertised and held.

NOW THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF LA PORTE:

SECTION 1: That the Budget for the City of La Porte, Texas, now before the said City Council for consideration, a complete copy of which is on file with the City Secretary and a summary of which is attached hereto by reference as Exhibit "A", is hereby amended as reflected on the amended budget summary document, attached hereto by reference as Exhibit "B", as the Budget for the said City of La Porte, Texas, for the period of October 1, 2014, through September 30, 2015.

SECTION 2: Be it FURTHER ORDAINED, that the said City Council finds that all things requisite and necessary to the adoption of said Budget have been performed as required by charter or statute.

SECTION 3: The City Council officially finds, determines, recites and declares that a sufficient written notice of the date, hour, place and subject of this meeting of the City Council was posted at a place convenient to the public at the City Hall of the City for the time required by law preceding this meeting, as required by the Open Meetings Law, Chapter 551, Texas Government Code; and that this meeting has been open to the public as required by law at all times during which this Ordinance and the subject matter thereof has been discussed, considered and formally acted upon. The City Council further ratifies, approves and confirms such written notice and the contents and posting thereof.

SECTION 4: This Ordinance shall be in effect from and after its passage and approval.

PASSED AND APPROVED this the 27<sup>th</sup> day of April, 2015.

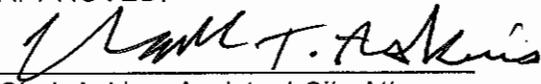
CITY OF LA PORTE, TEXAS

\_\_\_\_\_  
Louis R. Rigby, Mayor

ATTEST:

\_\_\_\_\_  
Patrice Fogarty, City Secretary

APPROVED:

  
\_\_\_\_\_  
Clark Askins, Assistant City Attorney

**EXHIBIT A**  
**(ORIGINAL BUDGET)**

---

**City of La Porte**  
**Consolidated Summary of All Funds**

	FY 14-15 Revenues	FY 14-15 Expenses
Governmental Fund Types:		
General Fund	\$ 41,057,475	\$ 42,524,058
Grant Fund	409,287	502,678
Street Maintenance Sales Tax	1,105,715	795,000
Emergency Services District	1,104,815	1,322,638
Hotel/Motel Occupancy Tax	576,500	826,039
Economic Development Corporat	2,213,130	1,418,611
Tax Increment Reinvestment	<u>2,688,633</u>	<u>2,807,737</u>
Total Governmental Types	49,155,555	50,196,761
Enterprise:		
Utility	8,079,000	8,056,291
Airport	59,500	47,496
La Porte Area Water Authority	<u>1,284,359</u>	<u>1,129,481</u>
Total Enterprise	9,422,859	9,233,268
Internal Service		
Motor Pool	2,668,048	3,130,099
Insurance Fund	5,781,791	6,247,649
Technology Fund	<u>477,688</u>	<u>220,000</u>
Total Internal Service	8,927,527	9,597,748
Capital Improvement:		
General	1,020,000	1,615,000
Utility	2,100,500	1,175,000
Sewer Rehabilitation	300,500	350,000
Drainage Improvement Fund	267,750	240,000
2010 C/O Bond Fund	<u>-</u>	<u>280,000</u>
Total Capital Improvement	3,688,750	3,660,000
Debt Service:		
General	4,228,560	4,358,723
Utility	277,726	277,226
La Porte Area Water Authority	<u>691,838</u>	<u>691,838</u>
Total Debt Service	5,198,124	5,327,787
Total All Funds	\$ 76,392,815	\$ 78,015,564

**EXHIBIT B**  
**(AMENDED BUDGET)**

---

**City of La Porte**  
**Consolidated Summary of All Funds**

	FY 14-15 Revenues	FY 14-15 Expenses
Governmental Fund Types:		
General Fund	\$ 41,057,475	\$ 42,702,320
Grant Fund	1,011,947	1,114,282
Street Maintenance Sales Tax	1,105,715	795,000
Emergency Services District	1,104,815	1,390,917
Hotel/Motel Occupancy Tax	579,050	828,589
Economic Development Corporat	2,388,130	1,518,611
Tax Increment Reinvestment	<u>2,688,633</u>	<u>2,807,737</u>
Total Governmental Types	49,935,765	51,157,456
Enterprise:		
Utility	8,148,161	8,133,236
Airport	60,086	78,082
La Porte Area Water Authority	<u>1,284,359</u>	<u>1,129,481</u>
Total Enterprise	9,492,606	9,340,799
Internal Service		
Motor Pool	2,684,011	3,177,768
Insurance Fund	5,781,791	6,247,649
Technology Fund	<u>477,688</u>	<u>269,600</u>
Total Internal Service	8,943,490	9,695,017
Capital Improvement:		
General	1,020,000	1,790,000
Utility	2,100,500	1,175,000
Sewer Rehabilitation	300,500	350,000
Drainage Improvement Fund	267,750	240,000
2010 C/O Bond Fund	<u>-</u>	<u>280,000</u>
Total Capital Improvement	3,688,750	3,835,000
Debt Service:		
General	5,832,377	4,358,723
Utility	277,726	277,226
La Porte Area Water Authority	<u>691,838</u>	<u>691,838</u>
Total Debt Service	6,801,941	5,327,787
Total All Funds	\$ 78,862,552	\$ 79,356,059

**From:** [Leach, Traci](#)  
**To:** [Dolby, Michael](#); [Wolny, Shelley](#)  
**Cc:** [Alexander, Corby](#)  
**Subject:** Budget Amendment Item  
**Date:** Friday, February 27, 2015 9:53:55 AM

---

Hello Michael and Co:

Please include this in the next quarterly budget amendment for the Council's consideration:

Account 001-6068-515-50-04 (Special Legal Consulting)

This account pays for all specialty legal services outside of the routine municipal needs that are handled by Askins and Askins. This year, we asked for a budget of \$35,000 to handle two things:

miscellaneous special legal matters (\$10,000), such as personnel and civil service issues; and legal expenses related to the Garza lawsuit (\$25,000)

As of 2-24-2015, the expenditures for the Garza lawsuit are \$56,786.29. I would like to request an additional \$65,000 to account for the estimated remaining expenses related to the case. This would bring the total for this account to \$100,000.

Thank you,  
Traci

Traci Leach  
Assistant City Manager  
281-470-5012 (office)  
281-813-6094 (mobile)  
[leacht@laportetx.gov](mailto:leacht@laportetx.gov)

["The City of La Porte embraces its heritage, community values, and opportunities, while improving the quality of life for our residents."](#)

**From:** [Lee, Peggy](#)  
**To:** [Wolny, Shelley](#)  
**Cc:** [Tietjens, Tim](#); [Sterling, Brian](#)  
**Subject:** April 13 Budget Amendment  
**Date:** Tuesday, March 24, 2015 12:14:19 PM

---

Shelley,

Additional funding is needed for miscellaneous appraisals account 001-6146-515-5013. The majority of appraisals being ordered are associated with applications for street and alley closing requests having an average cost of \$750 each.

Based on current development trends, active applications, approved requests, and potential requests, we anticipate needing an additional \$10,000 for appraisal services.

Please let me know if you need additional information.

Peggy Lee, Office Coordinator  
City of La Porte Planning & Development  
604 W. Fairmont Parkway, La Porte, TX 77571  
Phone: 281-470-5057 Fax: 281-470-5005  
[leep@laportetx.gov](mailto:leep@laportetx.gov)

**From:** [Bradley, Scott](#)  
**To:** [Collins, Gay](#); [Wolny, Shelley](#)  
**Cc:** [Epting, Rosalyn](#); [Langelier, Lori](#); [Rinehart, Phyllis](#)  
**Subject:** RE: Park Zone Funds  
**Date:** Thursday, March 19, 2015 10:27:35 AM

---

Shelley & Gay,

It has come to my attention, (thanks Lori & Phyllis) that a Budget Amendment will have to be done to start this process. See below the details and get with Roz next week if any additional information is needed.

Thanks!  
Scott

---

**From:** Bradley, Scott  
**Sent:** Thursday, March 19, 2015 8:56 AM  
**To:** Collins, Gay  
**Cc:** Wolny, Shelley; Epting, Rosalyn  
**Subject:** Park Zone Funds

Gay,

What are the procedures in regards to moving Park Zone Funds to a working account? We will be purchasing a shade structure for San Jacinto Pool which is in Central Park and that is Zone 10. I believe that the account # will be 032-8080-552-2090.

Amount will be \$8,944.00. There are ample funds in this Park Zone for this purchase.

Thanks in advance!

Scott

**From:** [Suggs, Jeff](#)  
**To:** [Dolby, Michael](#); [Wolny, Shelley](#)  
**Cc:** [Alexander, Corby](#)  
**Subject:** Budget Amendment  
**Date:** Friday, March 06, 2015 1:21:26 PM

---

We need to add this to the next budget amendment. Corby and I discussed and we feel this is a cost effective way to assist in solving a response concern we have for chemical emergencies.

I would like to request \$15,000 for air monitoring equipment to be located at each of the 4 fire stations. This equipment will be mobile and can be deployed fairly quickly should we have a chemical event, similar to the latest DuPont incident, that we need air monitoring data in the community. We will contract our current air monitoring response firm, CTEH, to maintain and calibrate the equipment monthly, as well as train our fire fighters how to use the equipment. The annual cost to maintain the equipment should be \$2400-\$3000 annually after this initial purchase.

If you have questions please let me know.

*Jeff Suggs*

Emergency Management Coordinator

City of La Porte Texas

281 470 0010 office

281 470 0009 direct

281 470 1590 fax

713 408 1329 cell

[www.lpoem.org](http://www.lpoem.org)

**From:** [Livingston, Scott](#)  
**To:** [Wolny, Shelley](#)  
**Cc:** [Dolby, Michael](#)  
**Subject:** Update needed for the 4B Board's monthly financial report . . .  
**Date:** Tuesday, February 10, 2015 8:22:23 AM  
**Attachments:** [Updated 4B Fund Summary 14-15.pdf](#)

---

Shelley,

Last night the 4B Board voted to “rescind” (i.e. withdraw) the commitment of \$175,000 for “District 23 Street Paving”.

Therefore, I understand the following regarding the latest, attached financial report:

- A few revisions to the current, monthly report are needed,
- Reference to the “District 23 Street Paving” should be deleted,
- The sum of \$175,000 as a “Previously Funded Project” should also be deleted,
- \$175,000 should be added to both the “Adjusted Year to Date Fund Balance” and “Projected Year End Fund Balance”

Please ask Michael for any details, direction, and/or guidance.

If you can make the changes and place the revised financial report back in the agenda for the 4B Board meeting on 23 Feb. 2015 (below), I would appreciate it.

S:\Council Agendas\4B Board Eco Dev\2015\23 February 2015\Financial Report

Sincerely,



**SCOTT D. LIVINGSTON**

Economic Development & Main Street

City of La Porte

604 W. Fairmont Parkway

La Porte, TX 77571

281-470-5016

[LivingstonS@laportetx.gov](mailto:LivingstonS@laportetx.gov)

E

*This is an Unaudited Statement.*

**City of La Porte  
La Porte Development Corporation (038) Fund Summary  
(Section 4B Sales Tax)**

	Previous Report	FY 2014-15	FY 2013-14
<b>Unaudited Beginning Fund Balance 9/30</b>	\$ 3,322,635	\$ 3,322,635	\$ 2,768,155
<b>Plus Year to Date Revenues:</b>			
1/2 Cent Sales Tax	217,072	649,604	569,498
Interest Income	1,380	1,958	2,007
Total Revenues	<u>218,452</u>	<u>651,562</u>	<u>571,505</u>
<b>Equals Total Resources</b>	3,541,087	3,974,197	3,339,660
<b>Less Year to Date Expenditures:</b>			
Payroll	22,739	38,226	26,704
Supplies	110	441	411
Services & Charges (Memberships, Training, Advertising, Legal, Utilities)	117,326	127,013	78,950
Capital Outlay	-	-	32,083
Debt Service Transfer *	270,954	451,590	395,227
Total Expenditures	<u>411,129</u>	<u>617,271</u>	<u>533,376</u>
<b>Estimated Year to Date Fund Balance as of 2/28/2015</b>	\$ 3,129,958	\$ 3,356,926	\$ 2,806,284
<b>Commitments</b>			
Project Nebula/Ineos**		\$ 700,000	
Richard Industrial Group		10,000	
ACT Independent Turbo Service, Inc.		426,000	
Debt Service Reserve		<u>1,083,817</u>	
		\$ 2,219,817	
<b>Adjusted Year to Date Fund Balance</b>		\$ 1,137,109	

**Projection Through Year End**

Adjusted Year to Date Fund Balance	\$ 1,137,109
Plus: Estimated Sales Tax	1,559,026
Plus: Transfer from CIP for District 23 Street Paving (recinded by 4B)	175,000
Less: Estimated Operational Costs	(269,113)
Less: Debt Service Transfers	<u>(632,227)</u>
Projected Year End Fund Balance	\$ 1,969,795

*Sales tax revenues for Fiscal Year 2015 are estimated to be \$2,208,630. (2.5% growth over FY2014)*

**Previously Funded Projects (Funding in Fund 015 - General CIP Fund)**

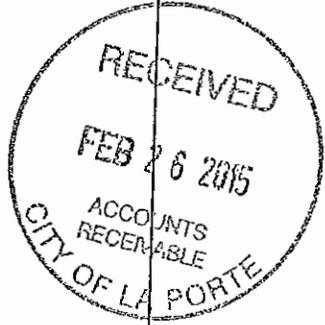
	Budget	Expenditures	Balance
Façade Grants	300,000	81,570	218,430
Total	<u>300,000</u>	<u>81,570</u>	<u>218,430</u>

\*Debt Service Payments for Library, Bay Area Boulevard & Canada Road and Ballfields.

\*\*EDC Coordinator awaiting termination letter.

DATE 2/13/2015 CHECK NUMBER 36072544

INVOICE NUMBER	INVOICE DATE	DESCRIPTION	GROSS AMOUNT	DISCOUNT	NET AMOUNT
CR-36070115-5524	1/21/2015	Vchr: VO168810	12,500.00	0.00	12,500.00
PRINT BATCH 1702	VENDOR CODE CIT053	PAY TO NAME City of La Porte			NET TOTAL 12,500.00



PL 5809L Another Quality Product From Alice (800) 339-5180

DOCUMENT HAS A COLORED BACKGROUND. SECURITY FEATURES LISTED ON BACK



WCA Management Company, LP  
1330 Post Oak Blvd, 30th Floor  
Houston, Texas 77056

Comerica Bank  
Master Account

9:09/120

DATE 2/13/2015 CHECK NUMBER 36072544

PAY Twelve thousand five hundred and 00/100 Dollars Only \*\*\*\*\*

AMOUNT 12,500.00

OF THE ORDER

CITY OF LA PORTE  
City Hall; Attn: Finance Dept.  
604 W. Fairmont Parkway  
La Porte, TX 77571

*Josh Wynn*  
*Michael [Signature]*  
AUTHORIZED SIGNATURE

F

36072544 072000096 1852220027

WCA Waste  
Check Request Form

UO168810

Amount of check: \$12,500 Date required: 4/1/15

Payable to: City of LaPorte

Address: 2963 North 23<sup>rd</sup> Street

La Porte TX 77571

Description: Household Hazardous Waste

Charge to: 1901  
~~7250~~ - 0000 - 3600

PO #: 36070115-5524

Mail regular mail: \_\_\_\_\_ Overnight mail: X

Return check to: \_\_\_\_\_

Requested by: Trevor Royal Approved by: [Signature]

Date requested: 1/21/15 Date approved: 1/28/15

Steven Martin

---

**From:** Steven Martin  
**Sent:** Wednesday, January 28, 2015 10:25 AM  
**To:** Matt Graham; Trevor Royal  
**Subject:** LaPorte Household Hazardous Waste Collection Event - Page 14 of contract  
**Attachments:** City of LaPorte Contract.pdf

13.09 HOUSEHOLD HAZARDOUS WASTE EVENTS - The City will host an annual Household Hazardous Waste Collection Event with eligible materials accepted from residential customers (only). The Contractor will co-sponsor the event through a financial contribution as mutually agreed upon by the Contractor and the City with this Contract proposal. The annual financial contribution for this event is fixed for the term of the Contract and may only be adjusted with the mutual agreement of both the City and the Contractor. The City is responsible for all advertising, collection, disposal, providing labor as necessary for the event. The Contractor is indemnified by separate agreement with the City. At the Contractor's discretion, the Contractor's logo will appear with the City's logo, and other sponsors if applicable, in all related event advertisements, banners, etc. where the City's logo appears. The Contractor is under no obligation to provide staffing for the event but may do so at the Contractor's sole discretion.

Prepared 4/09/15, 10:46:57 Account Balance Ing-(GMN2000I1)  
 Program HTDFTAL Screen detail for Program: GM GMN200I, Budget miscellaneous  
 User ID LAOSLW2 001-6146-515.99-97

**Account information**

BUDGET REQUESTS / REQ FOR SPECIAL PROGRAMS  
 Fiscal Year: 2015 Dr  
 Budget: 969,471.00  
 Committed: .00  
 Balance: 969,471.00

**Project Data**

Project Entry Optional .00  
 Project Entry Optional HURRICANE IKE  
 IKE08

**Account Balance by Period**

Period/Month	Actuals	Cumulative Totals
01 October	.00	.00
02 November	.00	.00
03 December	.00	.00
04 January	.00	.00
05 February	.00	.00
06 March	.00	.00
07 April	.00	.00
08 May	.00	.00
09 June	.00	.00
10 July	.00	.00
11 August	.00	.00
12 September	.00	.00

**Payment information**

Vendor (\* indicates pending) Total

**Encumbrances**

PO # Vendor Balance

**Pre Encumbrances**

Type Req/PO Project Balance

**Segment/Balance Details**

Fund	Department	Division	Activity basic	Sub activity	Element	Object	Original Budget	Revised Budget	Current expenditures	YTD expenditures	Unposted expenditures	Encumbrances	Unposted encumbrances	Pre-encumbrances	Total Exp & Enc	Unencumbered balance
001	GENERAL						969,471.00	.00	.00	.00	.00	.00	.00	.00	.00	.00
61	FINANCE															
46	NON DEPARTMENTAL															
51	GENERAL GOVERNMENT															
5	FINANCIAL ADMINISTRATION															
99	BUDGET REQUESTS															
97	REQ FOR SPECIAL PROGRAMS															

**Sequence # Code Freeform Information**

1.00	15AD	MERIT AND LUMP SUMS	Amount	269471.00
2.00	15AD	*		
3.00	15AD	PD MEET AND CONFER		200000.00
4.00	15AD	*		
5.00	15AD	COLA		500000.00



**COLA Distribution**

	<b>1010</b>	<b>1060</b>	<b>1065</b>	<b>Total</b>
5050	5,896	451	960	7,307
5051	21,673	1,658	3,528	26,859
5059	26,917	2,059	4,382	33,359
5252	11,641	891	1,895	14,426
5253	4,818	369	784	5,971
5256	3,750	287	610	4,647
5258	22,030	1,685	3,586	27,301
6048	9,016	690	1,468	11,173
6049	11,025	843	1,795	13,663
6054	4,617	353	752	5,721
6060	9,221	705	1,501	11,428
6062	4,365	334	711	5,410
6064	12,907	987	2,101	15,996
6065	4,608	353	750	5,711
6066	12,800	979	2,084	15,863
6067	6,778	519	1,104	8,401
6141	14,336	1,097	2,334	17,766
6145	4,039	309	658	5,006
7070	6,060	464	987	7,510
7071	30,248	2,314	4,924	37,486
7072	21,894	1,675	3,564	27,133
8080	22,564	1,726	3,673	27,964
8081	7,420	568	1,208	9,196
8082	7,129	545	1,161	8,835
8089	9,808	750	1,597	12,155
9090	14,672	1,122	2,389	18,182
9091	3,309	253	539	4,100
9092	14,647	1,121	2,385	18,153
<b>General Fund</b>				<b>406,723</b>
6147	11,592	887	1,887	14,366
7084	5,876	449	957	7,282
7085	13,285	1,016	2,163	16,464
7086	12,800	979	2,084	15,863
7087	12,254	937	1,995	15,186
<b>Utility Fund</b>				<b>69,161</b>
7077	473	36	77	586
7074	12,880	985	2,097	15,963
5051	1,962	150	319	2,431
6063	2,057	157	335	2,550
6030	2,086	160	340	2,586
<b>Other Funds</b>				<b>24,115</b>
<b>Grand Total All Funds</b>				<b>500,000</b>

## REQUEST FOR CITY COUNCIL AGENDA ITEM

<b>Agenda Date Requested:</b> <u>April 27, 2015</u>
<b>Requested By:</b> <u>Eric Ensey</u>
<b>Department:</b> <u>Planning</u>
<b>Report:</b> <u>    </u> <b>Resolution:</b> <u>    </u> <b>Ordinance:</b> <u>X</u>

<b><u>Appropriation:</u></b>	
<b>Source of Funds:</b>	<u>N/A</u>
<b>Account Number:</b>	<u>N/A</u>
<b>Amount Budgeted:</b>	<u>N/A</u>
<b>Amount Requested:</b>	<u>N/A</u>
<b>Budgeted Item:</b>	<u>N/A</u>

**Exhibits:**

- Ordinance
- P&Z Recommendation Letter
- Area Zoning Map
- Area Land Use Map
- Notification Response Letters

---

### SUMMARY & RECOMMENDATION

The City Council recently approved a number of modifications to the City’s Zoning Ordinance, including the creation of a new zone district called the Mixed Use District. The property owners within the “Circles” areas located adjacent to Sylvan Beach Park suggested Council consider allowing the construction of single-family residential houses on those lots. The subject properties are currently zoned Neighborhood Commercial (NC) and as currently zoned, the construction of a single family house is not permitted.

The Mixed Use (MU) zone district was created at the request of the property owners in the area to allow for construction of single family residential and the ability to build a house on a property within the “circles” area. The MU district allows for residential and limited commercial uses or a mix of residential and commercial uses scaled in such a manner as to complement the immediate neighborhood and its residential character.

In order for these regulations to take effect, the city has initiated a corresponding rezone of all properties in the Beach Park Subdivision that are currently zoned NC to the MU district. The Planning and Development Department conducted a Neighborhood Meeting on February 5, 2015, to educate the 32 owners of interest and residents of the Beach Park Subdivision “Circles” what rezoning of the property would mean to them as residents and home owners. Of those 32 (one of which is the City of La Porte), approximately 10 of them took the opportunity to speak in support of the proposal, and none opposed it.

The subject properties are currently identified in the City’s Future Land Use Plan as Mixed Use and the rezoning would be Lots 1-28, Block 29; Lots 1-28, Block 30; Lots 1-28, Block 31; Lots 1-28, Block 32; Lots 7-10, Block 49; Beach Park Subdivision, Harris County, Texas, from Neighborhood Commercial (NC) to Mixed Use (MU).

**Action Required of Council:**

1. Conduct public hearing.
2. Consider approval or other action on a recommendation by the Planning and Zoning Commission to approve Rezone Request #15-92000003, which is an ordinance amending Chapter 106 “Zoning” of the Code of Ordinances of the City of La Porte by changing the zoning classification from Neighborhood Commercial (NC) to Mixed Use (MU), for Lots 1-28, Block 29; Lots 1-28, Block 30; Lots 1-28, Block 31; Lots 1-28, Block 32; Lots 7-10, Block 49; Beach Park Subdivision, Harris County, Texas.

---

**Approved for City Council Agenda**

---

**Corby D. Alexander, City Manager**

---

**Date**

## **REQUEST FOR CITY COUNCIL AGENDA ITEM**

**Agenda Date Requested:** April 27, 2015  
**Requested By:** Eric Ensey  
**Department:** Planning  
**Report:**      **Resolution:**      **Ordinance:** X

<b><u>Appropriation:</u></b>	
<b>Source of Funds:</b>	<u>N/A</u>
<b>Account Number:</b>	<u>N/A</u>
<b>Amount Budgeted:</b>	<u>N/A</u>
<b>Amount Requested:</b>	<u>N/A</u>
<b>Budgeted Item:</b>	<u>N/A</u>

**Exhibits:**  
    **Ordinance**  
    **P&Z Recommendation Letter**  
    **Area Zoning Map**  
    **Area Land Use Map**  
    **Notification Response Letters**

---

### **SUMMARY & RECOMMENDATION**

The City Council recently approved a number of modifications to the City’s Zoning Ordinance, including the creation of a new zone district called the Mixed Use District. The property owners within the “Circles” areas located adjacent to Sylvan Beach Park suggested Council consider allowing the construction of single-family residential houses on those lots. The subject properties are currently zoned Neighborhood Commercial (NC) and as currently zoned, the construction of a single family house is not permitted.

The Mixed Use (MU) zone district was created at the request of the property owners in the area to allow for construction of single family residential and the ability to build a house on a property within the “circles” area. The MU district allows for residential and limited commercial uses or a mix of residential and commercial uses scaled in such a manner as to complement the immediate neighborhood and its residential character.

In order for these regulations to take effect, the city has initiated a corresponding rezone of all properties in the Beach Park Subdivision that are currently zoned NC to the MU district. The Planning and Development Department conducted a Neighborhood Meeting on February 5, 2015, to educate the 32 owners of interest and residents of the Beach Park Subdivision “Circles” what rezoning of the property would mean to them as residents and home owners. Of those 32 (one of which is the City of La Porte), approximately 10 of them took the opportunity to speak in support of the proposal, and none opposed it.

The subject properties are currently identified in the City’s Future Land Use Plan as Mixed Use and the rezoning would be Lots 1-28, Block 29; Lots 1-28, Block 30; Lots 1-28, Block 31; Lots 1-28, Block 32; Lots 7-10, Block 49; Beach Park Subdivision, Harris County, Texas, from Neighborhood Commercial (NC) to Mixed Use (MU).

**Action Required of Council:**

1. Conduct public hearing.
2. Consider approval or other action on a recommendation by the Planning and Zoning Commission to approve Rezone Request #15-92000003, which is an ordinance amending Chapter 106 “Zoning” of the Code of Ordinances of the City of La Porte by changing the zoning classification from Neighborhood Commercial (NC) to Mixed Use (MU), for Lots 1-28, Block 29; Lots 1-28, Block 30; Lots 1-28, Block 31; Lots 1-28, Block 32; Lots 7-10, Block 49; Beach Park Subdivision, Harris County, Texas.

---

**Approved for City Council Agenda**

---

**Corby D. Alexander, City Manager**

---

**Date**

ORDINANCE NO. \_\_\_\_\_

AN ORDINANCE AMENDING CHAPTER 106 "ZONING" OF THE CODE OF ORDINANCES OF THE CITY OF LA PORTE BY CHANGING THE ZONING CLASSIFICATION FROM NEIGHBORHOOD COMMERCIAL DISTRICT (NC) TO MIXED USE DISTRICT (MU), FOR THE "CIRCLE" PROPERTIES ADJACENT TO SYLVAN BEACH PARK, AND DESCRIBED AS LOTS 1-28, BLOCK 29; LOTS 1-28, BLOCK 30; LOTS 1-28, BLOCK 31, LOTS 1-28, BLOCK 32, AND LOTS 7-10, BLOCK 49, BEACH PARK SUBDIVISION; MAKING CERTAIN FINDINGS OF FACT RELATED TO THE SUBJECT; FINDING COMPLIANCE WITH THE OPEN MEETINGS LAW; AND PROVIDING AN EFFECTIVE DATE HEREOF;

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF LA PORTE, TEXAS:

**Section 1:** Chapter 106 "Zoning" of the Code of Ordinances is hereby amended by changing the zoning classification of the following described properties, to wit: Lots 1-28, Block 29; Lots 1-28, Block 30; Lots 1-28, Block 31; Lots 1-28, Block 32; Lots 7-10, Block 49; Beach Park Subdivision, Harris County, Texas, from Neighborhood Commercial District (NC) to Mixed Use District (MU).

**Section 2:** All ordinances or parts of ordinances inconsistent with the terms of this ordinance are hereby repealed; provided, however, that such repeal shall be only to the extent of such inconsistency and in all other respects this ordinance shall be cumulative of other ordinances regulating and governing the subject matter covered by this ordinance.

**Section 3.** Should any section or part of this ordinance be held unconstitutional, illegal, or invalid, or the application to any person or circumstance for any reasons thereof ineffective or inapplicable, such unconstitutionality, illegality, invalidity, or ineffectiveness of such section or part shall in no way affect, impair or invalidate the remaining portions thereof; but as to such remaining portion or portions, the same shall be and remain in full force and effect and to this end the provisions of this ordinance are declared to be severable.

**Section 4.** The City Council officially finds, determines, recites and declares that a sufficient written notice of the date, hour, place and subject of this meeting of the City Council is posted at a place convenient to the public at the City Hall of the city for the time required by law preceding this meeting, as required by Chapter 551, Tx. Gov't Code; and that this meeting has been open to the public as required by law at all times during which this ordinance and the subject matter thereof has been discussed, considered and formally acted upon. The City Council further ratifies, approves and confirms such written notice and the contents and posting thereof.

**Section 5.** The City Council of the City of La Porte hereby finds that public notice was properly mailed to all owners of all properties located within two hundred feet (200') of the properties under consideration in compliance with code provisions.

**Section 6.** The City Council of the City of La Porte hereby finds, determines, and declares that all prerequisites of law have been satisfied and hereby determines and declares that the amendments to the City of La Porte Zoning Map and Classification contained in this Ordinance as amendments thereto are desirable and in furtherance of the goals and objectives stated in the City of La Porte's Comprehensive Plan.

**Section 7.** This Ordinance shall be effective upon its passage and approval.

PASSED AND APPROVED this the \_\_\_\_\_ day of \_\_\_\_\_, 2015.

CITY OF LA PORTE

By: \_\_\_\_\_  
Louis R. Rigby, Mayor

ATTEST:

\_\_\_\_\_  
Patrice Fogarty, City Secretary

APPROVED:

  
Clark T. Askins, Assistant City Attorney



April 6, 2015

Honorable Mayor Rigby and City Council  
City of La Porte

RE: Rezone Request #15-92000003

Dear Mayor Rigby and City Council:

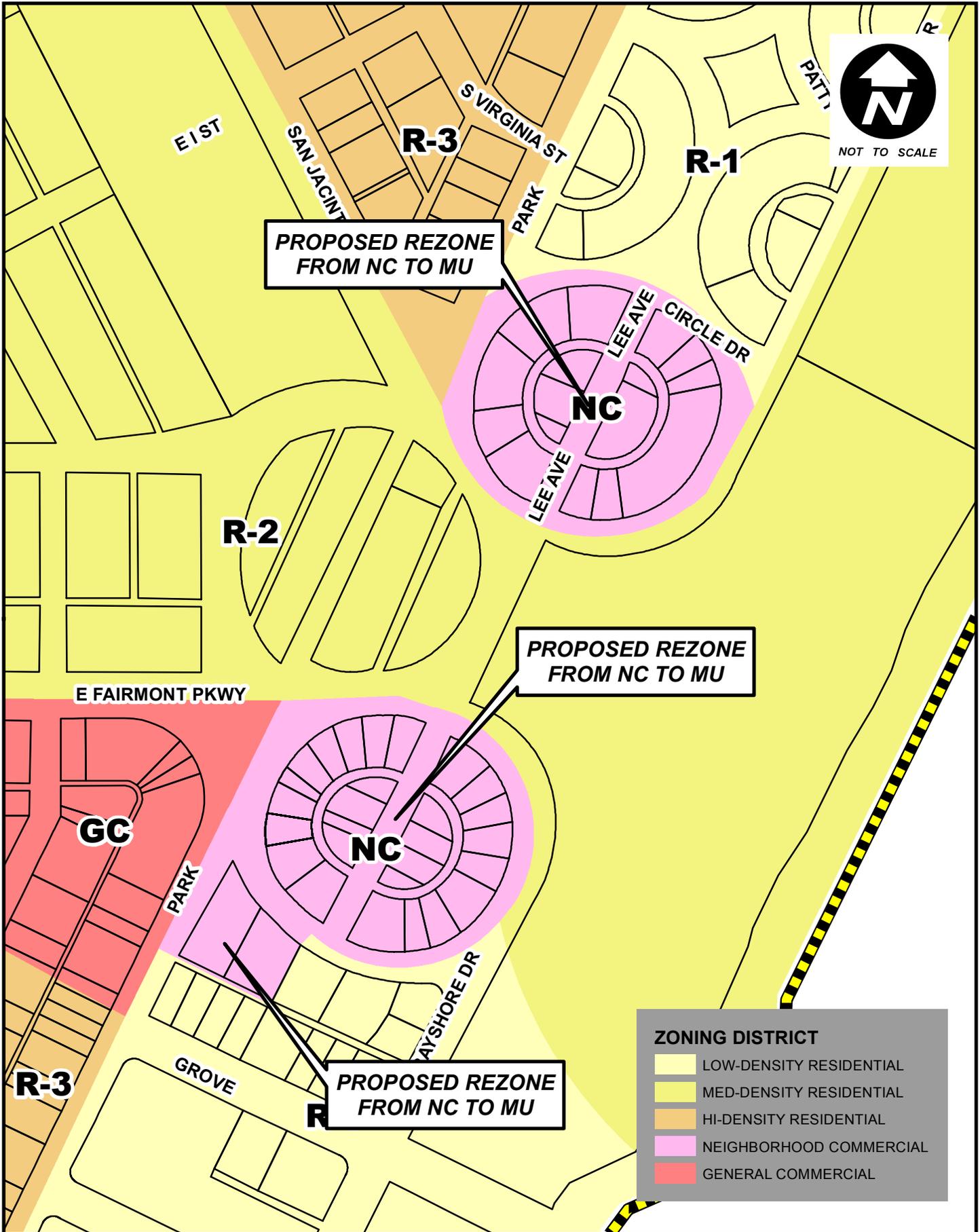
The La Porte Planning and Zoning Commission held a public hearing at the March 19, 2015 meeting on a city-initiated zone change request to rezone the following tracts of land from Neighborhood Commercial (NC) to Mixed Use (MU): Lots 1-28, Block 29; Lots 1-28, Block 30; Lots 1-28, Block 31; Lots 1-28, Block 32; Lots 7-10, Block 49, Beach Park Subdivision, City of La Porte, Harris County, Texas. The proposed zone change is consistent with the city's Future Land Use Plan identified in the Comprehensive Plan. The Commission voted unanimously to recommend approval of the proposed zone change.

Respectfully submitted,

Hal Lawler  
Chairman, Planning and Zoning Commission

cc: Tim Tietjens, Director of Planning and Development  
Department File

# ZONING DISTRICT MAP

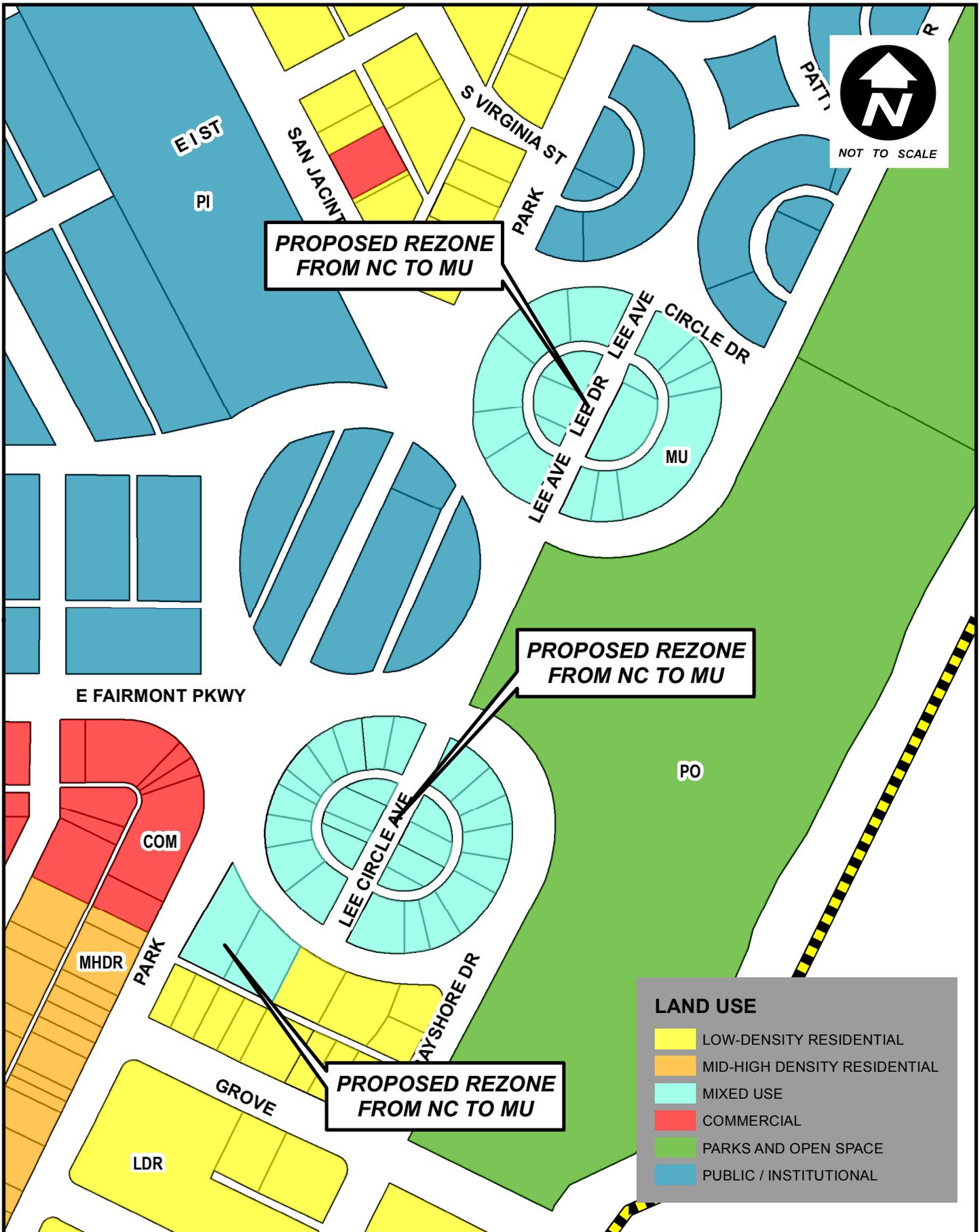


PROPOSED REZONE  
FROM NC TO MU

PROPOSED REZONE  
FROM NC TO MU

PROPOSED REZONE  
FROM NC TO MU

# LAND USE MAP



A Meeting of the La Porte

Planning & Zoning Commission

(Type of Meeting)

Scheduled for

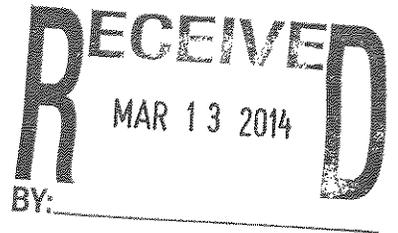
March 19, 2015

(Date of Meeting)

to Consider

Zone Change Request #15-92000003

(Type of Request)



I have received notice of the above referenced public hearing.

I am in FAVOR of granting this request for the following reasons:

Lots 25 & 26 are surrounded by other residential  
dwellings. To maintain the character of the neighborhood,  
residential development should be allowed.

I am OPPOSED to granting this request for the following reasons:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

MOON RENTALS, LLC.

Name (please print)

*John W. Moon*  
Signature

P.O. Box 3487

Address

PASADENA, TEXAS 77501  
City, State, Zip

A Meeting of the La Porte

Planning & Zoning Commission

(Type of Meeting)

Scheduled for

March 19, 2015

(Date of Meeting)

to Consider

Zone Change Request #15-92000003

(Type of Request)

RECEIVED  
MAR 13 2014  
BY: \_\_\_\_\_

I have received notice of the above referenced public hearing.

I am in FAVOR of granting this request for the following reasons:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

I am OPPOSED to granting this request for the following reasons:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Kelly Cave  
Name (please print)

6107 E Fairmont Place  
Address

Kelly J. Cave  
Signature

La Porte, TX 77571  
City, State, Zip

LTS 3-2-14 Bldg 29 BEACH PARK  
9-10 " " " "  
12-13 " " " "  
16-17-18 " " " "

A Meeting of the La Porte

Planning & Zoning Commission

(Type of Meeting)

Scheduled for

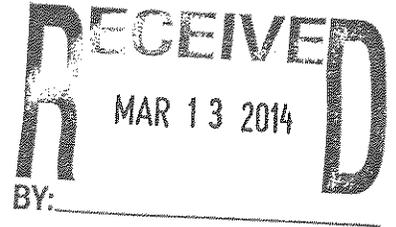
March 19, 2015

(Date of Meeting)

to Consider

Zone Change Request #15-9200003

(Type of Request)



I have received notice of the above referenced public hearing.

I am in **FAVOR** of granting this request for the following reasons:

Four horizontal lines for writing reasons in favor of the request.

I am **OPPOSED** to granting this request for the following reasons:

Four horizontal lines for writing reasons opposed to the request.

Name (please print)

Norm Highfill  
Signature

Norm Highfill  
Address 617 E. Fairmont Pky.  
La Porte, Texas 77571

City, State, Zip

LTS 25-26 27A BEACH PARK  
LTS 5+6 BLK 29 BEACH PARK  
LTS 7-8 BLK 29 BEACH PARK

**RECEIVED**  
MAR 13 2014  
BY: \_\_\_\_\_

A Meeting of the La Porte

Planning & Zoning Commission  
(Type of Meeting)

Scheduled for

March 19, 2015  
(Date of Meeting)

to Consider

Zone Change Request #15-92000003  
(Type of Request)

I have received notice of the above referenced public hearing.

I am in FAVOR of granting this request for the following reasons:

*allows residents to rebuild if damages occur*

I am OPPOSED to granting this request for the following reasons:

*Brenda Voselem*

Name (please print)

*[Signature]*

Signature

*502 Circle*

Address

*La Porte TX 77571*

City, State, Zip

A Meeting of the La Porte

Planning & Zoning Commission

(Type of Meeting)

Scheduled for

March 19, 2015

(Date of Meeting)

to Consider

Zone Change Request #15-9200003

(Type of Request)

I have received notice of the above referenced public hearing.

I am in FAVOR of granting this request for the following reasons:

*It will make my property more  
saleable*

I am OPPOSED to granting this request for the following reasons:

LYNN J. MURPHY      417 Retama Pl.  
Name (please print)      Address  
*Lynn J. Murphy*      Harlingen Texas 78550  
Signature      City, State, Zip

RECEIVED  
MAR 20 2014  
BY: \_\_\_\_\_

A Meeting of the La Porte

Planning & Zoning Commission  
(Type of Meeting)

Scheduled for

March 19, 2015  
(Date of Meeting)

to Consider

Zone Change Request #15-92000003  
(Type of Request)

I have received notice of the above referenced public hearing.

I am in FAVOR of granting this request for the following reasons:

*The proposed re-zoning will provide much more flexibility in use and/or disposition of the property.*

*LA PORTE LOT: 510 CIRCLE DRIVE, LA PORTE*

*LOTS 19, 20, 21 and 1/2 OF LOT 18, BLK 30  
BEACH PARK*

I am OPPOSED to granting this request for the following reasons:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

ROBERT HAGERTY  
Name (please print)

245 MEADOW BROOK RD  
Address

*RO Hagerty*  
Signature

WYCKOFF NJ 07481  
City, State, Zip

A Meeting of the La Porte

Planning & Zoning Commission

(Type of Meeting)

Scheduled for

March 19, 2015

(Date of Meeting)

to Consider

Zone Change Request #15-92000003

(Type of Request)

**RECEIVED**  
MAR 20 2014  
BY: \_\_\_\_\_

I have received notice of the above referenced public hearing.

I am in **FAVOR** of granting this request for the following reasons:

The Change will allow property owners to finally be able to build a residence.

I am **OPPOSED** to granting this request for the following reasons:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Roelof + Judy Nieuwenhuis      319 E. main st.

Name (please print)

Address

Roelof + Judy Nieuwenhuis      La Porte TX

Signature

City, State, Zip

Sorry, we were unable to attend the meeting.  
We had to be out of town.

## REQUEST FOR CITY COUNCIL AGENDA ITEM

<b>Agenda Date Requested</b> <u>April 27, 2015</u>	<b><u>Appropriation</u></b>
<b>Requested By:</b> <u>Corby Alexander</u>	<b>Source of Funds:</b> <u>N/A</u>
<b>Department:</b> <u>City Manager</u>	<b>Account Number:</b> <u>N/A</u>
<b>Report</b> <input type="checkbox"/> <b>Resolution:</b> <input checked="" type="checkbox"/> <b>Ordinance:</b> <input type="checkbox"/>	<b>Amount Budgeted:</b> <u>N/A</u>
<b>Exhibits: Resolution</b> <b>Information on CenterPoint Gas' Rate Increase Filing</b>	<b>Amount Requested:</b> <u>N/A</u>
	<b>Budgeted Item:</b> YES    NO

### SUMMARY & RECOMMENDATION

Approximately 21 cities served by CenterPoint Energy Entex Gas (“CenterPoint” or “Company”) are members of the Gulf Coast Coalition of Cities (“GCCC”). The GCCC has been in existence since the early 1990s. GCCC has been the primary public interest advocate before the Railroad Commission, the Courts, and the Legislature on gas utility regulation matters for over 20 years.

The City of La Porte is not a member of the GCCC. However, the City receives information from the GCCC; and in this case, the City is availing itself of information the GCCC has shared. This resolution does not require that the City of La Porte join the GCCC. However, Council may consider joining at a later date.

On March 27, 2015, CenterPoint (Gas) filed a Statement of Intent to Increase Rates application with each of the cities in their Texas Coast Division service area. In the filing, the Company asserted that it is entitled to a \$6.77 million increase or an 11.3% increase excluding gas costs.

In late March, the GCCC engaged the services of a consultant, Mr. Karl Nalepa, to review the Company’s filing. GCCC’s attorney recommends that all GCCC members adopt a resolution denying the rate change. Once the resolution is adopted, CenterPoint will have 30 days to appeal the decision to the Railroad Commission where the appeal will be consolidated with CenterPoint’s filing for the environs and those cities that have relinquished their original jurisdiction currently pending at the Commission.

Staff recommends Council consider adopting the proposed resolution.

---

#### **Action Required by Council:**

Consider approval or other action of a resolution denying the rate application proposed by CenterPoint.

---

#### **Approved for City Council Agenda**

\_\_\_\_\_  
**Corby D. Alexander, City Manager**

\_\_\_\_\_  
**Date**

---

**Approved for City Council Agenda**

---

**Corby D. Alexander, City Manager**

---

**Date**

**RESOLUTION NO. \_\_\_\_\_**

**A RESOLUTION OF THE CITY OF LA PORTE, TEXAS, FINDING THAT CENTERPOINT ENERGY RESOURCES CORP. D/B/A CENTERPOINT ENERGY ENTEX AND CENTERPOINT ENERGY TEXAS GAS' STATEMENT OF INTENT TO INCREASE RATES FILING WITHIN THE CITY SHOULD BE DENIED; FINDING THAT THE CITY'S REASONABLE RATE CASE EXPENSES SHALL BE REIMBURSED BY THE COMPANY; FINDING THAT THE MEETING AT WHICH THIS RESOLUTION IS PASSED IS OPEN TO THE PUBLIC AS REQUIRED BY LAW IN COMPLIANCE WITH THE OPEN MEETINGS LAW; REQUIRING NOTICE OF THIS RESOLUTION TO THE COMPANY; AND PROVIDING AN EFFECTIVE DATE.**

**WHEREAS**, the City of La Porte, Texas, ("City"), is a gas utility customer of CenterPoint Energy Resources Corp., d/b/a CenterPoint Energy Entex and CenterPoint Energy Texas Gas, ("CenterPoint Texas") which is a part of CenterPoint Texas' Texas Coast Division and a regulatory authority with an interest in the rates and charges of CenterPoint Texas; and

**WHEREAS**, the City is served by CenterPoint Texas and has resolved to efficiently and cost effectively review and respond to natural gas issues affecting rates charged in CenterPoint Texas' Texas Coast Division service area; and

**WHEREAS**, on or about March 27, 2015, CenterPoint Texas filed with the City a Statement of Intent to Increase Rates seeking to increase natural gas rates by \$6.77 million annually and to all customers residing in the City; and

**WHEREAS**, the City found, upon its review of CenterPoint Texas' Statement of Intent to Increase Rates, that CenterPoint Texas' existing rates are excessive; and

**WHEREAS**, the City denies the Statement of Intent to Increase Rates.

**NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF LA PORTE, TEXAS:**

Section 1. That the rates proposed by CenterPoint Texas to be recovered through its gas rates charged to customers located within the City limits are hereby found to be unreasonable and shall be denied.

Section 2. That CenterPoint Texas shall continue to charge its existing rates to customers within the City.

Section 3. That the City's reasonable rate case expenses shall be reimbursed in full by CenterPoint Texas within 30 days of the adoption of this Resolution.

Section 4. That it is hereby officially found and determined that the meeting at which this Resolution is passed is open to the public as required by law, and the public notice of the time, place, and purpose of said meeting was given as required.

Section 5. That the City Secretary of the City of La Porte will send a copy of this Resolution to CenterPoint Energy, Entex, Texas Coast Division, Attn: Randal M. Pryor, Vice President – Regional Operations, 1111 Louisiana Street, Houston, TX 77002-5231.

Section 6. This Resolution shall be effective on its passage and approval.

**PASSED AND APPROVED** this the 27<sup>th</sup> day of April, 2015.

**CITY OF LA PORTE**

By: \_\_\_\_\_  
Louis R. Rigby  
Mayor

**ATTEST:**

**APPROVED:**

\_\_\_\_\_  
Patrice Fogarty  
City Secretary

\_\_\_\_\_  
Clark T. Askins  
Assistant City Attorney



CenterPoint Energy  
1111 Louisiana Street  
Houston, TX 77002-5231  
P.O. Box 2628  
Houston, TX 77252-2628

March 27, 2015

Mayor and City Council  
City of La Porte  
La Porte, Texas

Re: Statement of Intent to Increase Rates for CenterPoint Texas' Texas Coast Division

Ladies and Gentleman:

CenterPoint Energy Resources Corp., d/b/a CenterPoint Energy Entex and CenterPoint Energy Texas Gas ("CenterPoint Texas" or the "Company") files this Statement of Intent to Increase Rates ("Statement of Intent") for the City of La Porte, Texas ("City"), which is a part of CenterPoint Texas' Texas Coast Division. CenterPoint Texas is a gas utility as defined by the Gas Utility Regulatory Act ("GURA"),<sup>1</sup> and the cities within CenterPoint Texas' Texas Coast Division, including the City, have exclusive original jurisdiction to set rates for the utility pursuant to § 103.001 of GURA. Within its Texas Coast Division, CenterPoint Texas provides service to an average of 279,572 customers, as adjusted. Of this total, CenterPoint Texas serves approximately 7,734 residential customers, 389 small commercial and 9 large volume customers in the City. By this Statement of Intent, CenterPoint Texas notifies the City of its intent to increase its rates effective May 1, 2015, which is 35 days from the date of this filing. Simultaneously with this filing, CenterPoint Texas is filing with the Railroad Commission of Texas ("Commission") a Statement of Intent to Increase Rates on a Division-Wide Basis in the Texas Coast Division.<sup>2</sup>

For many years, CenterPoint Texas has provided the City with safe, adequate and reliable natural gas service at reasonable rates. The Company's existing Standard Rate Schedules for the Texas Coast Division have been in effect on a division-wide basis since the Company's 2011 COSA filing. Since that time, the O&M costs of its system have gone up, and the Company has had to continue to make significant capital investments in the system to support economic development in the Texas Coast Division and to maintain system safety and reliability. While the Company has worked hard to control its operating costs while continuing to provide safe, adequate, and reliable service at reasonable rates, the Company's costs for labor, materials and supplies, and other operating expenses necessary to sustain that level of service have continued to rise and its revenues from the provision of that service have not risen sufficiently to cover the increased cost of service. In addition, the Company has made significant capital investments to expand its facilities, support customer growth and economic development in its Texas Coast Division and maintain its gas distribution system to ensure the continued provision of safe and reliable service. As a result of these capital investments and cost increases, CenterPoint Texas' current rates for service to Texas Coast Division customers no longer provide a reasonable opportunity for CenterPoint Texas to recover its operating costs and earn a fair return on its investment.

<sup>1</sup> TEX. UTIL. CODE ANN. §§ 101.001, *et seq.*

<sup>2</sup> The Commission filing also includes certain municipalities that have ceded their original jurisdiction over rates to the Commission.

Accordingly, pursuant to GURA § 104.102, CenterPoint Texas files this Statement of Intent with attached Rate Schedules containing the proposed revisions to the Company's rates and terms and conditions of service applicable in your City. Specifically, CenterPoint Texas proposes changes to its rates included in Residential Service Rate Schedule (R-2092), General Service-Small Rate Schedule (GSS-2092), and General Service-Large Volume Rate Schedule (GSLV-623). The proposed Rate Schedules appear in Exhibit A. The cost of service schedules evidencing the need for the requested revenue increase are included in Exhibit B. The effect of the Company's proposed new rate schedules and tariff changes is to increase CenterPoint Texas' net annual revenues in the Texas Coast Division by approximately \$6.8 million per year, of which amount approximately \$4,368,132 will be collected from customers in the City. If approved, the proposed revisions to the rate schedules amount to an increase per month of approximately \$1.23 for the average residential customer in your City. The changes represent a total increase to the Company's division-wide aggregate revenues of approximately 4.5% with gas cost and 11.3% without gas cost, and constitute a "major change" as that term is defined in GURA § 104.101.

In addition to the proposed change in rates for the residential, small commercial and large volume classes, CenterPoint Texas is proposing certain other modifications to its tariffs. For instance, the Company will consolidate its schedules currently applicable to its COSA-2 and COSA-3 customers and implement them for all incorporated and unincorporated areas within the Texas Coast Division. In addition, Rate Schedules R-2092, GSS-2092 and GSLV-623 have been updated to include language relating to rate case expense recovery, and Rate Schedules R-2092 and GSS-2092 have been updated to include language relating to bill payment. CenterPoint Texas also proposes changes to its Purchased Gas Adjustment ("PGA") Rate Schedule to change the carrying cost on its over/under recovery of gas cost expense to 6.0%, consistent with schedules previously approved for the Company's other divisions, and to provide for the recovery of carrying costs associated with its investment in storage gas equal to the pre-tax rate of return established as a result of this proceeding, consistent with schedules previously approved for Company's other divisions as well as for customers served under the existing COSA-3 Rate Schedule PGA-7 in the Texas Coast Division.

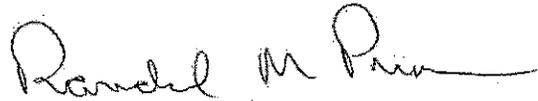
In addition, the Company is proposing revenue-neutral changes to its Tax Adjustment and Franchise Fee Adjustment schedules and Schedule of Miscellaneous Service Charges in order to make the tariffs consistent with those applicable for CenterPoint Texas' other Texas divisions. The revised Tax Adjustment schedule will allow the Company to collect from customers in each jurisdiction the actual tax expense levied on the Company by that jurisdiction. The revised Franchise Fee Adjustment schedule will require the Company to maintain on file with the Commission a current listing of cities within the Texas Coast Division and their applicable franchise fees. The revised Schedule of Miscellaneous Service Charges clarifies certain provisions related to meter testing, disconnections, and collection calls.

Finally, the Company is proposing a tariff to recover the rate case expenses incurred in this proceeding as authorized by the regulatory authority. This schedule is consistent with the rate case expense schedules currently in place in the Company's Beaumont/East Texas Division. The amount of rate case expenses to be recovered, if any, is not known at this time.

Publication of required notice containing information relative to this Statement of Intent will be made in accordance with applicable statutes, rules and other requirements.

If you desire any additional information concerning these changes, we will be available at any time to discuss them with you.

Very truly yours,



Randal M. Pryor  
Vice President – Regional Operations

Enclosures

DELIVERED TO:

Bonnie Garrison, Records Specialist of  
NAME OFFICE (Mayor, City Secretary, etc.)

the City of La Porte on this 27 day of March 2015.

Bonnie Garrison  
SIGNATURE

**CENTERPOINT ENERGY RESOURCES CORP.  
D/B/A CENTERPOINT ENERGY ENTEX  
AND CENTERPOINT ENERGY TEXAS GAS  
TEXAS COAST DIVISION  
RATE SHEET  
RESIDENTIAL SERVICE  
RATE SCHEDULE NO. R-2092**

**APPLICATION OF SCHEDULE**

This schedule is applicable to any customer to whom service is supplied in a single private dwelling unit and its appurtenances, the major use of which is for household appliances, and for the personal comfort and convenience of those residing therein.

Natural gas supplied hereunder is for the individual use of the customer at one point of delivery and shall not be resold or shared with others.

**MONTHLY RATE**

For bills rendered on and after the effective date of this rate schedule, the monthly rate for each customer receiving service under this rate schedule shall be the sum of the following:

- (a) The Base Rate consisting of:
  - (1) Customer Charge – \$16.00;
  - (2) Commodity Charge –  
All Ccf \$0.0695 per Ccf
- (b) Tax Adjustment – The Tax Adjustment will be calculated and adjusted periodically as defined in the Company's applicable Tax Adjustment Rate Schedule and Franchise Fee Adjustment Rate Schedule.
- (c) Gas Cost Adjustment – The applicable Purchased Gas Adjustment (PGA) Rate – as calculated on a per Ccf basis and adjusted periodically under the applicable Purchased Gas Adjustment (PGA) Rate Schedule – for all gas used.
- (d) Rate Case Expense Recovery – Rate Case Expense Recovery will be calculated and adjusted periodically as defined in the Company's applicable Rate Case Expense Recovery Rate Schedule.

**PAYMENT**

Due date of the bill for service shall not be less than 15 days after issuance or such other period of time as may be provided by order of the regulatory authority. A bill for utility service is delinquent if unpaid by the due date.

**RULES AND REGULATIONS**

Service under this schedule shall be furnished in accordance with the Company's General Rules and Regulations, as such rules may be amended from time to time. A copy of the Company's General Rules and Regulations may be obtained from Company's office located at 1111 Louisiana Street, Houston, Texas.

**CENTERPOINT ENERGY RESOURCES CORP.  
D/B/A CENTERPOINT ENERGY ENTEX  
AND CENTERPOINT ENERGY TEXAS GAS  
TEXAS COAST DIVISION  
RATE SHEET  
GENERAL SERVICE-SMALL  
RATE SCHEDULE NO. GSS-2092**

**APPLICATION OF SCHEDULE**

This schedule is applicable to natural gas service to any customer engaging in any business, professional or institutional activity, for all uses of gas, including cooking, heating, refrigeration, water heating, air conditioning, and power.

This schedule is applicable to any general service customer for commercial uses and industrial uses, except standby service, whose average monthly usage for the prior calendar year is 150,000 cubic feet or less. Natural gas supplied hereunder is for the individual use of the customer at one point of delivery and shall not be resold or shared with others.

**MONTHLY RATE**

For bills rendered on and after the effective date of this rate schedule, the monthly rate for each customer receiving service under this rate schedule shall be the sum of the following:

- (a) The Base Rate consisting of:
  - (1) Customer Charge – \$16.75;
  - (2) Commodity Charge –  
All Ccf \$0.0614 per Ccf
- (b) Tax Adjustment – The Tax Adjustment will be calculated and adjusted periodically as defined in the Company's applicable Tax Adjustment Rate Schedule and Franchise Fee Adjustment Rate Schedule.
- (c) Gas Cost Adjustment – The applicable Purchased Gas Adjustment (PGA) Rate – as calculated on a per Ccf basis and adjusted periodically under the applicable Purchased Gas Adjustment (PGA) Rate Schedule – for all gas used.
- (d) Rate Case Expense Recovery – Rate Case Expense Recovery will be calculated and adjusted periodically as defined in the Company's applicable Rate Case Expense Recovery Rate Schedule.

**PAYMENT**

Due date of the bill for service shall not be less than 15 days after issuance or such other period of time as may be provided by order of the regulatory authority. A bill for utility service is delinquent if unpaid by the due date.

**RULES AND REGULATIONS**

Service under this schedule shall be furnished in accordance with the Company's General Rules and Regulations, as such rules may be amended from time to time. A copy of the Company's General Rules and Regulations may be obtained from Company's office located at 1111 Louisiana Street, Houston, Texas.

**CENTERPOINT ENERGY RESOURCES CORP.  
D/B/A CENTERPOINT ENERGY ENTEX  
AND CENTERPOINT ENERGY TEXAS GAS  
TEXAS COAST DIVISION  
RATE SHEET  
GENERAL SERVICE-LARGE VOLUME  
RATE SCHEDULE NO. GSLV-623**

**AVAILABILITY**

This schedule is available at points on existing facilities of adequate capacity and suitable pressure in the area designated in the Rate Book of **CENTERPOINT ENERGY RESOURCES CORP., D/B/A CENTERPOINT ENERGY ENTEX AND CENTERPOINT ENERGY TEXAS GAS** (hereinafter called "Company").

**APPLICATION OF SCHEDULE**

This schedule is applicable to any general service customer for commercial uses and industrial uses whose average monthly usage for the prior calendar year is more than 150,000 cubic feet. Gas supplied hereunder is for the individual use of the Consumer at one point of delivery and shall not be resold or shared with others. If the Consumer has a written contract with Company, the terms and provision of such contract shall be controlling.

**MONTHLY RATE**

For bills rendered on and after the effective date of this rate schedule, the monthly rate for each customer receiving service under this rate schedule shall be the sum of the following:

(a) The Base Rate consisting of:

(1) Customer Charge – \$47.75;

(2) Commodity Charge –

All Ccf \$0.0414 per Ccf

(b) Tax Adjustment – The Tax Adjustment will be calculated and adjusted periodically as defined in the Company's applicable Tax Adjustment Rate Schedule and Franchise Fee Adjustment Rate Schedule.

(c) Gas Cost Adjustment – The applicable Purchased Gas Adjustment (PGA) Rate – as calculated on a per Mcf basis and adjusted periodically under the applicable Purchased Gas Adjustment (PGA) Rate Schedule – for all gas used.

(d) Rate Case Expense Recovery – Rate Case Expense Recovery will be calculated and adjusted periodically as defined in the Company's applicable Rate Case Expense Recovery Rate Schedule.

**WRITTEN CONTRACT**

In order to receive a delivery from Company of more than 25 Mcf during any one day, the Consumer must execute a written contract with Company on Company's form of contract covering the sale of gas by Company to it. In the case of existing Consumers, the maximum gas usage during any one day shall be obtained from the records of the Company, except in cases where the existing Consumer will be purchasing increased volumes of gas from Company because of expansions or for any other reasons, in which event the Company may estimate usage by such Consumer. Also in the case of new Consumers, the Company may estimate usage by the Consumer. Any such estimates made by Company shall be binding on Consumer in determining whether or not a contract is required. Such written contract shall be executed by Consumer upon request of Company and Company shall not be obligated to serve any

**CENTERPOINT ENERGY RESOURCES CORP.  
D/B/A CENTERPOINT ENERGY ENTEX  
AND CENTERPOINT ENERGY TEXAS GAS  
TEXAS COAST DIVISION  
RATE SHEET  
GENERAL SERVICE-LARGE VOLUME  
RATE SCHEDULE NO. GSLV-623**

such Consumer more than 25 Mcf during any one day until such written contract is executed and delivered by Consumer.

**MEASUREMENT**

The term "cubic foot of gas" for the purpose of measurement of the gas delivered and for all other purposes is the amount of gas necessary to fill a cubic foot of space when the gas is at an absolute pressure of 14.65 pounds per square inch and at a base temperature of sixty (60) degrees Fahrenheit.

The term "Mcf" shall mean 1,000 cubic feet of gas.

The Sales Unit shall be one Mcf.

Assumed Atmospheric Pressure - The average atmospheric pressure shall be assumed to be fourteen and seven-tenths (14.7) pounds per square inch, irrespective of actual elevation or location of the point of delivery above sea level or variation in such atmospheric pressure from time to time.

Orifice Meters - When orifice meters are used for the measurement of gas, such orifice meters shall be constructed and installed, and the computations of volume made, in accordance with the provisions of Gas Measurement Committee Report No. 3 of the American Gas Association as revised September, 1969 ("A.G.A. Report No. 3), with any subsequent amendments or revisions which may be mutually acceptable.

The temperature of the gas shall be determined by a recording thermometer so installed that it may record the temperature of the gas flowing through the meter or meters. The average of the record to the nearest one (1) degree Fahrenheit, obtained while gas is being delivered, shall be the applicable flowing gas temperature for the period under consideration.

The specific gravity of the gas shall be determined by a recording gravitometer owned and operated by the pipeline company from whom Company purchases its gas, so installed that it may record the specific gravity of the gas flowing through the meter or meters; provided, however, that the results of spot tests made by the pipeline company with a standard type specific gravity instrument shall be used at locations where the pipeline company does not have a recording gravitometer in service. If the recording gravitometer is used, the average of the record to the nearest one-thousandth (0.001), obtained while gas is being delivered, shall be the applicable specific gravity of the gas for the period under consideration. If the spot test method is used, the specific gravity of the gas delivered hereunder shall be determined once monthly, the result obtained, to the nearest one-thousandth (0.001), to be applicable during the succeeding billing month.

Adjustment for the effect of supercompressibility shall be made according to the provisions of A.G.A. Report No. 3, hereinabove identified, for the average conditions of pressure, flowing temperature and specific gravity at which the gas was measured during the period under consideration, and with the proportionate value of each carbon dioxide and nitrogen in the gas delivered included in the computation of the applicable supercompressibility factors. Company shall obtain appropriate carbon dioxide and nitrogen fraction values as may be required from time to time.

Positive Displacement Meters and Turbine Meters - When positive displacement meters and/or turbine meters are used for the measurement of gas, the flowing temperature of the gas metered shall be assumed to be sixty (60) degrees Fahrenheit, and no correction shall be made for any variation therefrom; provided however, that company shall have the option of installing a recording thermometer, and if company exercises such option, corrections shall be made for each degree variation in the applicable flowing temperature for the period under consideration.

**CENTERPOINT ENERGY RESOURCES CORP.  
D/B/A CENTERPOINT ENERGY ENTEX  
AND CENTERPOINT ENERGY TEXAS GAS  
TEXAS COAST DIVISION  
RATE SHEET  
GENERAL SERVICE-LARGE VOLUME  
RATE SCHEDULE NO. GSLV-623**

The volumes of gas determined shall be adjusted for the effect of supercompressibility as follows:

- (A) When the flowing temperature of gas is assumed to be sixty (60) degrees Fahrenheit, the supercompressibility factor shall be the square of the factor,  $F_{pv}$ , computed in accordance with the principles of the A.G. A. Report No. 3, hereinabove identified, for a pure hydrocarbon gas of six-tenths (0.6) specific gravity and for the average pressure at which the gas was measured.
- (B) When the flowing gas temperature is recorded and applied according to the option above, the supercompressibility factor shall be the square of the factor,  $F_{pv}$ , computed in accordance with the principles of the American Gas Association Gas Measurement Committee Report No. 3, hereinabove identified, for a pure hydrocarbon gas of six-tenths (0.6) specific gravity and for the average conditions of pressure and flowing temperature at which the gas was measured.

**SUPPLY INTERRUPTIONS**

Total or partial interruption of gas deliveries due to acts of God, the elements, requirements for residential and other uses declared superior to Consumers by law, or to other causes or contingencies beyond the control of Company or not proximately caused by Company's negligence, shall not be the basis for claims-delivery and receipt of gas to be resumed whenever any such cause or contingency shall end.

**CHARGES FOR UNAUTHORIZED OVER-RUN GAS**

Any gas taken during any day by Consumer which exceeds the maximum daily quantity specified in Consumer's contract with Company shall be considered to be unauthorized over-run gas. Any gas taken by Consumer after the effective hour of an order calling for a complete curtailment of all gas deliveries, and prior to the authorized resumption of natural gas service, hereunder shall be considered to be unauthorized over-run gas. Any gas taken by Consumer after the effective hour of an order calling for a partial curtailment, and prior to the authorized resumption of natural gas service, which exceeds the stated amount of gas deliveries Consumer may take during such partial curtailment, shall be considered to be unauthorized over-run gas. Company shall bill, and Consumer shall pay for unauthorized over-run gas at the rate of \$10.00 per Mcf, in addition to the Monthly Rate specified herein for such gas. The payment of such additional charge for unauthorized over-run gas shall not, under any circumstances, be considered as giving the Consumer the right to take unauthorized over-run gas, nor shall such payment be considered to exclude or limit any other remedies available to Company against the Consumer for exceeding the maximum daily quantity specified in Consumer's contract with Company, or for failure to comply with curtailment orders issued by Company hereunder.

The additional amount specified above charged for unauthorized over-run gas shall be adjusted, either plus or minus, to conform to the change made by Company's supplier in its rate schedule under which Company purchases its gas supply for resale under this schedule.

**RULES AND REGULATIONS**

Service under this schedule shall be furnished in accordance with the Company's General Rules and Regulations, as such rules may be amended from time to time. A copy of the Company's General Rules and Regulations may be obtained from Company's office located at 1111 Louisiana Street, Houston, Texas.

**CENTERPOINT ENERGY RESOURCES CORP.  
D/B/A CENTERPOINT ENERGY ENTEX  
AND CENTERPOINT ENERGY TEXAS GAS  
TEXAS COAST DIVISION  
RATE SHEET  
PURCHASED GAS ADJUSTMENT  
RATE SCHEDULE NO. PGA-12**

**1. PURCHASED GAS ADJUSTMENT (PGA) APPLICABILITY**

The Monthly Rate contained in the Company's total billing to residential and general service customers shall include the cost of natural gas purchased for resale hereunder.

**2. RATE CALCULATION**

The Purchased Gas Adjustment (PGA) Rate shall be calculated according to the following formula and included in the Monthly Rate:

$$\text{PGA Rate (per Mcf sold)} = [(G * R) \pm DA] \text{ rounded to the nearest } \$0.0001$$

$$\text{PGA Rate (per Ccf sold)} = \text{PGA Rate (per Mcf sold)} \div 10$$

Definitions:

- G = The Company's best estimate of the cost of natural gas (per Mcf) to be purchased for resale hereunder during the period that the PGA Rate is to be effective. The cost of natural gas shall include the cost of gas supplies purchased for resale hereunder, upstream transportation charges, storage charges, the cost of gas withdrawn from storage less the cost of gas injected into storage, and any transaction-related fees, gains or losses and other transaction costs associated with the use of various financial instruments used by the Company to stabilize prices.
- R = Ratio derived by dividing the actual Mcf purchased for the customers billed hereunder for the twelve months ended the preceding August by the actual Mcf sold to the customers billed hereunder during the same period.
- DA = Surcharge or surcredit, calculated on a per Mcf basis, relating to Deferred Purchased Gas Cost Accounts, as defined below.

**3. PGA FILINGS**

PGA filings shall be filed with the Railroad Commission of Texas (the "Regulatory Authority") by the last business day of the month immediately preceding the month the proposed new PGA factor will be implemented. The PGA filing shall include a calculation of the estimated PGA Rate together with supporting documents. Each such tentative PGA Rate shall become effective for bills rendered on and after the first day of the calendar month and shall continue to be in effect until the next filing, unless after the PGA filing, the Regulatory Authority takes action to disapprove or modify such PGA rate. In the event that the Regulatory Authority takes such action, then the PGA rate shall be in effect on an interim basis pending the final decision of the Regulatory Authority, and any person designated by the Regulatory Authority shall have the right and power to order the filing of any reasonable additional information. Any adjustment to the PGA Rate relating to a prior period shall be made prospectively.

**4. DEFERRED PURCHASED GAS COST ACCOUNTS**

The Company shall establish and maintain Deferred Gas Cost Account(s) in which shall be recorded: (a) the balance of over or under recoveries of the cost of gas purchased for resale hereunder, determined for the period ending on the last day prior to the effective day of this revised Purchased Gas Adjustment rate schedule, including subsequent corrections and amendments thereto; and (b) any over or under recovery of the cost of gas purchased for resale hereunder resulting from the operation of the PGA procedure

**CENTERPOINT ENERGY RESOURCES CORP.  
D/B/A CENTERPOINT ENERGY ENTEX  
AND CENTERPOINT ENERGY TEXAS GAS  
TEXAS COAST DIVISION  
RATE SHEET  
PURCHASED GAS ADJUSTMENT  
RATE SCHEDULE NO. PGA-12**

commencing with the first day of this revised purchased gas cost adjustment. Such ongoing over or under recovery shall include: (a) gas cost revenue recovery amounts for the revenue month; (b) the cost of gas purchased for resale hereunder for the same month as the revenue month; (c) carrying charge or credit amounts calculated based on the arithmetic average of the beginning and ending month balance of under or over recovery for the revenue-cost month times six percent (6%); and (d) carrying charge calculated based on the arithmetic average of the beginning and ending balance of gas in storage inventory for the prior calendar month times the pre-tax rate of return as determined in Docket No. GUD \_\_\_\_\_.

**CENTERPOINT ENERGY RESOURCES CORP.  
D/B/A CENTERPOINT ENERGY ENTEX  
AND CENTERPOINT ENERGY TEXAS GAS  
TEXAS COAST DIVISION  
RATE SHEET  
TAX ADJUSTMENT  
RATE SCHEDULE NO. TA-11**

The Customers shall reimburse the Company for the Customers' proportionate part of any tax, charge, impost, assessment or fee of whatever kind and by whatever name (except ad valorem taxes and income taxes) levied upon the Company by any governmental authority under any law, rule, regulation, ordinance, or agreement (hereinafter referred to as "the Tax"). If the law, rule, regulation, ordinance, or agreement levying the Tax specifies a method of collection from Customers, then the method so specified shall be utilized provided such method results in the collection of taxes from the Customers equal to the taxes levied on the Company. If no method of collection is specified, then the Company shall collect an amount calculated as a percentage of the Customers' bills applicable directly to those Customers located solely within the jurisdiction imposing the tax and/or within the jurisdiction where the tax is applicable. The percentage shall be determined so that the collection from Customers within the Company's different legal jurisdictions (municipal or otherwise defined) encompassing the Texas Coast Division is equal to the taxes levied on the Company.

The initial Tax Adjustment Rate shall be based on the Taxes that are levied upon the Company on the effective date of this Rate Schedule. The Company will initiate a new or changed Tax Adjustment Rate beginning with the billing cycle immediately following the effective date of the new or changed Tax as specified by the applicable law, rule, regulation, ordinance, or agreement, provided that the Company has the customer billing data necessary to bill and collect the Tax. If at any time there is a significant change that will cause an unreasonable over or under collection of the Tax, the Company will adjust the Tax Adjustment Rate so that such over or under collection will be minimized. The Tax Adjustment Rate (calculated on a per Ccf or per Mcf basis, as appropriate) shall be reported to the applicable governmental authority by the last business day of the month in which the Tax Adjustment Rate became effective.

**CENTERPOINT ENERGY RESOURCES CORP.  
D/B/A CENTERPOINT ENERGY ENTEX  
AND CENTERPOINT ENERGY TEXAS GAS  
TEXAS COAST DIVISION  
RATE SHEET  
FRANCHISE FEE ADJUSTMENT  
RATE SCHEDULE NO. FFA-5**

**APPLICATION**

Applicable to Customers inside the corporate limits of an incorporated municipality that imposes a municipal franchise fee upon Company for the Gas Service provided to Customer.

**MONTHLY ADJUSTMENT**

Company will adjust Customer's bill each month in an amount equal to the municipal franchise fees payable for the Gas Service provided to Customer by Company. Municipal franchise fees are determined by each municipality's franchise ordinance. Each municipality's franchise ordinance will specify the percentage and applicability of franchise fees.

**RAILROAD COMMISSION REPORTING**

CenterPoint shall maintain on file with the Commission a current listing of Cities and applicable franchise fees.

**CENTERPOINT ENERGY RESOURCES CORP.  
D/B/A CENTERPOINT ENERGY ENTEX  
AND CENTERPOINT ENERGY TEXAS GAS  
TEXAS COAST DIVISION  
RATE SHEET  
SCHEDULE OF MISCELLANEOUS SERVICE CHARGES  
RATE SCHEDULE NO. MISC-13**

**GAS SERVICE**

1.	Institution of service to residential or general service	\$40
	After-hours surcharge for each after-hours service call	\$47
2.	Restore service after termination for non-payment, cut-off by customer or agent or for convenience of customer	\$40
	After-hours surcharge for each after-hours service call	\$47
3.	Turning off service to active meter – account not finalled (per trip)	\$20
	After-hours surcharge for each after-hours service call	\$47
4.	Special meter test at customer's request (see General Rules and Regulations for special situations) – same customer at same location is allowed one test free of charge every four years	\$15
5.	Change customer meter	\$55
6.	Change residential meter location: Minimum charge	\$350
	Additional meters in manifold each	\$55
	(Plus cost of materials)	
7.	Tap Charge	N.C.*
8.	Installation of remote read device where company cannot get access to read meter	\$180
9.	Disconnect service at main	\$300
	(Plus any costs arising out of any city ordinance or regulation or governing work in city streets)	
	(Plus other related costs)	
10.	Restore service at main after termination for non-payment	\$300
	(Plus cost of materials)	
11.	Temporary transfer of individually metered multi-family service from vacating tenant to apartment complex owner. (Applicable to read and transfer transactions only. Precedent written agreement required.)	N.C.

\*Except where Company is required to pay tap charge to pipeline supplier to serve the consumer, the consumer shall reimburse Company.

**OTHER CHARGES**

12.	Collection call - trip charge (not collected under miscellaneous service item no. 3 – Turning off service to active meter)	\$20
13.	Returned check	\$20

**CENTERPOINT ENERGY RESOURCES CORP.  
D/B/A CENTERPOINT ENERGY ENTEX  
AND CENTERPOINT ENERGY TEXAS GAS  
TEXAS COAST DIVISION  
RATE SHEET  
SCHEDULE OF MISCELLANEOUS SERVICE CHARGES  
RATE SCHEDULE NO. MISC-13**

**DEPOSITS**

Up to the maximum amount allowed under the Railroad Commission of Texas Quality of Service Rule §7.45(5)(C)(ii) (the "one-sixth rule"). If there is no billing history on the customer's account, then the one-sixth rule will be applied to the customer's account based on similarly-situated customers located in the geographic area.

**TAX ADJUSTMENT**

The Tax Adjustment will be calculated and adjusted periodically as defined in the Company's Tax Adjustment Rate Schedule and Franchise Fee Adjustment Rate Schedule.

**CENTERPOINT ENERGY RESOURCES CORP.  
D/B/A CENTERPOINT ENERGY ENTEX  
AND CENTERPOINT ENERGY TEXAS GAS  
TEXAS COAST DIVISION  
RATE SHEET  
RATE CASE EXPENSE RECOVERY RATE SCHEDULE NO. RCE-9**

**APPLICATION OF SCHEDULE**

This schedule applies to all residential, small commercial, and large volume customers in the Texas Coast Division impacted by the Company's Statement of Intent to Increase Rates filed on \_\_\_\_\_, 2015 that resulted in the Final Order issued in GUD No. \_\_\_\_\_, and consolidated cases.

This rate schedule is for the recovery of rate case expense and shall be in effect beginning on or after \_\_\_\_\_, for a \_\_\_\_\_ ( ) month period or until all approved expenses are collected.

**MONTHLY RATE RECOVERY FACTOR:**

Residential	\$ _____ per bill
General Service-Small	\$ _____ per bill
General Service-Large	\$ _____ per bill

**RULES AND REGULATIONS**

Service under this schedule shall be furnished in accordance with the Company's General Rules and Regulations, as such rules may be amended from time to time. A copy of the Company's General Rules and Regulations may be obtained from Company's office located at 1111 Louisiana Street, Houston, Texas.

**COMPLIANCE**

The Company will file annually, due on the \_\_\_ of each \_\_\_\_\_, a report with the RRC Gas Services Division. The report shall detail the monthly collections for RCE surcharge by customer class and show the outstanding balance.

**CenterPoint Energy  
Texas Coast Division  
Revenue Requirement  
For the Test Year Ended September 30, 2014**

( A )	( B )
Line No.	Standard
Description	
1	Adjusted Rate Base
2	Rate of Return
3	Revenue Requirement
4	Net Income
5	Return Deficiency
6	Tax Factor (1-35.65% Income Tax Rate)
7	Revenue Increase (Line 5/Line 6)

- From:**
- ① Schedule 2
  - ② Schedule 3
  - ③ Schedule 4a
  - ④ Workpaper 1a

CenterPoint Energy  
Texas Coast Division  
Rate Base  
For the Test Year Ended September 30, 2014

(A)	(B)	(C)	(D)	(E)	(F)	
Line No.	Description	9/30/2014 Test Year	Known and Measureable Adjustments	9/30/2014 Adjusted ( B plus C )	Standard Rate Classes	Special Contract Classes
	Original Cost					
1	Intangible Plant	\$ 11,240,696		\$ 11,240,696		
2	General Plant	27,613,476		27,613,476		
3	Distribution Plant	253,583,840		253,583,840		
4	Total Original Cost	\$ 292,438,012	\$ -	\$ 292,438,012	\$ -	\$ -
	Deduct:					
5	Reserve for Depreciation	(111,751,904)	-	(111,751,904)		
6	Total Net Plant	\$ 180,686,108	\$ -	\$ 180,686,108	\$ 175,816,488	\$ 4,869,620
	Add:					
7	Cash Working Capital	(4,298,525)	-	(4,298,525)	(4,177,751)	(120,774)
8	Materials and Supplies**	277,094	-	277,094	269,309	7,785
9	Storage Gas*	8,201,627	(8,201,627)	-	-	-
10	Prepayments**	487,288	-	487,288	473,597	13,691
11	Deferred Benefit Asset	165,905	-	165,905	161,244	4,661
12	Retirement Plan Asset	7,751,461	-	7,751,461	7,533,671	217,790
13	Total Working Capital	\$ 12,584,850	\$ (8,201,627)	\$ 4,383,223	\$ 4,260,069	\$ 123,154
	Less:					
14	Customer Deposits	(5,896,352)	-	(5,896,352)	(5,737,441)	(158,911)
15	Customer Advances	-	-	-	-	-
16	Accumulated Deferred Income Taxes	(38,590,038)	-	(38,590,038)	(37,550,009)	(1,040,029)
17	Bad Debt Reserve	(223,637)	-	(223,637)	(217,610)	(6,027)
18	Injuries, Damages, Workers Comp Reserves	(1,186,664)	-	(1,186,664)	(1,153,323)	(33,341)
19	Employee Expense Related Reserves	(3,216,881)	-	(3,216,881)	(3,126,497)	(90,384)
20	Total Rate Base	\$ 144,157,386	\$ (8,201,627)	\$ 135,955,759	\$ 132,291,677	\$ 3,664,082

- From:
- ① Workpaper 2a Plant in Service
  - ② Workpaper 2b Accumulated Reserve
  - ③ Workpaper 2c Cash Working Capital
  - ④ Workpaper 2d Materials and Supplies
  - ⑤ Workpaper 2i Storage Gas
  - ⑥ Workpaper 2e Prepayments
  - ⑦ Workpaper 2m Deferred Benefit Asset
  - ⑧ Workpaper 2f Customer Deposits
  - ⑨ Workpaper 2g Customer Advances
  - ⑩ Workpaper 2h ADIT-TXC
  - ⑪ Workpaper 2j Bad Debt Reserves
  - ⑫ Workpaper 2l Injuries, Damages and Workers Compensation Reserves
  - ⑬ Workpaper 2k Employee Expense Related Reserves
  - ⑭ Workpaper 2n Retirement Plan Asset

To:  
⑮ Schedule 1

\* Based on a 12 month average  
\*\* Based on a 13 month average

**CenterPoint Energy  
Texas Coast Division  
Cost of Capital  
For The Test Year Ended September 30, 2014**

Line No.	(A) Class of Capital	(B) Percent	(C) Cost	(D) Weighted Cost of Capital
1	Long-Term Debt	45.50%	① 6.1141%	2.7819%
2	Common Equity	54.50%	10.2500%	5.5863%
3	Weighted Average Cost of Capital	<u>100.00%</u>		<u>8.3682%</u> ②

① REFER TO PREPARED TESTIMONY AND EXHIBITS OF ROBERT HEVERT FOR DETAILED SUPPORT.

From:

① Workpaper 3a

To:

② Schedule 1

CenterPoint Energy  
Texas Coast Division  
Net Income by FERC Account  
For the Test Year Ended September 30, 2014

Line No.	(A) Account/Description	(B) 12 ME Test Year	(C) Total Adjustments	(D) Adjusted Total	(E) Standard Rate Classes	(F) Transport/Special Contract Classes	(G) Rate Adjustment	(H) Test Year Adjusted
<b>OPERATING REVENUES:</b>								
1	4800 Gas Residential Sale	\$ 144,298,870	\$ (92,278,413)	\$ 52,020,457	52,020,457	-	\$ 6,526,765	
2	4811 Gas S Comm Sales	28,074,889	(24,863,887)	3,411,002	3,411,002		445,088	
3	4812 Gas L Comm Sales	(13,335)	783,421	770,086	770,086		(197,131)	
4	4813 Gas LV Comm Sales		-	-	-			
5	4814 Gas SV Ind Sales	1,186,086	(1,095,956)	90,130	90,130			
6	4850 Gas Intraco Transfer	1,066	(1,066)	-	-			
7	4870 Gas Forfeited Disc	(776)	776	-	-			
8	4880 Gas Misc Service Rev	3,524,108	40	3,524,148	3,510,937	13,211		
9	4893 Transp Rev-Distrib	3,279,564	260,714	3,540,278		3,540,278		
10	4930 Rent From Gas Properties		-	-				
11	4950 Other Gas Revs	376,742	(376,742)	-				
12	<b>Total Operating Revenues</b>	<b>\$ 180,727,214</b>	<b>\$ (117,371,113)</b>	<b>\$ 83,356,101</b>	<b>\$ 59,802,612</b>	<b>\$ 3,553,489</b>	<b>\$ 6,774,722</b>	<b>\$ 66,577,335</b>
<b>OPERATING EXPENSE:</b>								
13	8040 Gas City Gate Purch	\$ 78,478,131	\$ (78,478,131)	\$ -				
14	8051 Pur Gas Adjustments	3,261,374	(3,261,374)	-				
15	8081 Gas Storage - Debit	15,989,286	(15,989,286)	-				
16	8082 Gas Storage - Credit	(15,015,478)	15,015,478	-				
17	8580 Transmission of Gas	27,053,759	(27,053,759)	-				
18	<b>Total Gas Cost</b>	<b>\$ 109,767,072</b>	<b>\$ (109,767,072)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
19	8700 Oper Supv & Eng	\$ 448,028	\$ (3,408)	\$ 444,620	\$ 431,089	\$ 13,531		\$ 431,089
20	8710 Distr Load Dispatch	80,887	(2,367)	78,520	76,356	2,164		76,356
21	8740 Mains & Services Exp	2,680,685	11,121	2,691,806	2,639,558	52,248		2,639,558
22	8750 Meas & Reg Sta Exps	16,830	(894)	15,736	15,302	434		15,302
23	8760 Meas & Reg Sta Exps	54,763	3,266	58,029	56,429	1,600		56,429
24	8770 Meas & Reg Sta Exps		-	-	-	-		-
25	8780 Meter & House Reg	2,616,938	42,424	2,659,362	2,485,472	173,890		2,485,472
26	8790 Customer Install Exp	1,088,291	53,817	1,142,108	1,141,124	984		1,141,124
27	8800 Other Utility Expense	2,663,036	12,297	2,675,333	2,593,913	81,420		2,593,913
28	8810 Rents	375,607	(82,803)	292,804	283,893	8,911		283,893
29	<b>Distribution Expenses</b>	<b>\$ 10,024,865</b>	<b>\$ 33,453</b>	<b>\$ 10,058,318</b>	<b>\$ 9,723,136</b>	<b>\$ 335,182</b>	<b>\$ -</b>	<b>\$ 9,723,136</b>
30	9010 Supervision	\$ 188,222	\$ 565	\$ 188,787	\$ 188,624	\$ 163		\$ 188,624
31	9020 Meter Reading Exp	854,829	(321,213)	533,616	519,235	14,381		519,235
32	9030 Cust Records & Colle	5,855,567	35,860	5,891,427	5,732,649	158,778		5,732,649
33	9040 Uncollectible Accts	589,141	857	589,998	574,097	15,901		574,097
34	9050 Misc Cust Accts Exp	89,390	(1,826)	87,564	87,489	75		87,489
35	<b>Customer Accounts Expense</b>	<b>\$ 7,577,149</b>	<b>\$ (285,757)</b>	<b>\$ 7,291,392</b>	<b>\$ 7,102,094</b>	<b>\$ 189,298</b>	<b>\$ -</b>	<b>\$ 7,102,094</b>

CenterPoint Energy  
Texas Coast Division  
Net Income by FERC Account  
For the Test Year Ended September 30, 2014

(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	
Line No.	Account/Description	12 ME Test Year	Total Adjustments	Adjusted Total	Standard Rate Classes	Transport/Special Contract Classes	Rate Adjustment	Test Year Adjusted
36	9090 Info & Instruc Adv	\$ 325,468	\$ 202	\$ 325,670	\$ 325,390	\$ 280		\$ 325,390
37	9100 Misc Cust Srv & Info	162,279	480	162,759	162,619	140		162,618.82
38	<b>Customer Service &amp; Info Expense</b>	<b>\$ 487,747</b>	<b>\$ 682</b>	<b>\$ 488,429</b>	<b>\$ 488,008</b>	<b>\$ 421</b>	<b>\$ -</b>	<b>\$ 488,008</b>
39	9110 Supervision	\$ 162,279	\$ 502	\$ 162,781	\$ 162,641	\$ 140		\$ 162,641
40	9120 Demo & Selling Exps	23,183	75	23,258	23,238	20		23,237.97
41	9130 Advertising Exps		-	-	-	-		-
42	9160 Misc Sales Exps	46,365	151	46,516	46,476	40		46,475.94
43	<b>Sales Expense</b>	<b>\$ 231,827</b>	<b>\$ 728</b>	<b>\$ 232,555</b>	<b>\$ 232,355</b>	<b>\$ 200</b>	<b>\$ -</b>	<b>\$ 232,355</b>
44	9200 Admin & Gen Salaries	\$ 579,924	\$ (72,535)	\$ 507,389	\$ 493,133	\$ 14,256		\$ 493,133
45	9210 Office Supplies & Ex	1,030,560	(4,885)	1,025,675	996,857	28,818		996,856.97
46	9230 Outside Services Emp	28,961	-	28,961	28,147	814		28,147.29
47	9240 Property Insurance	24,425	809	25,234	24,554	680		24,553.93
48	9250 Injuries & Damages	1,469,773	25,341	1,495,114	1,453,106	42,008		1,453,106.31
49	9260 Empl Pensions&Ben	3,261,620	1,589,063	4,850,683	4,714,395	136,288		4,714,395.06
50	9280 Regulatory Comm Exp	(32)	32	-	-	-		-
51	9301 Gen Advertising Exp	6,928	46	6,974	6,968	6		6,967.99
52	9302 Misc General Exps	5,834,688	(112,132)	5,722,556	5,561,771	160,785		5,561,771.35
53	9310 Rents	222,004	3,296	225,300	218,970	6,330		218,969.82
54	9320 Maint Gen Plant	257,584	-	257,584	250,347	7,237		250,346.75
55	<b>Administrative &amp; General Expenses</b>	<b>\$ 12,716,435</b>	<b>\$ 1,429,035</b>	<b>\$ 14,145,470</b>	<b>\$ 13,748,249</b>	<b>\$ 397,221</b>	<b>\$ -</b>	<b>\$ 13,748,249</b>
56	<b>Total Operations Expense</b>	<b>\$ 140,805,095</b>	<b>\$ (108,588,931)</b>	<b>\$ 32,216,164</b>	<b>\$ 31,293,841</b>	<b>\$ 922,323</b>	<b>\$ -</b>	<b>\$ 31,293,841</b>
<b>MAINTENANCE EXPENSE:</b>								
57	8850 Maint Supv & Eng	\$ 413,288	\$ 1,491	\$ 414,779	\$ 402,156	\$ 12,623		\$ 402,156
58	8870 Maintenance of Mains	2,219,785	45,814	2,265,599	2,203,147	62,452		2,203,146.80
59	8890 Maint of Meas & Reg	331,430	6,496	337,926	328,611	9,315		328,610.93
60	8900 Maint-Meas & Reg Sta	31,431	943	32,374	31,482	892		31,481.60
61	8910 Maint-Meas & Reg-Cit	50,761	(96)	50,665	49,268	1,397		49,268.40
62	8920 Maint of Services	1,449,358	17,829	1,467,187	1,458,307	8,880		1,458,306.99
63	8930 Maint-Mtr & Hous Reg	407,174	4,922	412,096	385,150	26,946		385,149.94
64	8940 Maint of Oth Equip	113,428	5,039	118,467	114,862	3,605		114,861.64
65	<b>Total Maintenance Expense</b>	<b>\$ 5,016,855</b>	<b>\$ 82,438</b>	<b>\$ 5,099,093</b>	<b>\$ 4,972,982</b>	<b>\$ 126,111</b>	<b>\$ -</b>	<b>\$ 4,972,982</b>

CenterPoint Energy  
Texas Coast Division  
Net Income by FERC Account  
For the Test Year Ended September 30, 2014

	(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)
Line No.	Account/Description	12 ME Test Year	Total Adjustments	Adjusted Total	Standard Rate Classes	Transport/Special Contract Classes	Rate Adjustment	Test Year Adjusted
66	4030 Depreciation	\$ 9,491,953	\$ 368,715	\$ 9,860,668				
67	4043 Amrt Lmt-Trm Gas Plant	103	6,892	6,795				
68	4050 Amort Other Plant	574,290	1,233,062	1,807,352				
69	4073 Amort Property Loss, Unrecov. Plant		333,898	333,898				
70	<b>Depreciation &amp; Amortization</b>	<b>\$ 10,066,346</b>	<b>\$ 1,942,367</b>	<b>\$ 12,008,713</b>	<b>\$ 11,689,383</b>	<b>\$ 319,330</b>	<b>\$ -</b>	<b>\$ 11,689,383</b>
71	4081 Other Taxes-Non-Inc	\$ 8,486,489	\$ (5,499,557)	\$ 2,986,932	\$ 2,905,575	\$ 81,357		\$ 2,905,575
72	<b>Taxes Other Than Income Taxes</b>	<b>\$ 8,486,489</b>	<b>\$ (5,499,557)</b>	<b>\$ 2,986,932</b>	<b>\$ 2,905,575</b>	<b>\$ 81,357</b>	<b>\$ -</b>	<b>\$ 2,905,575</b>
73	<b>Utility Income Before Taxes</b>	<b>\$ 16,352,629</b>	<b>\$ (5,307,430)</b>	<b>\$ 11,045,199</b>	<b>\$ 8,940,831</b>	<b>\$ 2,104,368</b>	<b>\$ 6,774,722</b>	<b>\$ 15,715,553</b>
74	4091 Inc Taxes-Oper Inc	\$ 1,402,201	\$ (1,095,991)	\$ 306,210				
75	4101 Prov For Def Inc Tax	2,647,670	-	2,647,670				
76	<b>Income Taxes</b>	<b>\$ 4,049,871</b>	<b>\$ (1,095,991)</b>	<b>\$ 2,953,880</b>	<b>\$ 2,229,929</b>	<b>\$ 723,951</b>	<b>\$ 2,415,189</b>	<b>\$ 4,645,118</b>
77	<b>Net Utility Income</b>	<b>\$ 12,302,758</b>	<b>\$ (4,211,439)</b>	<b>\$ 8,091,319</b>	<b>\$ 6,710,902</b>	<b>\$ 1,380,417</b>	<b>\$ 4,359,533</b>	<b>\$ 11,070,435</b>

From:  
① Schedule 4b

To:  
② Schedule 1

CenterPoint Energy  
Texas Coast Division  
Summary of Income Statement Adjustments  
For the Test Year Ended September 30, 2014

Line No.	(A) Account/Description	(B) Total Adjustments	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	(K)
			4b 1	4b 2	4b 3	4b 4	4b 5a	4b 5b	4b 6	4b 7	4b 8
	Workpaper Ref. Number		Revenue Adjustment	Cost of Gas Adjustment	Franchise & GR Tax Adjustment	Benefits Adjustment	Auto & General Adjustment	Workers Comp Adjustment	Pipeline Safety Fee Adjustment	Hurricane Ike Adjustment	Interest on Customer Deposits
<b>OPERATING REVENUE</b>											
1	4800 Gas Residential Sale	\$ (92,278,413)	(\$92,278,413)								
2	4811 Gas S Comm Sales	\$ (24,683,887)	(\$24,683,887)								
3	4812 Gas L Comm Sales	\$ 783,421	783,421								
4	4813 Gas LV Comm Sales	\$ -	-								
5	4814 Gas SV Ind Sales	\$ (1,095,956)	(1,095,956)								
6	4850 Gas Intraco Transfer	\$ (1,066)	(1,066)								
7	4870 Gas Forfeited Disc	\$ 776	776								
8	4880 Gas Misc Service Rev	\$ 40	40								
9	4893 Transp Rev-Disinb	\$ 260,714	260,714								
10	4930 Rent From Gas Properties	\$ -	-								
11	4950 Other Gas Revs	\$ (378,742)	(79,749)						(298,993)		
12	<b>TOTAL OPERATING REVENUE</b>	<b>\$ (117,371,113)</b>	<b>\$ (117,074,120)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ (298,993)</b>	<b>\$ -</b>	<b>\$ -</b>
<b>OPERATION &amp; MAINTENANCE EXPENSE</b>											
<b>OTHER GAS SUPPLY AND TRANSMISSION EXPENSE</b>											
13	8040 Gas City Gate Purch	\$ (78,478,131)		\$ (78,478,131)							
14	8051 Pur Gas Adjustments	\$ (3,281,374)		(3,281,374)							
15	8081 Gas Storage - Debit	\$ (15,989,286)		(15,989,286)							
16	8092 Gas Storage - Credit	\$ 15,015,478		15,015,478							
17	8580 Transmission of Gas	\$ (27,053,759)		(27,053,759)							
18	<b>Total Other Gas Supply and Transmission Expense</b>	<b>\$ (109,767,072)</b>	<b>\$ -</b>	<b>\$ (109,767,072)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>DIVISION OPERATIONS EXPENSE</b>											
19	8700 Oper Supy & Eng	\$ (3,408)					\$ 92				
20	8710 Distr Load Dispatch	\$ (2,367)					4				
21	8740 Mains & Services Exp	\$ 11,121					811				
22	8750 Meas & Reg Sta Exps	\$ (894)									
23	8760 Meas & Reg Sta Exps	\$ 3,266					173				
24	8770 Meas & Reg Sta Exps	\$ -									
25	8790 Meter & House Reg	\$ 42,424					2,551				
26	8790 Customer Install Exp	\$ 53,817					2,697				
27	8800 Other Utility Expense	\$ 12,297					7				
28	8810 Rents	\$ (82,803)									
29	<b>Total Division Operations Expense</b>	<b>\$ 33,453</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 6,335</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

CenterPoint Energy  
Texas Coast Division  
Summary of Income Statement Adjustments  
For the Test Year Ended September 30, 2014

Line No.	(A) Account/Description	(B) Total Adjustments	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	(K)
			4b 1	4b 2	4b 3	4b 4	4b 5a	4b 5b	4b 6	4b 7	4b 8
	Workpaper Ref. Number		Revenue Adjustment	Cost of Gas Adjustment	Franchise & GR Tax Adjustment	Benefits Adjustment	Auto & General Adjustment	Workers Comp Adjustment	Pipeline Safety Fee Adjustment	Hurricane Ike Adjustment	Interest on Customer Deposits
<b>DIVISION MAINTENANCE EXPENSE</b>											
30	8850 Maint Supv & Eng	\$ 1,491					\$ 179				
31	8970 Maintenance of Mains	\$ 45,814					2,439				
32	8890 Maint of Meas & Reg	\$ 8,486					342				
33	8900 Maint-Meas & Reg Sta	\$ 943					49				
34	8910 Maint-Meas & Reg-Cit	\$ (96)									
35	8920 Maint of Services	\$ 17,829					1,025				
36	8930 Maint-Mtr & Hous Reg	\$ 4,922					286				
37	8940 Maint of Oth Equip	\$ 5,039					240				
38	<b>Total Division Maintenance Expense</b>	<b>\$ 82,438</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 4,560</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>CUSTOMER ACCOUNTS EXPENSE</b>											
39	9010 Supervision	\$ 565					\$ 36				
40	9020 Meter Reading Exp	\$ (321,213)					366				
41	9030 Cust Records & Colle	\$ 35,860					602				4,127
42	9040 Uncollectible Accts	\$ 857									
43	9050 Misc Cust Accts Exp	\$ (1,826)									
44	<b>Total Customer Accounts Expense</b>	<b>\$ (285,757)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 1,004</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 4,127</b>
<b>CUSTOMER SERVICE EXPENSE</b>											
45	9090 Info & Instruc Adv	\$ 202					\$ 20				
46	9100 Misc Cust Srv & Info	\$ 480					48				
47	<b>Total Customer Service Expense</b>	<b>\$ 682</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 68</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>SALES PROMOTION EXPENSE</b>											
48	9110 Supervision	\$ 502					\$ 49				
49	9120 Demo & Selling Exps	\$ 75					7				
50	9130 Advertising Exps	\$ -									
51	9160 Misc Sales Exps	\$ 151					14				
52	<b>Total Sales Promotion Expense</b>	<b>\$ 728</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 70</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>ADMINISTRATIVE AND GENERAL EXPENSE</b>											
53	9200 Admin & Gen Salaries	\$ (72,535)									
54	9210 Office Supplies & Ex	\$ (4,885)									
55	9230 Outside Services Emp	\$ -									
56	9240 Property Insurance	\$ 809									
57	9250 Injuries & Damages	\$ 25,341					\$ 30,755	(5,414)			
58	9260 Empl Pensions&Ben	\$ 1,589,063				617,247					
59	9280 Regulatory Comm Exp	\$ 32									
60	9301 Gen Advertising Exp	\$ 46									
61	9302 Misc General Exps	\$ (112,132)				1,580					
62	9310 Rents	\$ 3,286									
63	9320 Maint Gen Plant	\$ -									
64	<b>Total Administrative and General Expense</b>	<b>\$ 1,429,035</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 618,827</b>	<b>\$ 30,755</b>	<b>\$ (5,414)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

CenterPoint Energy  
Texas Coast Division  
Summary of Income Statement Adjustments  
For the Test Year Ended September 30, 2014

Line No.	Account/Description	(A) Workpaper Ref. Number	(B) Total Adjustments	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	(K)
				4b 1 Revenue Adjustment	4b 2 Cost of Gas Adjustment	4b 3 Franchise & GR Tax Adjustment	4b 4 Benefits Adjustment	4b 5a Auto & General Adjustment	4b 5b Workers Comp Adjustment	4b 6 Pipeline Safety Fee Adjustment	4b 7 Hurricane like Adjustment	4b 8 Interest on Customer Deposits
<b>DEPRECIATION AND AMORTIZATION EXPENSES</b>												
65	4030 Depreciation		\$ 368,715									
66	4043 Amrt Lmt-Trm Gas Plant		\$ 6,692									
67	4050 Amort Other Plant		\$ 1,233,062									
68	4073 Amort Property Loss, Unrecov. Plant		\$ 333,898								333,898	
69	<b>Total Depreciation and Amortization</b>		<b>\$ 1,942,367</b>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 333,898	\$ -
<b>TAXES OTHER THAN INCOME TAX</b>												
70	4081 Other Taxes-Non-Inc		\$ (5,499,557)			\$ (5,247,152)				\$ (268,782)		
71	<b>Total Taxes Other Than Income Taxes</b>		<b>\$ (5,499,557)</b>	\$ -	\$ -	\$ (5,247,152)	\$ -	\$ -	\$ -	\$ (268,782)	\$ -	\$ -
72	<b>Total O&amp;M Expense</b>		<b>\$ (112,063,683)</b>	\$ -	\$ (109,767,072)	\$ (5,247,152)	\$ 618,827	\$ 42,792	\$ (5,414)	\$ (268,782)	\$ 333,898	\$ 4,127
73	<b>Net Utility Operating Income Before Income Tax</b>		<b>\$ (5,307,430)</b>	\$ (117,074,120)	\$ 109,767,072	\$ 5,247,152	\$ (618,827)	\$ (42,792)	\$ 5,414	\$ (28,211)	\$ (333,898)	\$ (4,127)
<b>INCOME TAXES</b>												
74	4091 Inc Taxes-Oper Inc		\$ (1,065,991)									
75	4101 Prov For Def Inc Tax		\$ -									
	<b>Income Taxes</b>		<b>\$ (1,065,991)</b>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
76	<b>Net Utility Income</b>		<b>\$ (4,211,439)</b>	\$ (117,074,120)	\$ 109,767,072	\$ 5,247,152	\$ (618,827)	\$ (42,792)	\$ 5,414	\$ (28,211)	\$ (333,898)	\$ (4,127)

To  
Schedule 4a

CenterPoint Energy  
Texas Coast Division  
Summary of Income Statement Adjustments  
For the Test Year Ended September 30, 2014

Line No.	(A) Workpaper Ref. Number Account/Description	(B) Total Adjustments	(L)	(M)	(N)	(O)	(P)	(Q)	(R)	(S)	(T)
			4b 9 Contributions Memberships Entertainment Adjustment	4b 10 Investor Relations Adjustment	4b 11 Bad Debt Adjustment	4b 12 Depreciation Adjustment	4b 13 Transportation Depreciation Adjustment	4b 14 Meals & Travel Adjustment	4b 15 Amortization of Deferred Benefit Adjustment	4b 16 Short Term Incentive Adjustment	4b 17 Factoring Expense Adjustment
<b>OPERATING REVENUE</b>											
1	4800 Gas Residential Sale	\$ (92,278,413)									
2	4811 Gas S Comm Sales	\$ (24,683,887)									
3	4812 Gas L Comm Sales	\$ 783,421									
4	4813 Gas LV Comm Sales	\$ -									
5	4814 Gas SV Ind Sales	\$ (1,095,956)									
6	4850 Gas Intraco Transfer	\$ (1,066)									
7	4870 Gas Forfeited Disc	\$ 778									
8	4880 Gas Misc Service Rev	\$ 40									
9	4893 Transp Rev-Distrib	\$ 280,714									
10	4930 Rent From Gas Properties	\$ -									
11	4950 Other Gas Revs	\$ (376,742)									
12	<b>TOTAL OPERATING REVENUE</b>	<b>\$ (117,371,113)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>OPERATION &amp; MAINTENANCE EXPENSE</b>											
<b>OTHER GAS SUPPLY AND TRANSMISSION EXPENSE</b>											
13	8040 Gas City Gate Purch	\$ (78,478,131)									
14	8051 Pur Gas Adjustments	\$ (3,281,374)									
15	8061 Gas Storage - Debit	\$ (15,989,286)									
16	8082 Gas Storage - Credit	\$ 15,015,478									
17	8580 Transmission of Gas	\$ (27,053,759)									
18	<b>Total Other Gas Supply and Transmission Expense</b>	<b>\$ (109,787,072)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>DIVISION OPERATIONS EXPENSE</b>											
19	8700 Oper Supv & Eng	\$ (3,408)	\$ (515)			\$ 1,637	\$ (1,852)		\$ (3,184)		
20	8710 Distr Load Dispatch	\$ (2,367)				65	(101)		(2,586)		
21	8740 Mains & Services Exp	\$ 11,121	\$ (484)			14,521	(5,221)				
22	8750 Meas & Reg Sta Exps	\$ (884)					(46)		(848)		
23	8760 Meas & Reg Sta Exps	\$ 3,266				3,102	(9)				
24	8770 Meas & Reg Sta Exps	\$ -									
25	8780 Meter & House Reg	\$ 42,424	\$ (484)			45,654	(5,477)				
26	8790 Customer Install Exp	\$ 53,817				48,261	(122)				
27	8800 Other Utility Expense	\$ 12,297	\$ (3)			129	(1,552)				
28	8810 Rents	\$ (82,603)									
29	<b>Total Division Operations Expense</b>	<b>\$ 33,453</b>	<b>\$ (1,486)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 113,369</b>	<b>\$ (14,380)</b>	<b>\$ -</b>	<b>\$ (6,598)</b>	<b>\$ -</b>

CenterPoint Energy  
Texas Coast Division  
Summary of Income Statement Adjustments  
For the Test Year Ended September 30, 2014

Line No.	Account/Description	(A) Workpaper Ref. Number	(B) Total Adjustments	(L)	(M)	(N)	(O)	(P)	(Q)	(R)	(S)	(T)
				4b 9 Contributions Memberships Entertainment Adjustment	4b 10 Investor Relations Adjustment	4b 11 Bad Debt Adjustment	4b 12 Depreciation Adjustment	4b 13 Transportation Depreciation Adjustment	4b 14 Meals & Travel Adjustment	4b 15 Amortization of Deferred Benefit Adjustment	4b 16 Short Term Incentive Adjustment	4b 17 Factoring Expense Adjustment
<b>DIVISION MAINTENANCE EXPENSE</b>												
30	8850 Maint Supy & Eng		\$ 1,491	\$ (515)				\$ 3,210	\$ (1,965.00)			
31	8870 Maintenance of Mains		\$ 45,814	\$ (487)				43,650	(3,694)			
32	8890 Maint of Meas & Reg		\$ 6,496					6,119	(160)			
33	8900 Maint-Meas & Reg Sta		\$ 943					883	(35)			
34	8910 Maint-Meas & Reg-Cit		\$ (96)						(96)			
35	8920 Maint of Services		\$ 17,829	\$ (484)				18,335	(2,974)			
36	8930 Maint-Mtr & Hous Reg		\$ 4,922	\$ (3)				5,128	(1,011)		(1,698)	
37	8940 Maint of Oth Equip		\$ 5,039					4,287	(120)			
38	<b>Total Division Maintenance Expense</b>		<b>\$ 82,438</b>	<b>\$ (1,489)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 81,612</b>	<b>\$ (10,055)</b>	<b>\$ -</b>	<b>\$ (1,698)</b>	<b>\$ -</b>
<b>CUSTOMER ACCOUNTS EXPENSE</b>												
39	9010 Supervision		\$ 565	\$ (323)				\$ 646	\$ (940)			
40	9020 Meter Reading Exp		\$ (321,213)					6,550	(1,663)			
41	9030 Cust Records & Colle		\$ 35,860					10,772	(106)			20,465
42	9040 Uncollectible Accts		\$ 857		857							
43	9050 Misc Cust Accts Exp		\$ (1,825)						(118)			
44	<b>Total Customer Accounts Expense</b>		<b>\$ (285,757)</b>	<b>\$ (323)</b>	<b>\$ -</b>	<b>\$ 857</b>	<b>\$ -</b>	<b>\$ 17,968</b>	<b>\$ (2,827)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 20,465</b>
<b>CUSTOMER SERVICE EXPENSE</b>												
45	9090 Info & Instruc Adv		\$ 202	\$ (6)				\$ 366	\$ (138)		\$ (40)	
46	9100 Misc Cust Srv & Info		\$ 480	\$ (15)				862	(321)		(93)	
47	<b>Total Customer Service Expense</b>		<b>\$ 682</b>	<b>\$ (21)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 1,228</b>	<b>\$ (459)</b>	<b>\$ -</b>	<b>\$ (133)</b>	<b>\$ -</b>
<b>SALES PROMOTION EXPENSE</b>												
48	9110 Supervision		\$ 502	\$ (15)				\$ 883	\$ (321)		\$ (93)	
49	9120 Demo & Selling Exps		\$ 75	\$ (2)				129	(46)		(13)	
50	9130 Advertising Exps		\$ -									
51	9180 Misc Sales Exps		\$ 151	\$ (4)				259	(92)		(26)	
52	<b>Total Sales Promotion Expense</b>		<b>\$ 728</b>	<b>\$ (21)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 1,271</b>	<b>\$ (459)</b>	<b>\$ -</b>	<b>\$ (132)</b>	<b>\$ -</b>
<b>ADMINISTRATIVE AND GENERAL EXPENSE</b>												
53	9200 Admin & Gen Salaries		\$ (72,535)								\$ (72,535)	
54	9210 Office Supplies & Ex		\$ (4,885)	\$ (307)					(4,578)			
55	9230 Outside Services Emp		\$ -									
56	9240 Property Insurance		\$ 809									
57	9250 Injuries & Damages		\$ 25,341									
58	9260 Empl Pensions&Ben		\$ 1,589,063							90,609		
59	9280 Regulatory Comm Exp		\$ 32									
60	9301 Gen Advertising Exp		\$ 46									
61	9302 Misc General Exps		\$ (112,132)	\$ (11,293)	(66,732)					(35,308)		
62	9310 Rents		\$ 3,298									
63	9320 Maint Gen Plant		\$ -									
64	<b>Total Administrative and General Expense</b>		<b>\$ 1,429,035</b>	<b>\$ (11,600)</b>	<b>\$ (66,732)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ (4,578)</b>	<b>\$ 55,301</b>	<b>\$ (72,535)</b>	<b>\$ -</b>

CenterPoint Energy  
Texas Coast Division  
Summary of Income Statement Adjustments  
For the Test Year Ended September 30, 2014

Line No.	(A) Account/Description	(B) Total Adjustments	(L)	(M)	(N)	(O)	(P)	(Q)	(R)	(S)	(T)
			4b 9 Contributions Memberships Entertainment Adjustment	4b 10 Investor Relations Adjustment	4b 11 Bad Debt Adjustment	4b 12 Depreciation Adjustment	4b 13 Transportation Depreciation Adjustment	4b 14 Meals & Travel Adjustment	4b 15 Amortization of Deferred Benefit Adjustment	4b 16 Short Term Incentive Adjustment	4b 17 Factoring Expense Adjustment
<b>DEPRECIATION AND AMORTIZATION EXPENSES</b>											
65	4030 Depreciation	\$ 368,715				\$ 355,357					
66	4043 Amrt Lmt-Trm Gas Plant	\$ 6,692				6,692					
67	4050 Amort Other Plant	\$ 1,233,062				1,233,062					
68	4073 Amort Property Loss, Unrecov. Plant	\$ 333,898									
69	<b>Total Depreciation and Amortization</b>	<b>\$ 1,942,367</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 1,595,111</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>TAXES OTHER THAN INCOME TAX</b>											
70	4081 Other Taxes-Non-Inc	\$ (5,499,557)									
71	<b>Total Taxes Other Than Income Taxes</b>	<b>\$ (5,499,557)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
72	<b>Total O&amp;M Expense</b>	<b>\$ (112,063,693)</b>	<b>\$ (14,940)</b>	<b>\$ (66,732)</b>	<b>\$ 857</b>	<b>\$ 1,595,111</b>	<b>\$ 215,448</b>	<b>\$ (32,758)</b>	<b>\$ 55,301</b>	<b>\$ (81,096)</b>	<b>\$ 20,465</b>
73	<b>Net Utility Operating Income Before Income Tax</b>	<b>\$ (5,307,430)</b>	<b>\$ 14,940</b>	<b>\$ 66,732</b>	<b>\$ (857)</b>	<b>\$ (1,595,111)</b>	<b>\$ (215,448)</b>	<b>\$ 32,758</b>	<b>\$ (55,301)</b>	<b>\$ 81,096</b>	<b>\$ (20,465)</b>
<b>INCOME TAXES</b>											
74	4091 Inc Taxes-Oper Inc	\$ (1,095,991)									
75	4101 Prov For Def Inc Tax	\$ -									
	<b>Income Taxes</b>	<b>\$ (1,095,991)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
76	<b>Net Utility Income</b>	<b>\$ (4,211,439)</b>	<b>\$ 14,940</b>	<b>\$ 66,732</b>	<b>\$ (857)</b>	<b>\$ (1,595,111)</b>	<b>\$ (215,448)</b>	<b>\$ 32,758</b>	<b>\$ (55,301)</b>	<b>\$ 81,096</b>	<b>\$ (20,465)</b>

To  
Schedule 4a

CenterPoint Energy  
Texas Coast Division  
Summary of Income Statement Adjustments  
For the Test Year Ended September 30, 2014

Line No.	(A) Account/Description	(B) Total Adjustments	(U)	(V)	(W)	(X)	(Y)	(Z)	(AA)	(AB)
			4b 18	4b 19	4b 20	4b 21	4b 22	4b 23	4b 24	Total Adjustments
Workpaper Ref. Number			Federal & State Tax Adjustment	Meter Reading Adjustment	Severance Adjustment	Rent Expense Adjustment	Legislative Advocacy	Postretirement Amortization	COSA Expenses	
<b>OPERATING REVENUE</b>										
1	4800 Gas Residential Sale	\$ (92,278,413)								\$ (92,278,413)
2	4811 Gas S Comm Sales	\$ (24,683,887)								(24,683,887)
3	4812 Gas L Comm Sales	\$ 783,421								783,421
4	4813 Gas LV Comm Sales	\$ -								-
5	4814 Gas SV Ind Sales	\$ (1,095,956)								(1,095,956)
6	4850 Gas Intraco Transfer	\$ (1,066)								(1,066)
7	4870 Gas Forfeited Disc	\$ 776								776
8	4880 Gas Misc Service Rev	\$ 40								40
9	4893 Transp Rev-Distrib	\$ 260,714								260,714
10	4930 Rent From Gas Properties	\$ -								-
11	4950 Other Gas Revs	\$ (376,742)								(376,742)
12	<b>TOTAL OPERATING REVENUE</b>	<b>\$ (117,371,113)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ (117,371,113)</b>
<b>OPERATION &amp; MAINTENANCE EXPENSE</b>										
<b>OTHER GAS SUPPLY AND TRANSMISSION EXPENSE</b>										
13	8040 Gas City Gate Purch	\$ (78,478,131)								\$ (78,478,131)
14	8051 Pur Gas Adjustments	\$ (3,261,374)								(3,261,374)
15	8081 Gas Storage - Debit	\$ (15,989,286)								(15,989,286)
16	8082 Gas Storage - Credit	\$ 15,015,478								15,015,478
17	8580 Transmission of Gas	\$ (27,053,759)								(27,053,759)
18	<b>Total Other Gas Supply and Transmission Expense</b>	<b>\$ (109,767,072)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ (109,767,072)</b>
<b>DIVISION OPERATIONS EXPENSE</b>										
19	8700 Oper Supv & Eng	\$ (3,408)				\$ 468		(52)		\$ (3,408)
20	8710 Distr Load Dispatch	\$ (2,367)				\$ 231				(2,367)
21	8740 Mains & Services Exp	\$ 11,121					1,546	(52)		11,121
22	8750 Meas & Reg Sta Exps	\$ (894)								(894)
23	8760 Meas & Reg Sta Exps	\$ 3,266								3,266
24	8770 Meas & Reg Sta Exps	\$ -								-
25	8780 Meter & House Reg	\$ 42,424				232		(52)		42,424
26	8790 Customer Install Exp	\$ 53,817					2,981			53,817
27	8800 Other Utility Expense	\$ 12,297					13,716			12,297
28	8810 Rents	\$ (82,803)					(82,803)			(82,803)
29	<b>Total Division Operations Expense</b>	<b>\$ 33,453</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ (63,631)</b>	<b>\$ (156)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 33,453</b>

CenterPoint Energy  
Texas Coast Division  
Summary of Income Statement Adjustments  
For the Test Year Ended September 30, 2014

Line No.	Account/Description	(A) Workpaper Ref. Number	(B) Total Adjustments	(U)	(V)	(W)	(X)	(Y)	(Z)	(AA)	(AB)
				4b 18	4b 19	4b 20	4b 21	4b 22	4b 23	4b 24	Total Adjustments
				Federal & State Tax Adjustment	Meter Reading Adjustment	Severance Adjustment	Rent Expense Adjustment	Legislative Advocacy	Postretirement Amortization	COSA Expenses	
<b>DIVISION MAINTENANCE EXPENSE</b>											
30	8850 Maint Supv & Eng		\$ 1,491				\$ 634.00	\$ (52.00)			\$ 1,491.00
31	8870 Maintenance of Mains		\$ 45,814				3,958	(52)			45,814
32	8890 Maint of Meas & Reg		\$ 6,496				165				6,496
33	8900 Maint-Meas & Reg Sta		\$ 943				46				943
34	8910 Maint-Meas & Reg-Cit		\$ (96)								(96)
35	8920 Maint of Services		\$ 17,829				1,979	(52)			17,829
36	8930 Maint-Mtr & Hous Reg		\$ 4,922				2,220				4,922
37	8940 Maint of Oth Equip		\$ 5,039				632				5,039
38	<b>Total Division Maintenance Expense</b>		<b>\$ 82,438</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 9,664</b>	<b>\$ (156)</b>			<b>\$ 82,438</b>
<b>CUSTOMER ACCOUNTS EXPENSE</b>											
39	9010 Supervision		\$ 565				\$ 1,181	\$ (35)			\$ 565
40	9020 Meter Reading Exp		\$ (321,213)		(410,501)	84,035					(321,213)
41	9030 Cust Records & Colle		\$ 35,960								35,960
42	9040 Uncollectible Accts		\$ 857								857
43	9050 Misc Cust Accts Exp		\$ (1,828)				(1,708)				(1,828)
44	<b>Total Customer Accounts Expense</b>		<b>\$ (285,757)</b>	<b>\$ -</b>	<b>\$ (410,501)</b>	<b>\$ 84,035</b>	<b>\$ (527)</b>	<b>\$ (35)</b>	<b>\$ -</b>		<b>\$ (285,757)</b>
<b>CUSTOMER SERVICE EXPENSE</b>											
45	9090 Info & Instruc Adv		\$ 202								\$ 202
46	9100 Misc Cust Srv & Info		\$ 480					(1)			480
47	<b>Total Customer Service Expense</b>		<b>\$ 682</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ (1)</b>	<b>\$ -</b>		<b>\$ 682</b>
<b>SALES PROMOTION EXPENSE</b>											
48	9110 Supervision		\$ 502					\$ (1)			\$ 502
49	9120 Demo & Selling Exps		\$ 75								75
50	9130 Advertising Exps		\$ -								-
51	9160 Misc Sales Exps		\$ 151								151
52	<b>Total Sales Promotion Expense</b>		<b>\$ 728</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ (1)</b>	<b>\$ -</b>		<b>\$ 728</b>
<b>ADMINISTRATIVE AND GENERAL EXPENSE</b>											
53	9200 Admin & Gen Salaries		\$ (72,535)								\$ (72,535)
54	9210 Office Supplies & Ex		\$ (4,885)								(4,885)
55	9230 Outside Services Emp		\$ -								-
56	9240 Property Insurance		\$ 809				809				809
57	9250 Injuries & Damages		\$ 25,341								25,341
58	9260 Empl Pensions&Ben		\$ 1,589,063						881,207		1,589,063
59	9280 Regulatory Comm Exp		\$ 32							32	32
60	9301 Gen Advertising Exp		\$ 46				46				46
61	9302 Misc General Exps		\$ (112,132)					(379)			(112,132)
62	9310 Rents		\$ 3,296		3,296						3,296
63	9320 Maint Gen Plant		\$ -								-
64	<b>Total Administrative and General Expense</b>		<b>\$ 1,429,035</b>	<b>\$ -</b>	<b>\$ 3,296</b>	<b>\$ -</b>	<b>\$ 855</b>	<b>\$ (379)</b>	<b>\$ 881,207</b>	<b>\$ 32</b>	<b>\$ 1,429,035</b>

CenterPoint Energy  
Texas Coast Division  
Summary of Income Statement Adjustments  
For the Test Year Ended September 30, 2014

Line No.	(A) Account/Description Workpaper Ref. Number	(B) Total Adjustments	(U)	(V)	(W)	(X)	(Y)	(Z)	(AA)	(AB)
			4b 18	4b 19	4b 20	4b 21	4b 22	4b 23	4b 24	Total Adjustments
			Federal & State Tax Adjustment	Meter Reading Adjustment	Severance Adjustment	Rent Expense Adjustment	Legislative Advocacy	Postretirement Amortization	COSA Expenses	
<b>DEPRECIATION AND AMORTIZATION EXPENSES</b>										
65	4030 Depreciation	\$ 368,715				\$ 13,358				\$ 368,715
66	4043 Amrt Lmt-Trm Gas Plant	\$ 6,692								6,692
67	4050 Amort Other Plant	\$ 1,233,062								1,233,062
68	4073 Amort Property Loss, Unrecov. Plant	\$ 333,898								333,898
69	<b>Total Depreciation and Amortization</b>	<b>\$ 1,942,367</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 13,358</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 1,942,367</b>
<b>TAXES OTHER THAN INCOME TAX</b>										
70	4081 Other Taxes-Non-Inc	\$ (5,499,557)				\$ 16,377				\$ (5,499,557)
71	<b>Total Taxes Other Than Income Taxes</b>	<b>\$ (5,499,557)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 16,377</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ (5,499,557)</b>
72	<b>Total O&amp;M Expense</b>	<b>\$ (112,083,683)</b>	<b>\$ -</b>	<b>\$ (407,205)</b>	<b>\$ 84,035</b>	<b>\$ (23,904)</b>	<b>\$ (728)</b>	<b>\$ 881,207</b>	<b>\$ 32</b>	<b>\$ (112,083,683)</b>
73	<b>Net Utility Operating Income Before Income Tax</b>	<b>\$ (5,307,430)</b>	<b>\$ -</b>	<b>\$ 407,205</b>	<b>\$ (84,035)</b>	<b>\$ 23,904</b>	<b>\$ 728</b>	<b>\$ (881,207)</b>	<b>\$ (32)</b>	<b>\$ (5,307,430)</b>
<b>INCOME TAXES</b>										
74	4091 Inc Taxes-Oper Inc	\$ (1,095,991)	\$ (1,095,991)							\$ (1,095,991)
75	4101 Prov For Def Inc Tax	\$ -								\$ -
	<b>Income Taxes</b>	<b>\$ (1,095,991)</b>	<b>\$ (1,095,991)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ (1,095,991)</b>
76	<b>Net Utility Income</b>	<b>\$ (4,211,439)</b>	<b>\$ 1,095,991</b>	<b>\$ 407,205</b>	<b>\$ (84,035)</b>	<b>\$ 23,904</b>	<b>\$ 728</b>	<b>\$ (881,207)</b>	<b>\$ (32)</b>	<b>\$ (4,211,439)</b>

To  
Schedule 4a

## REQUEST FOR CITY COUNCIL AGENDA ITEM

<b>Agenda Date Requested</b> <u>April 27, 2015</u>
<b>Requested By</b> <u>Corby Alexander</u>
<b>City Manager</b>
<b>Department:</b> _____
<b>Report:</b> _____ <b>Resolution:</b> _____ <b>Ordinance:</b> _____

<b><u>Appropriation</u></b>
<b>Source of Funds:</b> _____
<b>Account Number:</b> _____
<b>Amount Budgeted:</b> _____
<b>Amount Requested:</b> _____
<b>Budgeted Item:</b> <b>YES</b> _____ <b>NO</b> _____

**Exhibits:** ServPro Quote

**Exhibits:** \_\_\_\_\_

### **SUMMARY & RECOMMENDATION**

On Saturday April 18, 2015, the indoor pool at the City's Fitness Center overflowed causing extensive damage to the facility, particularly to the walls and floors. Servpro, a certified disaster restoration company, was called immediately. Servpro has been working to dry out the facility and, once completed, will issue a certification that the building is dry. Once this process is complete, we will need to begin the process to repair/replace the damaged components.

Each year, during the budget process, the City budgets a set number of dollars for contingency or unforeseen expenditures. Presently, the contingency line item has \$242,355 unexpended and available. Unfortunately, at this time we do not have a firm cost for the needed repairs to the building. We hope to have at least one comprehensive quote by the time of the Council meeting to give a better feel of what the likely cost for total restoration will be. Staff has submitted a claim to TML (the City's property/liability carrier) for reimbursement. TML has acknowledged that this is a covered event and has an adjuster working the claim. At this time, we do not have an estimate of what the insurance reimbursement will be, subject to our \$25,000 deductible.

In cases such as this one, state law gives the City a lawful exception to bypass normally required bidding procedures. However, staff is looking to Council for direction as to whether to invoke this privilege. The primary benefit to bypassing is the decreased time that would be needed to get the building back into service. This lapse in timing will definitely generate some scheduling conflicts, particularly for the senior programs, most notably the senior nutrition program. The nutrition program is operating out of Jennie Riley now; however, the upcoming months will bring programming that will conflict at this location. Bypassing bidding requirements could mean paying more, although we would make every effort to get the most competitive pricing.

Additionally, the City Charter requires Council approval for any expenditure over \$50,000. Attached is a quote from Servpro in the amount of \$42,028.83 to repair and replace walls and some flooring. The quote does not include specialty flooring needed for the gym, aerobics room, and racquet ball courts.

---

**Action Required by Council:**

There are two questions before Council.

1. Authorize using state law exception to standard bidding procedures to bring the building back online in the most timely manner.
2. Authorize the expenditure of contingency funds to restore the building.

**Approved for City Council Agenda**

\_\_\_\_\_  
**Corby D. Alexander, City Manager**

\_\_\_\_\_  
**Date**

---



## SERVPRO of Baytown/Channelview

---

2700 Greens Rd. #F300  
Houston, TX 77032  
Office (281) 219-8180 - Fax (281) 219-8181  
Tax ID # 20-0532035  
servpro9734@comcast.net  
Franchise# 9246

Client: LaPorte Recreation and Fitness Center  
Property: 1322 Broadway St  
LaPorte, TX 77571

Home: (281) 204-5392

Operator: ATIPPIE

Estimator: Gary Babb  
Position: Construction Manager  
Company: ServPro The Woodlands

*Re-Skin*

Type of Estimate: Water Damage  
Date Entered: 4/22/2015

Date Assigned:

Price List: TXHO8X\_APR15  
Labor Efficiency: Restoration/Service/Remodel  
Estimate: LAPORTEREC-INS



# SERVPRO of Baytown/Channelview

2700 Greens Rd. #F300  
 Houston, TX 77032  
 Office (281) 219-8180 - Fax (281) 219-8181  
 Tax ID # 20-0532035  
 servpro9734@comcast.net  
 Franchise# 9246

2015-04-22-1626

## Senior Center

LxWxH 70' x 47' x 10'

DESCRIPTION	QTY	UNIT PRICE	TOTAL
1. Vinyl cove - 4" wrap	234.00 LF @	6.30 =	1,474.20
2. Toe kick - pre-finished wood - 1/2"	6.00 LF @	8.86 =	53.16
3. Re-skin toe kick	6.00 LF @	7.24 =	43.44

## Classroom 1

LxWxH 12' x 10' x 8'

DESCRIPTION	QTY	UNIT PRICE	TOTAL
4. Batt insulation - 4" - R13 - unfaced batt	24.00 SF @	0.56 =	13.44
5. 1/2" drywall - hung, taped, ready for texture	24.00 SF @	1.27 =	30.48
6. Texture drywall - smooth / skim coat	24.00 SF @	0.74 =	17.76
7. Seal/prime then paint the surface area (2 coats)	24.00 SF @	0.66 =	15.84
8. Paint part of the walls - one coat	328.00 SF @	0.46 =	150.88
9. Vinyl cove - 4" wrap	44.00 LF @	6.30 =	277.20

## Classroom 2

LxWxH 30' x 25' x 8'

DESCRIPTION	QTY	UNIT PRICE	TOTAL
10. Vinyl cove - 6" wrap	110.00 LF @	7.72 =	849.20

## Classroom 3

LxWxH 30' x 28' x 8'

DESCRIPTION	QTY	UNIT PRICE	TOTAL
11. Vinyl cove - 4" wrap	116.00 LF @	6.30 =	730.80
12. Toe kick - pre-finished wood - 1/2"	22.00 LF @	8.86 =	194.92
13. Re-skin toe kick	22.00 LF @	7.24 =	159.28

## Kitchen

LxWxH 20' x 10' x 8'

DESCRIPTION	QTY	UNIT PRICE	TOTAL
LAPORTEREC-INS		4/22/2015	



## SERVPRO of Baytown/Channelview

2700 Greens Rd. #F300  
 Houston, TX 77032  
 Office (281) 219-8180 - Fax (281) 219-8181  
 Tax ID # 20-0532035  
 servpro9734@comcast.net  
 Franchise# 9246

### CONTINUED - Kitchen

DESCRIPTION	QTY	UNIT PRICE	TOTAL
14. Toe kick - pre-finished wood - 1/2"	40.00 LF @	8.86 =	354.40
15. Re-skin toe kick	40.00 LF @	7.24 =	289.60

### Pantry

LxWxH 20' x 6' x 8'

DESCRIPTION	QTY	UNIT PRICE	TOTAL
16. Batt insulation - 4" - R13 - unfaced batt	24.00 SF @	0.56 =	13.44
17. 1/2" drywall - hung, taped, ready for texture	40.00 SF @	1.27 =	50.80
18. Texture drywall - smooth / skim coat	40.00 SF @	0.74 =	29.60
19. Seal/prime then paint the surface area (2 coats)	40.00 SF @	0.66 =	26.40
20. Paint part of the walls - one coat	376.00 SF @	0.46 =	172.96
21. Vinyl cove - 4" wrap	52.00 LF @	6.30 =	327.60

### Hallway 1

LxWxH 16' x 5' x 8'

DESCRIPTION	QTY	UNIT PRICE	TOTAL
22. Vinyl cove - 4" wrap	42.00 LF @	6.30 =	264.60

### Hallway 2

LxWxH 83' x 12' x 10'

DESCRIPTION	QTY	UNIT PRICE	TOTAL
23. Remove Vinyl wall covering	1,568.00 SF @	0.80 =	1,254.40
76. Vinyl wall covering	1,900.00 SF @	1.95 =	3,705.00
24. Batt insulation - 4" - R13 - unfaced batt	332.00 SF @	0.56 =	185.92
25. 1/2" drywall - hung, taped, ready for texture	332.00 SF @	1.27 =	421.64
26. Texture drywall - smooth / skim coat	332.00 SF @	0.74 =	245.68
28. Vinyl cove - 4" wrap	190.00 LF @	6.30 =	1,197.00



## SERVPRO of Baytown/Channelview

2700 Greens Rd. #F300  
 Houston, TX 77032  
 Office (281) 219-8180 - Fax (281) 219-8181  
 Tax ID # 20-0532035  
 servpro9734@comcast.net  
 Franchise# 9246

### CONTINUED - Hallway 2

DESCRIPTION	QTY	UNIT PRICE	TOTAL
29. Floor prep (scrape rubber back residue)	996.00 SF @	0.45 =	448.20
30. Glue down carpet	996.00 SF @	2.02 =	2,011.92

### Hallway 3

LxWxH 40' x 8' x 10'

DESCRIPTION	QTY	UNIT PRICE	TOTAL
31. Remove Vinyl wall covering	320.00 SF @	0.80 =	256.00
77. Vinyl wall covering	960.00 SF @	1.95 =	1,872.00
32. Batt insulation - 4" - R13 - unfaced batt	80.00 SF @	0.56 =	44.80
33. 1/2" drywall - hung, taped, ready for texture	80.00 SF @	1.27 =	101.60
34. Texture drywall - smooth / skim coat	80.00 SF @	0.74 =	59.20
36. Vinyl cove - 4" wrap	40.00 LF @	6.30 =	252.00
37. Floor prep (scrape rubber back residue)	320.00 SF @	0.45 =	144.00
38. Glue down carpet	320.00 SF @	2.02 =	646.40

### Weight Machine Room

LxWxH 37' x 30' x 8'

DESCRIPTION	QTY	UNIT PRICE	TOTAL
39. Vinyl cove - 4" wrap	134.00 LF @	6.30 =	844.20
40. Floor prep (scrape rubber back residue)	1,110.00 SF @	0.45 =	499.50
41. Glue down carpet	1,110.00 SF @	2.02 =	2,242.20

### Treadmil Room

LxWxH 36' 6" x 22' 6" x 10'

### Subroom 1: Hall to Gym

LxWxH 40' x 12' x 8'

DESCRIPTION	QTY	UNIT PRICE	TOTAL
42. Remove Vinyl wall covering	297.50 SF @	0.80 =	238.00



## SERVPRO of Baytown/Channelview

2700 Greens Rd. #F300  
 Houston, TX 77032  
 Office (281) 219-8180 - Fax (281) 219-8181  
 Tax ID # 20-0532035  
 servpro9734@comcast.net  
 Franchise# 9246

### CONTINUED - Treadmil Room

DESCRIPTION	QTY	UNIT PRICE	TOTAL
78. Vinyl wall covering	1,207.20 SF @	1.95 =	2,354.04
43. Batt insulation - 4" - R13 - unfaced batt	210.00 SF @	0.56 =	117.60
44. 1/2" drywall - hung, taped, ready for texture	210.00 SF @	1.27 =	266.70
45. Texture drywall - smooth / skim coat	210.00 SF @	0.74 =	155.40
47. Vinyl cove - 4" wrap	222.00 LF @	6.30 =	1,398.60
48. Floor prep (scrape rubber back residue)	1,301.25 SF @	0.45 =	585.56
49. Glue down carpet	1,301.25 SF @	2.02 =	2,628.53

### Free Weight Room

LxWxH 20' x 18' x 8'

DESCRIPTION	QTY	UNIT PRICE	TOTAL
50. Vinyl cove - 4" wrap	76.00 LF @	6.30 =	478.80
51. Floor prep (scrape rubber back residue)	360.00 SF @	0.45 =	162.00
52. Glue down carpet	360.00 SF @	2.02 =	727.20

### Mens Locker Room

LxWxH 8' x 6' x 8'

#### Subroom 1: Entry 2

LxWxH 12' x 5' x 8'

DESCRIPTION	QTY	UNIT PRICE	TOTAL
53. Remove Vinyl wall covering	462.00 SF @	0.80 =	369.60
79. Vinyl wall covering	496.00 SF @	1.95 =	967.20
54. Batt insulation - 4" - R13 - unfaced batt	34.00 SF @	0.56 =	19.04
55. 1/2" drywall - hung, taped, ready for texture	34.00 SF @	1.27 =	43.18
56. Texture drywall - smooth / skim coat	34.00 SF @	0.74 =	25.16
58. Vinyl cove - 4" wrap	62.00 LF @	6.30 =	390.60
59. Floor prep (scrape rubber back residue)	108.00 SF @	0.45 =	48.60
60. Glue down carpet	108.00 SF @	2.02 =	218.16



## SERVPRO of Baytown/Channelview

2700 Greens Rd. #F300  
 Houston, TX 77032  
 Office (281) 219-8180 - Fax (281) 219-8181  
 Tax ID # 20-0532035  
 servpro9734@comcast.net  
 Franchise# 9246

### Womens Locker Room

LxWxH 8' x 6' x 8'

### Subroom 1: Entry 2

LxWxH 8' x 5' x 8'

DESCRIPTION	QTY	UNIT PRICE	TOTAL
61. Remove Vinyl wall covering	406.00 SF @	0.80 =	324.80
80. Vinyl wall covering	432.00 SF @	1.95 =	842.40
62. Batt insulation - 4" - R13 - unfaced batt	52.00 SF @	0.56 =	29.12
63. 1/2" drywall - hung, taped, ready for texture	52.00 SF @	1.27 =	66.04
64. Texture drywall - smooth / skim coat	52.00 SF @	0.74 =	38.48
66. Vinyl cove - 4" wrap	54.00 LF @	6.30 =	340.20
67. Floor prep (scrape rubber back residue)	88.00 SF @	0.45 =	39.60
68. Glue down carpet	88.00 SF @	2.02 =	177.76

### Grand Total Areas:

20,284.00 SF Walls	19,043.25 SF Ceiling	39,327.25 SF Walls and Ceiling
19,043.25 SF Floor	2,115.92 SY Flooring	2,196.00 LF Floor Perimeter
6,559.00 SF Long Wall	3,583.00 SF Short Wall	2,196.00 LF Ceil. Perimeter
0.00 Floor Area	0.00 Total Area	0.00 Interior Wall Area
0.00 Exterior Wall Area	0.00 Exterior Perimeter of Walls	
0.00 Surface Area	0.00 Number of Squares	0.00 Total Perimeter Length
0.00 Total Ridge Length	0.00 Total Hip Length	



## SERVPRO of Baytown/Channelview

---

2700 Greens Rd. #F300  
Houston, TX 77032  
Office (281) 219-8180 - Fax (281) 219-8181  
Tax ID # 20-0532035  
servpro9734@comcast.net  
Franchise# 9246

### Summary

Line Item Total	35,024.03
Overhead	3,502.40
Profit	3,502.40
	<hr/>
<b>Replacement Cost Value</b>	<b>\$42,028.83</b>
<b>Net Claim</b>	<b>\$42,028.83</b>
	<hr/> <hr/>

---

Gary Babb  
Construction Manager

## REQUEST FOR CITY COUNCIL AGENDA ITEM

Agenda Date Requested: <u>April 27, 2015</u>
Requested By: <u>Traci Leach</u>
Department: <u>Administration</u>

<u>Appropriation</u>
Source of Funds: _____
Acct Number: _____
Amount Budgeted: _____
Requested: _____
Budgeted Item(s):      YES      NO

Report:  Resolution: \_\_\_\_\_ Ordinance: \_\_\_\_\_

Attachments: Second Quarter FY2015 Report

---

### SUMMARY & RECOMMENDATION

At the request of the City Council, staff is providing a quarterly update of delinquent taxes on properties within La Porte. The following reports are attached and are current through March 2015:

- Account Breakdown by Category
- Payment report
- Bankruptcies
- Deferrals
- Delinquent
- Litigation
- Partial Payments
- Struck off properties
- Uncollectable accounts

Staff will be present to take note of any accounts that Council has questions about and will provide follow up as necessary.

---

**Action Required by Council:**

None.

---

**Approved for City Council Agenda**

\_\_\_\_\_  
Corby D. Alexander, City Manager

\_\_\_\_\_  
Date

**Action Required of Council:**

None.

---

**Approved for City Council Agenda**

---

**Corby D. Alexander, City Manager**

---

**Date**

**Due to the volume of this report, a copy is available for review in the City Secretary's Office.**

## REQUEST FOR CITY COUNCIL AGENDA ITEM

Agenda Date Requested: April 27, 2015

Appropriation

Requested By: Kenith Adcox

Source of Funds:

Department: Police

Account Number:

Report:  Resolution:  Ordinance:

Amount Budgeted:

Other:

Amount Requested:

Budgeted Item:  YES  NO

**Attachments :**

### 1. Department Report

---

#### SUMMARY & RECOMMENDATIONS

Staff will present the 2014 La Porte Police Department's Annual Crime and Activity Report to City Council.

---

#### Action Required of Council:

None.

---

#### Approved for City Council Agenda

\_\_\_\_\_  
Corby D. Alexander, City Manager

\_\_\_\_\_  
Date

# 2014 La Porte Police Department

## Annual Crime and Activity Report





For comparison purposes, the chart below lists the Uniform Crime Report numbers for the City of La Porte during calendar years 2013 and 2014

	Crime Index	Murder	Rape	Robbery	Aggravated Assault	Burglary	Theft	Auto Theft
<b>2013</b>	634	0	15	9	20	116	431	43
<b>2014</b>	636	0	17/8*	11	27	107	426	48
<b>% Change</b>	0%	0%	+13% / -47%*	+ 22%	+35 %	- 8%	- 1%	+ 12%



## 2014 Texas Rape Law reconfiguration

In 2014, the UCR definition of reportable Rape was expanded significantly. Prior to this change, Rape, for UCR purposes, was defined as: **Forced penetration of a female sexual organ by a male sexual organ.**

For 2014, the UCR definition of a reportable rape was expanded to: **Penetration, no matter how slight, of the (male or female) victim's vagina or anus with any body part or object, or oral penetration by a sex organ of another person, without the effective consent of the victim.**

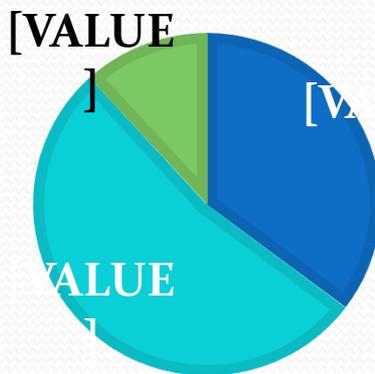
Also, this expanded definition now includes instances in which a person is incapable of giving consent because of permanent mental or physical incapacity (including the victim being underage or under the influence of drugs or alcohol), which were cases previously not permitted to be counted as a Rape for UCR purposes.

La Porte experienced 17 incidents in 2014 that met the new expanded UCR definition of Rape, however, only 8 of these cases would have met the original (2013) UCR definition of Rape. This represents a 47% decrease from 2013's 15 reported incidents.



# 2014 Rape Offense *Breakdown*

■ Age 0-12   ■ Age 13-17   ■ Age 18+

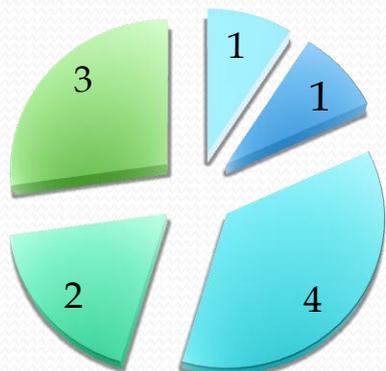


None of the above cases involved strangers. All involved persons related or known to the victim.



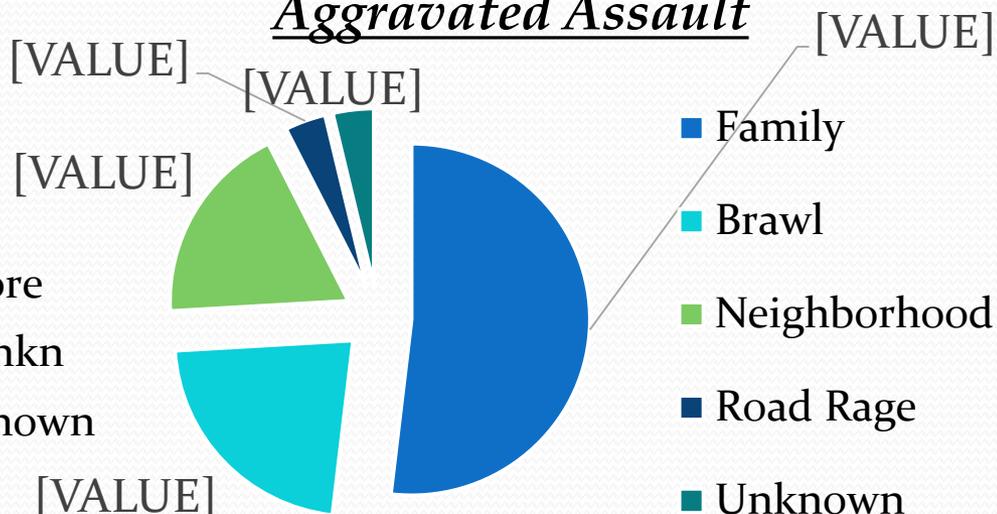
# Breakdown for 2014 Robbery and Aggravated Assault Offenses

## Robbery



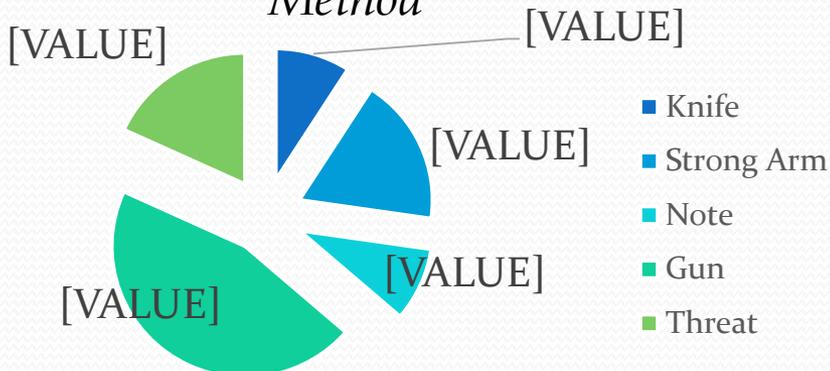
- Bank
- Home
- Conv. Store
- Person unk
- Person known

## Aggravated Assault



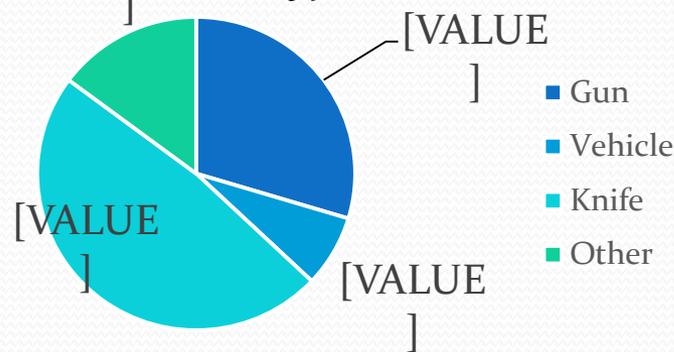
- Family
- Brawl
- Neighborhood
- Road Rage
- Unknown

## Method



- Knife
- Strong Arm
- Note
- Gun
- Threat

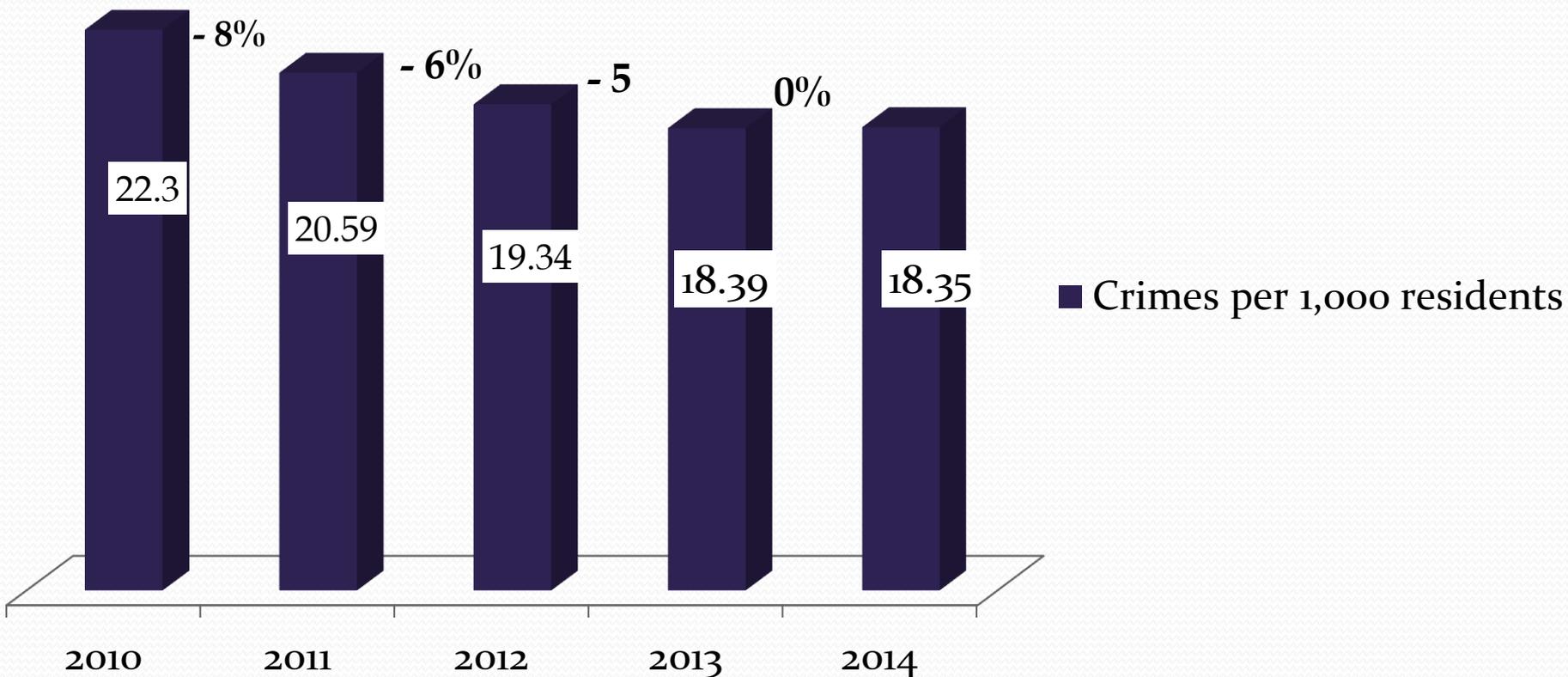
## Type



- Gun
- Vehicle
- Knife
- Other



# City of La Porte Annual Crime Rate Comparison





## Uniform Crime Report for 2014

### Comparison against data reported by surrounding Cities

City	Population	Crime Index	Murder	Rape	Robbery	Agg Asslt	Burglary	Theft	Auto Theft	Crimes per 1,000
Seabrook	12,649	192	0	0	7	2	37	134	12	15.18
La Porte	34,654	636	0	17	11	27	107	426	48	18.35
Deer Park	33,237	747	0	13	13	20	95	556	50	22.47
Pasadena	152,735	5219	8	93	153	337	788	3320	520	34.17
S. Houston	17,397	682	2	3	35	42	91	311	198	39.20
Baytown	75,418	3398	5	32	84	120	638	2091	428	45.05



For comparison purposes, the National Average in 2013 for Suburban Cities with populations from 25,000 to 49,999, with 841 cities reporting, is:

	Crime Index	Murder	Rape	Robbery	Aggravated Assault	Burglary	Theft	Auto Theft
Total	886,716	865	6,035	22,462	51,079	158,056	601,616	46,603
Average 2013	1,054	1	7*	27	61	188	715	55
La Porte 2014	<b>636</b>	<b>0</b>	<b>17</b>	<b>11</b>	<b>27</b>	<b>107</b>	<b>426</b>	<b>48</b>
	- 39%	-100%	+ 143%	- 59%	- 54%	- 43%	- 40%	- 13%

**The complete figures for the National Average of 2014 have not been published as yet. However, based on the latest data published by the FBI (2013), La Porte's overall crime index remains far below the average for similarly-sized cities listed in the FBI's comparison group.**

**\*2013 National reporting statistics for Rape using old criteria.**



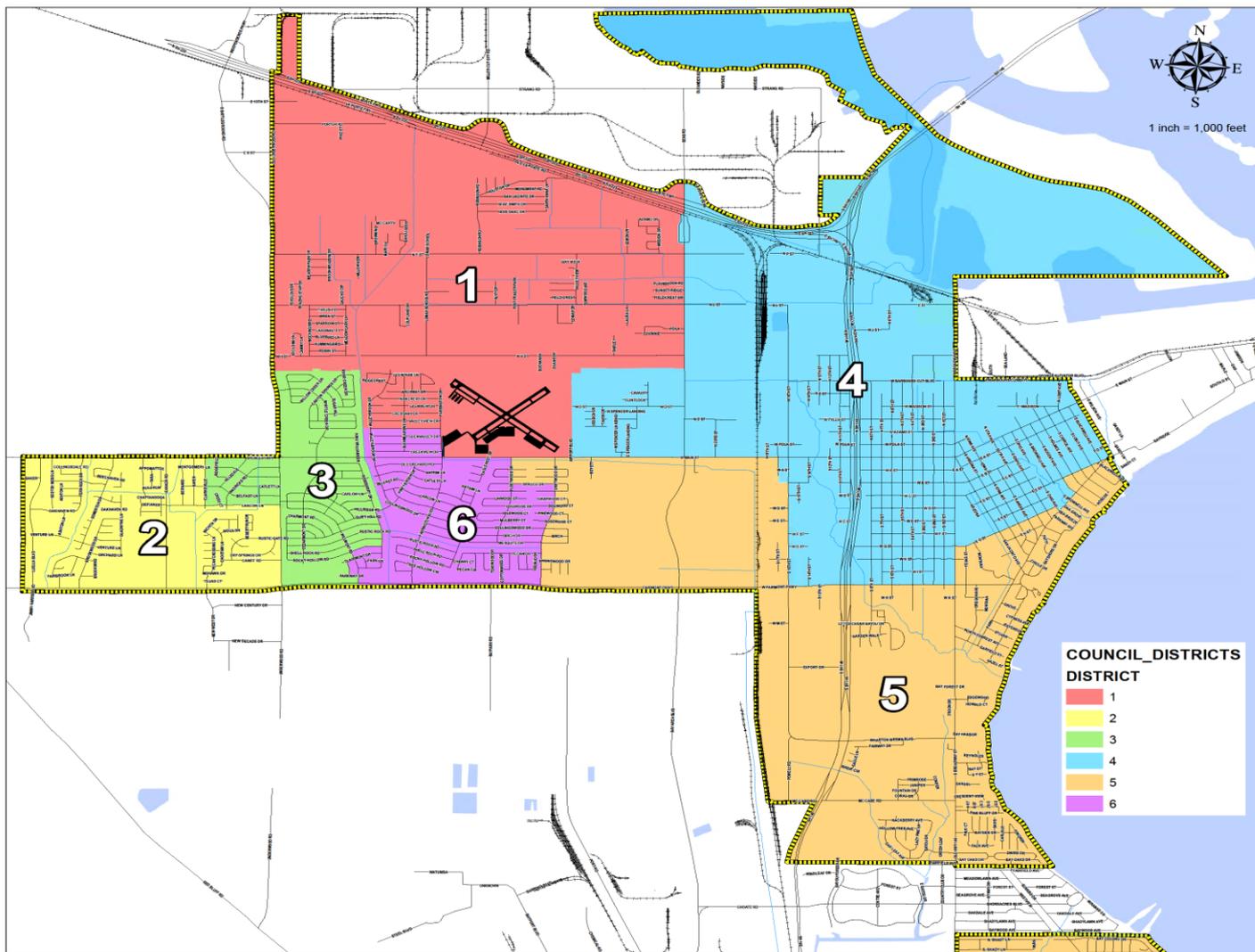
## Other Crimes in La Porte

### *Annual Comparison*

<b>Other Crime</b>	<b>2013</b>	<b>2014</b>	<b>Change</b>
Criminal Mischief/Vandalism	126	147	17%
Driving Under the Influence	119	80	-33%
Drugs/Narcotics	160	157	-2%
Forgery/Counterfeit	23	26	13%
Fraud	160	51	-68%
Liquor Law Violations	14	18	29%
Runaway	41	36	-12%
Sex Offenses	15	7	-53%
Simple Assault	331	268	-19%
Weapons Law Violations	18	14	-22%
<b>Total</b>	<b>1003</b>	<b>804</b>	<b>-20%</b>



# Police Reporting Districts as aligned with City Council Districts





## 2014 Major UCR Crimes Based on City Council District

Offense	District 1	District 2	District 3	District 4	District 5	District 6
Murder	0	0	0	0	0	0
Rape	1	3	1	5	4	3
Robbery	1	2	1	4	3	0
Aggravated Assault	2	2	4	9	9	1
Burglary	9	9	18	29	35	7
Burglary of a Motor Vehicle	21	11	26	28	34	13
Auto Theft - UUMV	10	4	6	16	9	3
<b>Totals</b>	<b>44</b>	<b>31</b>	<b>56</b>	<b>91</b>	<b>94</b>	<b>27</b>

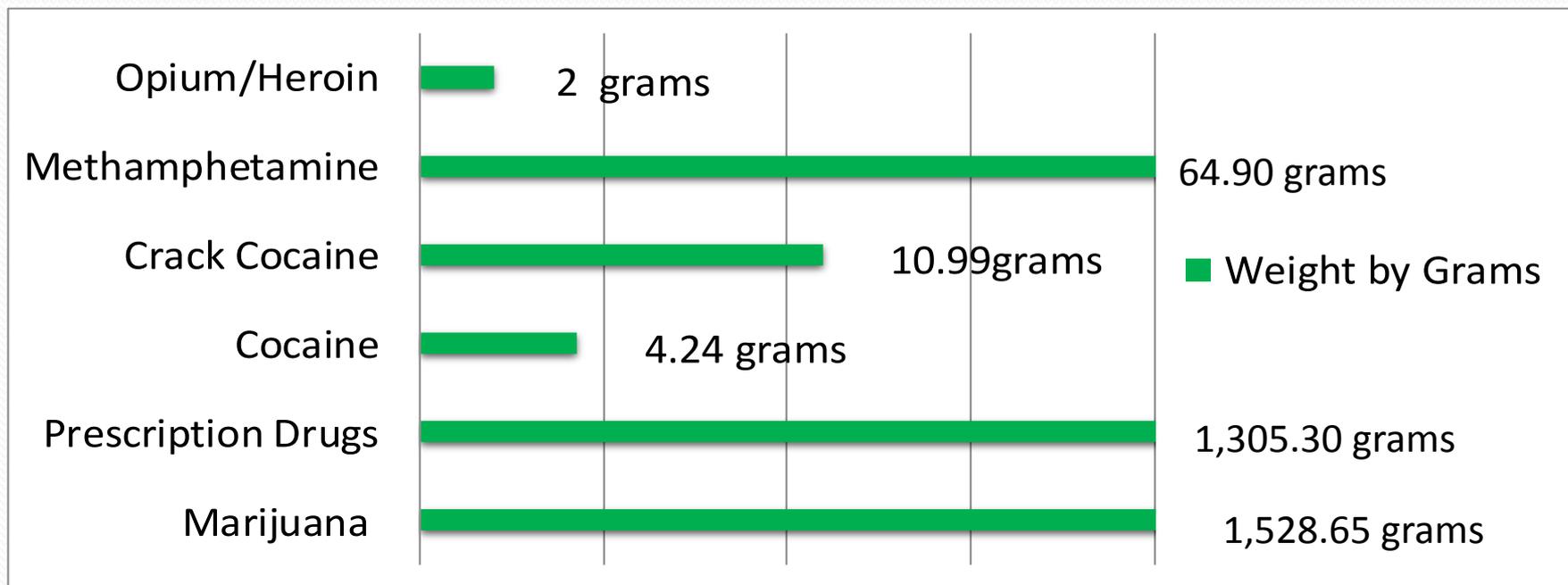


## 2014 Drug Activity Report Based on City Council District

<b>Offense</b>	<b>District 1</b>	<b>District 2</b>	<b>District 3</b>	<b>District 4</b>	<b>District 5</b>	<b>District 6</b>
<b>Possession Controlled Substance</b>	6	13	9	16	11	2
<b>Possession of Dangerous Drug</b>	3	0	0	2	2	2
<b>Possession of Marijuana</b>	7	8	12	19	25	6
<b>Totals</b>	<b>16</b>	<b>21</b>	<b>21</b>	<b>37</b>	<b>38</b>	<b>10</b>



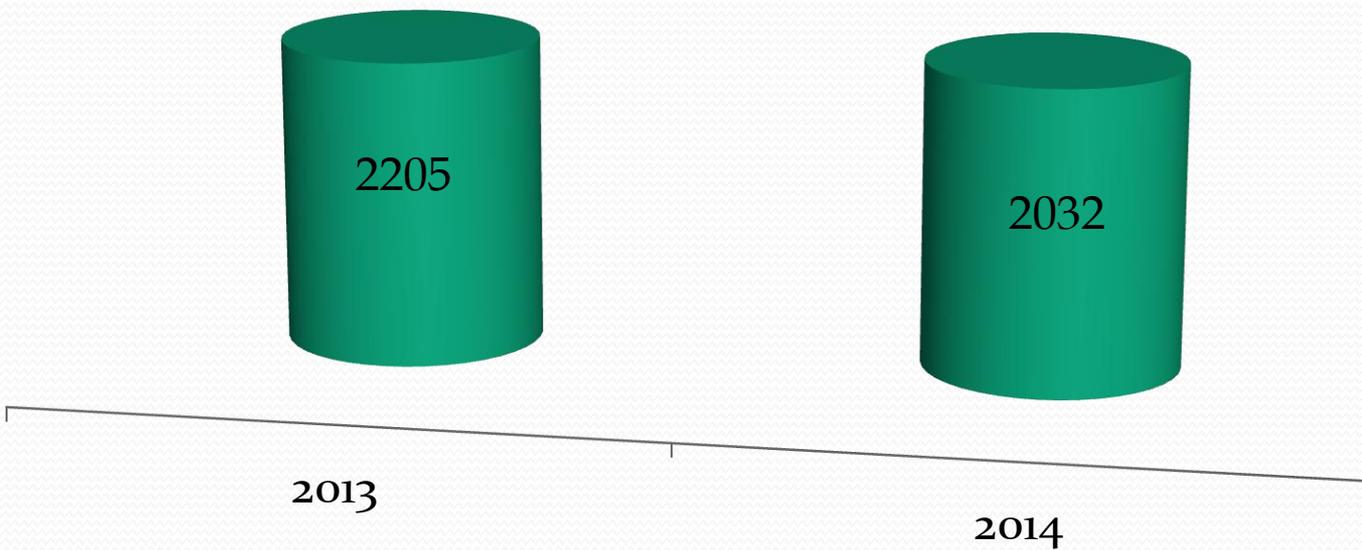
## 2014 Drug Seizures by Type





# Total Annual Arrests

*Year-by-Year Comparison*



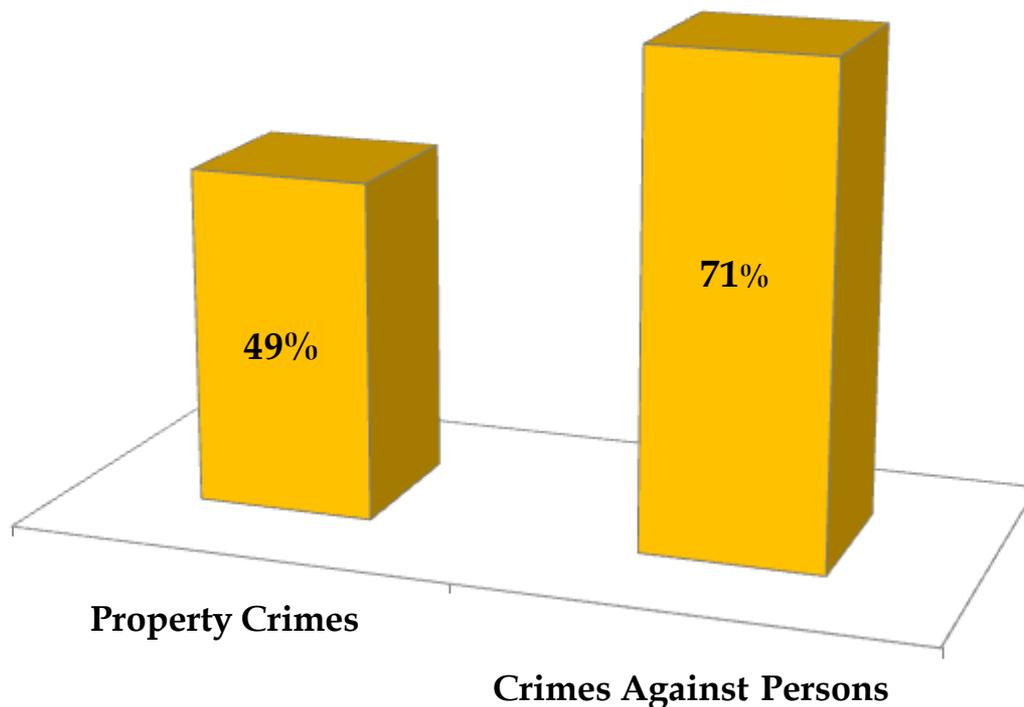


## Case Clearance Rates

**TOTAL CASES - 2512**

### Disposition

Cleared by Arrest - 619  
Exceptionally Cleared - 174  
Warrant Obtained - 61  
Unfounded - 253



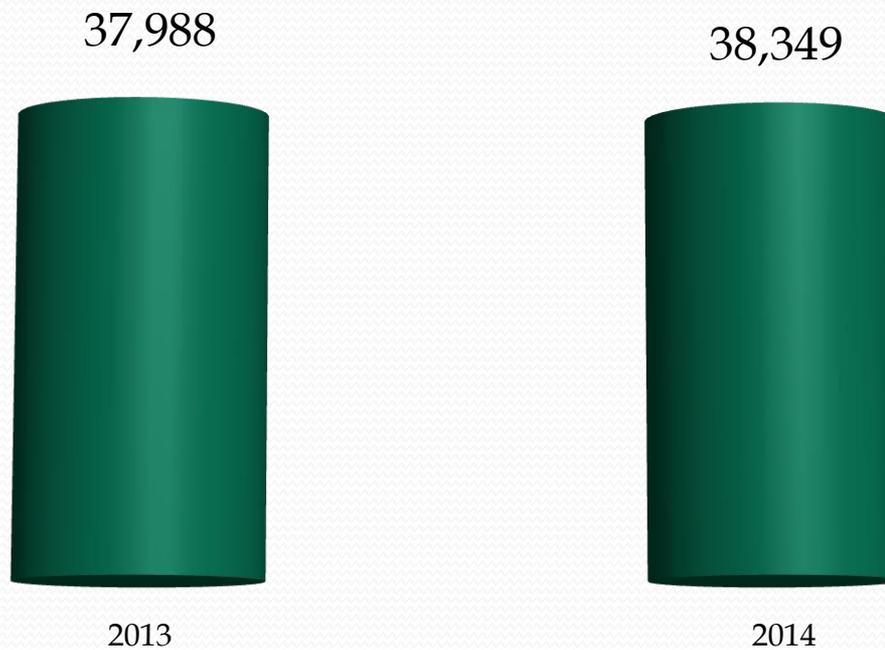
Total 2013 National Avg.  
City Clearance Rates=

23.3% for Property Crimes

50.3% for Crimes Against Persons



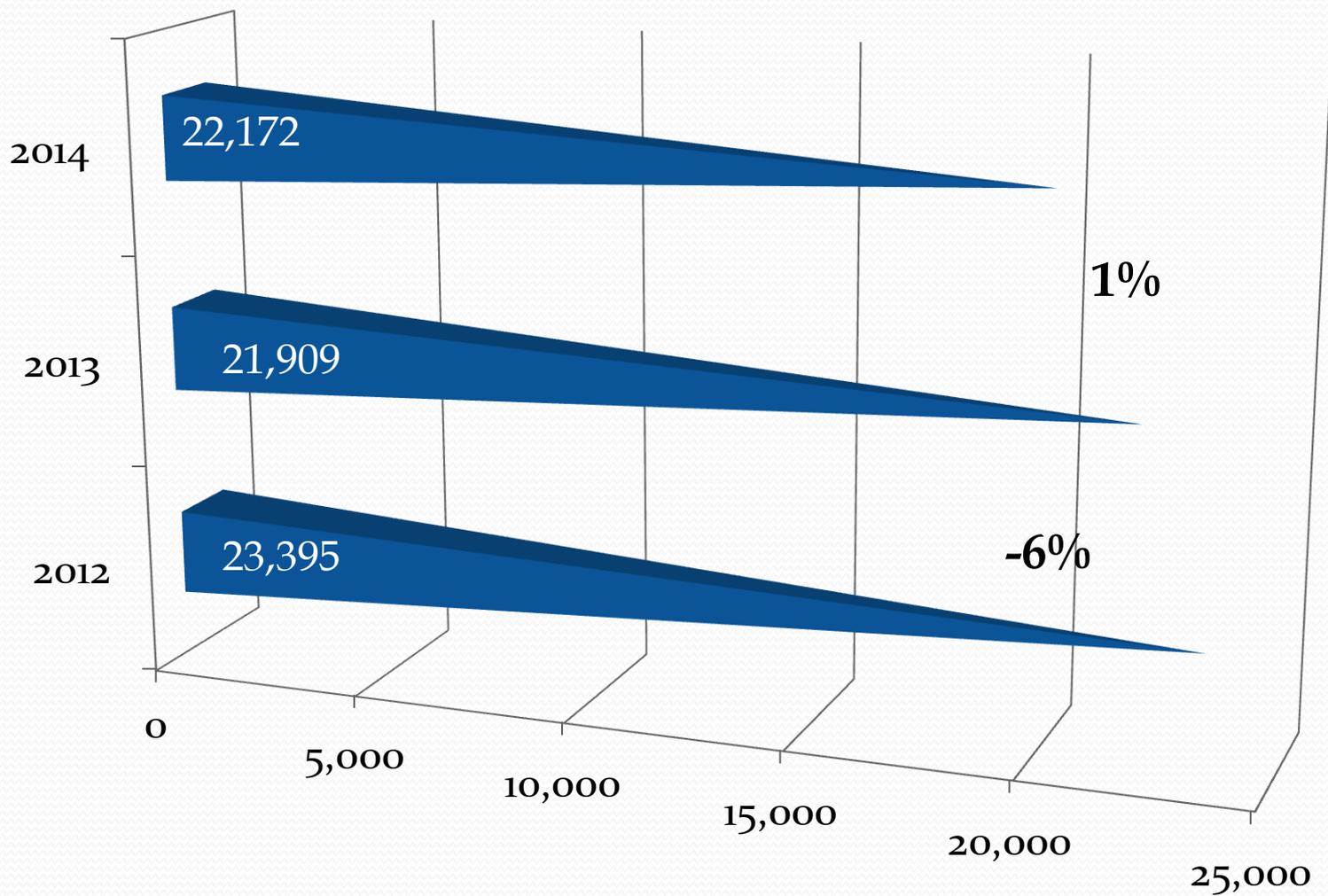
## Total Calls for Police Service *Year-by-Year Comparison*





# Self-Initiated Patrol Activity Events

## *Year-by-Year Comparison*

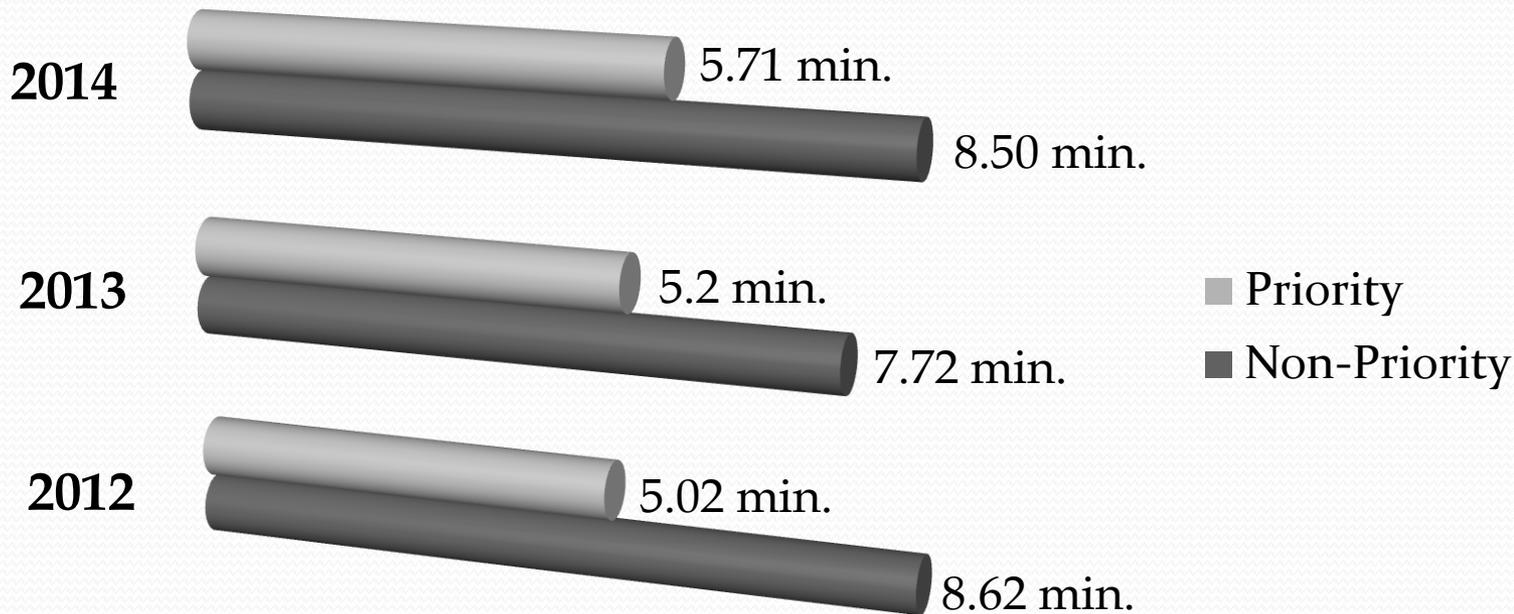




# Patrol Service Response Times

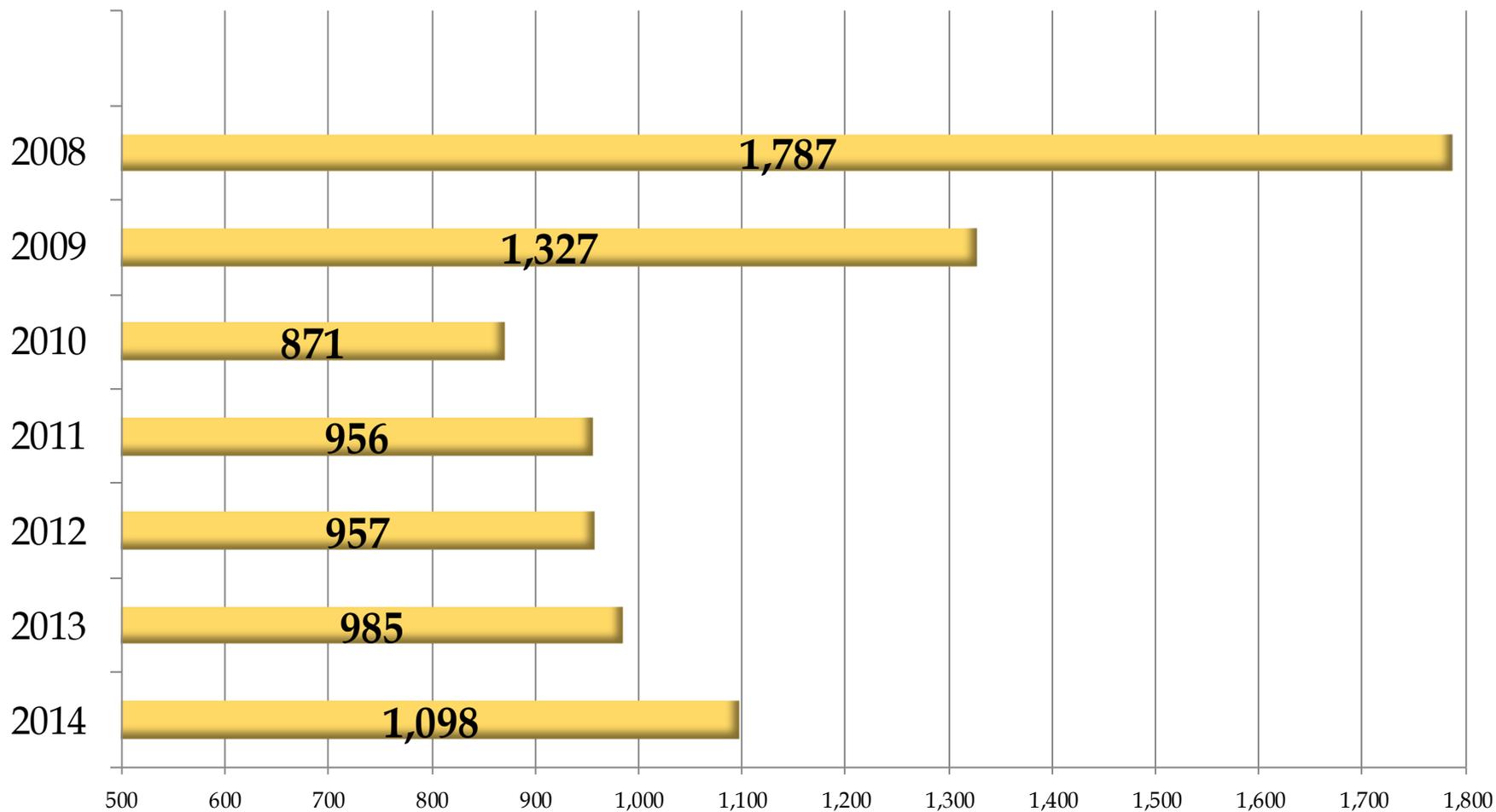
## *Year-by-Year Comparison*

By Minutes





## Annual False Alarm Call Totals for The City of La Porte





## La Porte Police Department Commercial Vehicle Enforcement / DOT Officer Activity

DOT/Commercial Vehicle Enforcement reports are submitted to the Department of Public Safety. The reports must indicate the level of inspection of the vehicle:

- ***Level 1 Inspections*** refer to the North American Standard Inspection. The inspection process requires the Officer to inspect driver documents, vehicle exterior and crawl underneath the vehicle to check all other equipment.
- ***Level 2 Inspections*** refer to the Walk-Around Driver/Vehicle Inspection. This inspection does not require the inspector to crawl underneath the vehicle.

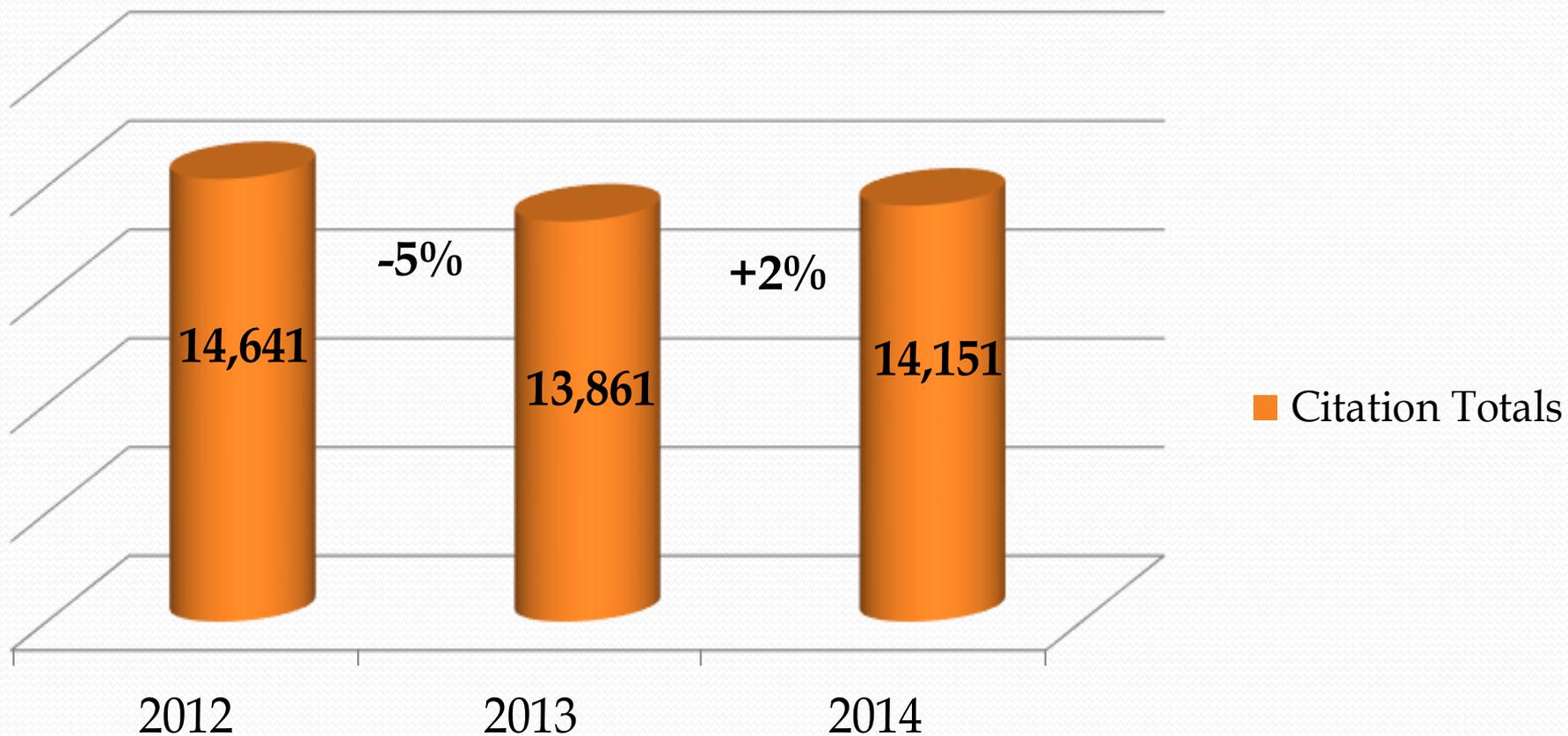


*La Porte Police Department Annual*  
**Commercial Vehicle Enforcement / DOT Officer Activity**

<u>Action</u>	<u>2013</u>	<u>2014</u>	<u>Change</u>
Level 1 Inspections	400	401	0%
Level 2 Inspections	2,777	2,870	+3%
<b>Total Inspections</b>	<b>3,177</b>	<b>3,271</b>	<b>+3%</b>
Vehicles Weighed	658	1,310	+99%
Weight Charges Filed	198	369	+86%
DOT Charges Filed	640	674	+5%
<b>Total Charges Filed</b>	<b>838</b>	<b>1043</b>	<b>+24%</b>



## Annual Traffic Enforcement Statistics *Year-by-Year Comparison*





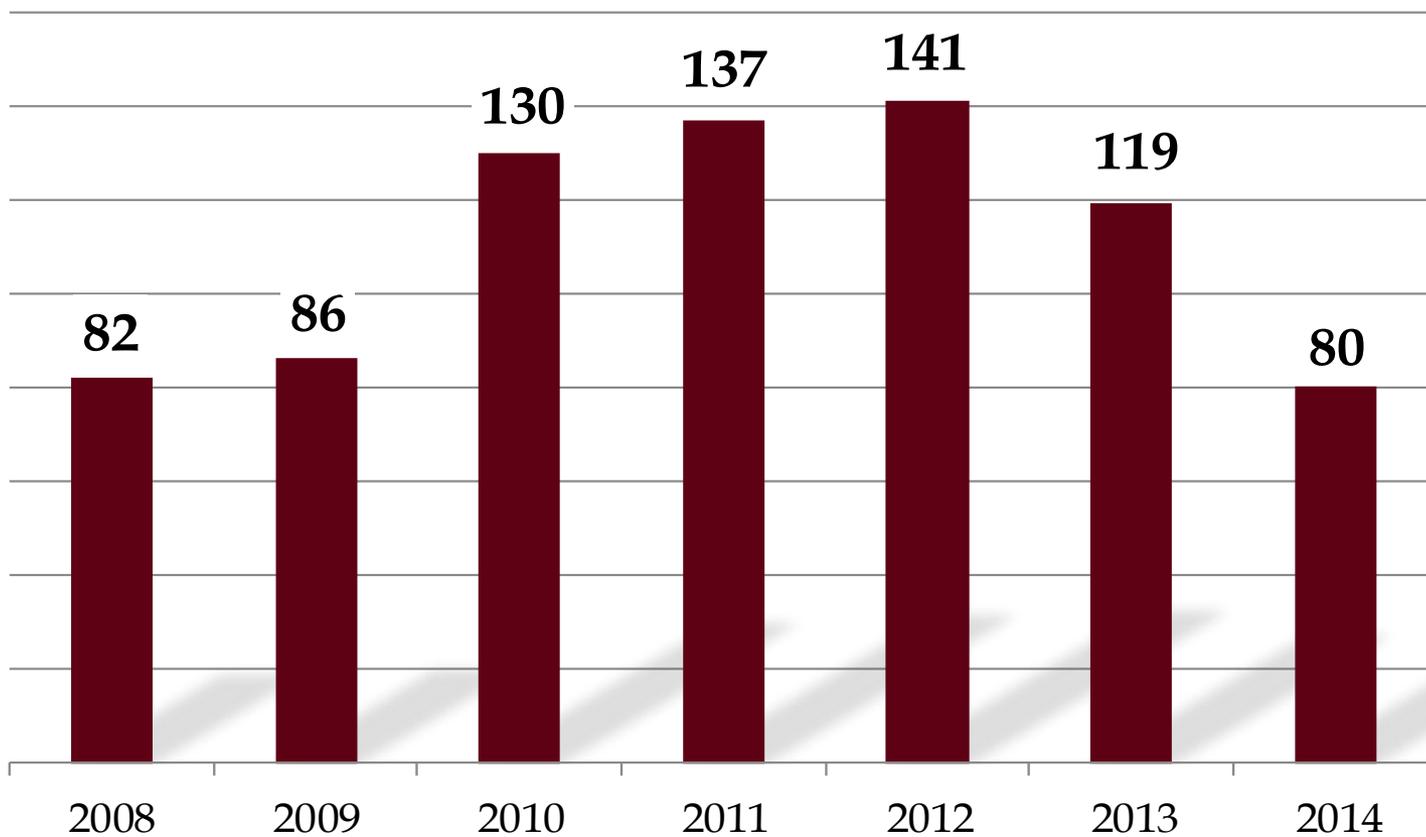
## Traffic Accident Statistics

### *Annual Comparison*

<i>Category</i>	<i>2013</i>	<i>2014</i>	<i>Change</i>
<b>Total Crashes</b>	564	641	+14%
<b>Not-injured</b>	469	546	+16%
<b>Injured</b>	94	95	+1%
<b>Commercial Vehicle involved</b>	50	61	+22%
<b>Total Fatalities</b>	1	2	+100%



## Annual D.W.I. Arrests *Year-by-Year Comparison*



# 2014 Department Focus Items



- **Maintenance and Refinement of Existing Department Outreach Programs:**

*Citizens Police Academy (CPA), Advanced CPA, Citizen Ride-along, Youth Explorer Post, Citizens on Patrol, Police Volunteer Program, DARE, National Night Out, Blue Santa, Rape Aggression Defense Classes for Women, Crime Prevention Surveys, Underage Drinking Prevention Programs, and Child Safety Camps.*

- **Continued Use of Technology as Force Multipliers:**

*License Plate Readers, FLIR Systems, Personal Field Kits, Covert Equipment, etc.*

- **New Technology for 2014:**

*Up-graded technology for communications center, mobile covert cameras, Aggressive Driving Enforcement Vehicles, and telephone/ tablet/ computer forensic lab/ training.*

- **Targeted In-House Training:**

*Designated Leadership training provided to 100% of Supervisory Staff annually and Specialized Investigative, Traffic, Crime Scene, and Patrol techniques training. The Department also maintains an aggressive mentoring and career ladder program.*

- **Crime Suppression:**

*Trend/Pattern Analysis, Targeted Deployments, Street Crimes Unit, Hot Spot Team, Crime Scene Processing, Aggressive Follow-up Investigations, and No Refusal Weekends, DWI & STEP Grants, ICAC, etc.*



# Questions?



## **Council Agenda Item April 27, 2015**

**9. ADMINISTRATIVE REPORTS**

**10. COUNCIL COMMENTS** regarding matters appearing on the agenda; recognition of community members, city employees, and upcoming events; inquiry of staff regarding specific factual information or existing policies – Councilmembers Martin, Moser, Kaminski, Zemanek, Leonard, Engelken, Earp, Clausen and Mayor Rigby

**11. EXECUTIVE SESSION**

The City reserves the right to meet in closed session on any agenda item should the need arise and if applicable pursuant to authorization by Title 5, Chapter 551, of the Texas Government Code, in accordance with the authority contained in:

**Texas Government Code, Section 551.072** – For the purpose of deliberating the purchase, exchange, lease or value of real property: Klein Retreat property and former Happy Barbour property.

**Texas Government Code, Section 551.071(1)(A)** – Pending or Contemplated Litigation: Meet with City Attorney and City Manager to discuss case of Everardo Garza Vs. City of La Porte.

**12. RECONVENE** into regular session and consider action, if any, on items(s) discussed in executive session.

**13. ADJOURN**

\*\*\*\*\*