



**TO:** Mayor and Councilmembers

**FROM:** John Moran, City Manager

**DATE:** March 22, 2011

**SUBJECT:** Discussion and possible action relative to Resolution # R-2011-0322-001 Approving the Certificate of Formation and Bylaws of Texas Coalition for Affordable Power, a Political Subdivision Corporation, Accepting Membership in Said Corporation, Appointing a Representative to Serve on behalf of the City, and Approving Payment of an Initial Membership Fee

**ACTION:** Approve or disapprove Resolution # R-2011-0322-001

(VII - C)

**CITY OF FARMERSVILLE  
RESOLUTION # R-2011-0322-001**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF FARMERSVILLE APPROVING THE CERTIFICATE OF FORMATION AND BYLAWS OF THE TEXAS COALITION FOR AFFORDABLE POWER ("TCAP"), A POLITICAL SUBDIVISION CORPORATION; ACCEPTING MEMBERSHIP IN SAID CORPORATION; APPOINTING A REPRESENTATIVE TO SERVE ON BEHALF OF THE CITY OF FARMERSVILLE; APPROVING PAYMENT OF AN INITIAL MEMBERSHIP FEE.**

**WHEREAS**, Chapter 304 of the Texas Local Government Code, entitled Energy Aggregation Measures for Local Governments, allows political subdivisions to form a political subdivision corporation to act as an agent to negotiate the purchase of electricity, or to likewise aid or act on behalf of the political subdivisions for which the corporation is created, with respect to their own electricity use for their respective public facilities; and

**WHEREAS**, Texas Coalition for Affordable Power ("TACP") is a political subdivision corporation organized under said Chapter; and

**WHEREAS**, more than one hundred cities and other political subdivisions have joined TCAP since the Texas electric retail market was deregulated January 1, 2002; and

**WHEREAS**, TCAP members work collaboratively with the assistance of attorneys and procurements experts hired by TCAP to negotiate lower cost, stable, reliable electric power; and

**WHEREAS**, the negotiation for electricity by the corporation should result in lower, more stable electricity costs to The City of Farmersville; and

**WHEREAS**, the City of Farmersville seeks to become a Member of TCAP; and

**WHEREAS**, TCAP Bylaw Section 9.1 requires an initial membership fee, not to exceed \$14,000, that is the greater of ½ of 1% of the total annual electric bill of the last full year of billing information available prior to membership application of \$00.05 per capita of the resident population of the prospective member.

**NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF FARMERSVILLE.**

Section 1. The recitals contained in the preamble of this Resolution are determined to be true and correct and are hereby adopted as a part of this Resolution.

Section 2. The Certificate of Formation and Bylaws of TCAP, a political subdivision corporation, attached hereto and incorporated herein for all purposes as Exhibits A and B respectively, are hereby approved.

Section 3. The City Council of the City of Farmersville accepts Membership in TCAP.

Section 4. The City Council of the City of Farmersville approves payment of an initial New Membership Fee assessment equivalent to the greater of \$00.05 per capital of the resident population or ½ of 1% of the total annual electric bill for The City of Farmersville of the last full year of billing information available prior to membership application. Such fee shall not exceed \$14,000.

Section 5. The City Council of the City of Farmersville hereby appoints the City Manager to serve as The City of Farmersville's representative to the corporation and to act on The City of Farmersville's behalf.

Section 6. All Resolutions and parts thereof in conflict herewith are hereby expressly repealed insofar as they conflict herewith.

Section 7. That if any one or more sections or clauses of this Resolution is adjudged to be unconstitutional or invalid, such judgment shall not affect, impair or invalidate the remaining provisions of this Resolution and the remaining provisions of the Resolution shall be interpreted as if the offending section or clause never existed.

Section 8. This Resolution shall take effect immediately from and after its adoption and it is accordingly so resolved.

Section 9. A copy of this Resolution shall be sent to Jay Doegey, TCAP Board President, c/o City of Arlington City Attorney's Office, MS 63-0300, P.O. Box 90231, Arlington, Texas 76004-3231, along with the initial assessment fee.

**PRESENTED AND PASSED on this the 22<sup>ND</sup> day of March, 2011, by the City Council of the City of Farmersville, Texas.**

**APPROVED:**

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Joseph E. Helmberger, P.E., Mayor

**ATTEST:**

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Edie Sims, City Secretary

**APPROVED AS TO FORM:**

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Alan Lathrom, City Attorney