

03/17/1927

R E S O L U T I O N .

WHEREAS, The Southwestern Bell Telephone Company is now operating what is known as a "Common Battery Telephone System" in the City of Abilene, Texas, and

WHEREAS, the said Southwestern Bell Telephone Company represents to the City Commission of the City of Abilene that it is not now earning a fair return on the fair value of its property used and useful in rendering telephone service in said City, and

WHEREAS, the Southwestern Bell Telephone Company proposes to erect a new and modern building and install the latest type of machine switching central office equipment in the City of Abilene, spending for such improvements in excess of \$900,000.00 gross, provided that the City Commission of the City of Abilene will not oppose the charging of fair and reasonable rates for telephone service, and

WHEREAS, it is the belief of the City Commission of the City of Abilene, that a new and modern machine switching telephone system would increase the efficiency and usefulness of the telephone service to the people of Abilene, and make the telephone service in said City comparable with that of the largest cities in the United States.

NOW, THEREFORE, BE IT RESOLVED that the City Commission of the City of Abilene recognizes the right of the

Southwestern Bell Telephone Company upon the completion of the new building and the work necessary to install the new and modern machine switching telephone system aforesaid, to establish such rates as will produce a fair return upon the fair value of its telephone exchange property then used and useful in rendering telephone service in the said City, and that the City Commission of the City of Abilene will not oppose the establishment of such schedule of rates which will produce such a fair return on the fair value of the property; these rates not to exceed \$7.00 for one-party business telephone; \$10.50 for Private Branch Exchange trunks, \$3.00 for one-party residence telephones, \$2.50 for two-party residence telephones, with such underlying rates as may be proper.

BE IT FURTHER RESOLVED that upon completion of the work aforesaid, the Telephone Company shall file with the City Commission, its schedule of rates, such as will produce a fair return upon the fair value of its said property used and useful in rendering telephone service in its Abilene Exchange, and should the City Commission desire to make any investigation with respect to said schedule of rates, it shall complete its investigation and notify the Telephone Company of its conclusion within thirty days from the filing of said schedule. For the purpose of aiding the City Commission in making such investigation, the Telephone Company shall file with the City Commission, statements

showing the value of its property in its Abilene Exchange, the estimated amount of revenue to be received from operating said Exchange, and the estimated amount of its operating expenses, to enable the Commission to complete its investigation aforesaid.

PROVIDED FURTHER that the City Commission reserves to itself all of its lawful rights to inquire into and regulate telephone rates at any and all times.

This Resolution shall not be construed to confer on the Southwestern Bell Telephone Company any additional rights which it does not now possess under the law, but is in recognition of the right of said Company to charge such rates as will enable it to earn a fair return on the fair value of its property used and useful in the service of its patrons in Abilene.

Dated at Abilene, Texas, and passed at a meeting of the City Commission held on the 17th day of March 1927.

Chas E. Combes
Mayor, City of Abilene

ATTEST:

M. Sellers
City Secretary.