



Sachse, Texas

Sachse City Hall
3815-B Sachse Road
Sachse, Texas 75048

Meeting Agenda City Council

Monday, May 18, 2015

7:30 PM

Council Chambers

The Mayor and Sachse City Council request that all cell phones and pagers be turned off or set to vibrate. Members of the audience are requested to step outside the Council Chambers to respond to a page or to conduct a phone conversation.

The City Council of the City of Sachse will hold a Regular Meeting on Monday, May 18, 2015, at 7:30 p.m. in the Council Chambers at the Sachse City Hall, 3815 Sachse Road, Building B, Sachse, Texas to consider the following items of business:

Invocation and Pledges of Allegiance to U.S. and Texas Flags.

A. Pledge of Allegiance to the Flag of the United States of America: I pledge allegiance to the flag of the United States of America, and to the Republic for which it stands: one nation under God, indivisible, with liberty and justice for all.

B. Pledge of Allegiance to the Texas State Flag: Honor the Texas flag; I pledge allegiance to thee, Texas, one state under God, one and indivisible.

1. CONSENT AGENDA.

- 1.a ALL ITEMS LISTED ON THE CONSENT AGENDA WILL BE CONSIDERED BY THE CITY COUNCIL AND WILL BE ENACTED BY ONE MOTION, THERE WILL BE NO SEPARATE DISCUSSION OF THESE ITEMS UNLESS A COUNCIL MEMBER OR CITIZEN SO REQUESTS.

[15-2798](#) Consider approval of the minutes of the May 4, 2015 regular meeting.

Executive Summary

Minutes from the recent Council meeting.

Attachments: [Minutes.05.04.15.pdf](#)

2. MAYOR AND CITY COUNCIL ANNOUNCEMENTS REGARDING SPECIAL EVENTS, CURRENT ACTIVITIES, AND LOCAL ACHIEVEMENTS.

[15-2802](#) Proclamation recognizing Armstrong Elementary School Principal Chris Grey.

Executive Summary

Mr. Grey is leaving his position and this agenda item is to recognize his contributions to Sachse and the Garland Independent School District.

Attachments: [Proclamation.Chris Grey.pdf](#)

- [15-2820](#) Presentation of scholarship award to Sachse High School Senior, Kevin Clardy.

Executive Summary

This is the second year that the City of Sachse is offering a \$1,000 scholarship to a young man or young woman who is currently enrolled at the 12th grade level and lives in the City of Sachse. The City Council reviewed scholarship applications at the May 4th meeting and selected Kevin Clardy, a senior at Sachse High School to be the recipient of this distinguished award. Kevin Clardy is the recipient of the 2015 scholarship award.

Attachments: [ScholarshipCertificate2015PDF.pdf](#)

- [15-2801](#) Proclamation recognizing Motorcycle Safety Awareness campaign.

Executive Summary

Each year the Motorcycle Safety Awareness Campaign asks us to help promote their annual event.

Attachments: [Proclamatiuon.motorcycle safety.pdf](#)

- [15-2785](#) Staff Briefing: Engineering Department Update.

Executive Summary

City Engineer will update the Sachse City Council on the status of the Engineering Department.

Attachments: [Engineering Department Briefing PDF](#)

3. CITIZEN INPUT.

The public is invited at this time to address the Council. The Mayor will ask you to come to the Microphone and state your name and address for the record. If your remarks pertain to a specific Agenda item, please hold them until that item, at which time the Mayor may solicit your comments. Time limit is 3 minutes per speaker.

The City Council is prohibited from discussing any item not on the posted agenda according to the Texas Open Meetings Act.

4. REGULAR AGENDA ITEMS.

- [15-2815](#) Consider an ordinance of the City of Sachse, Texas, approving a negotiated settlement between the Atmos Cities Steering Committee ("ACSC") and Atmos Energy Corp., Mid-Tex Division regarding the company's 2014 and 2015 Rate Review Mechanism filings; approving a settlement agreement with attached rate tariffs and proof of revenues; declaring existing rates to be unreasonable;

adopting tariffs that reflect rate adjustments consistent with the negotiated settlement; finding the rates to be set by the settlement tariffs to be just and reasonable and in the public interest; requiring the company to reimburse ACSC's reasonable ratemaking expenses; determining that this ordinance was passed in accordance with the requirements of the Texas Open Meetings Act; adopting a savings clause; declaring an effective date; and requiring delivery of this ordinance to the company and the ACSC's legal counsel.

Attachments: [Model Staff Report for Ordinance.pdf](#)

[Revised Atmos Energy Ordinance.pdf](#)

[Revised Attachments to Ordinance Atmos Rate Settlement.pdf](#)

[15-2787](#)

Discuss and consider a recommendation from the Library Board for the naming of the storybook area of the Sachse Public Library.

Executive Summary

Pat Davis, library clerk for the City of Sachse, was loved by everyone. Pat always had a story to tell and loved her story times with the children. She had a deep commitment and love for our Library especially for children's programming.. Pat was employed with the City for approximately ten (10) years and passed away on March 26. The library staff, library board and her family would like to dedicate/name the story time area in Pat Davis' memory. The Library Board at their April 13 meeting voted to present the naming to the City Council for consideration. The Board's vote was a 4 - 1 vote with two members absent.

[15-2799](#)

Consider appointments to Boards and Commissions.

Executive Summary

The City Council will make appointments for vacancies on city boards.

[15-2818](#)

Consider a resolution of the City Council of the City of Sachse, Texas, approving the terms and conditions of an Interlocal Cooperation Agreement, by and between the City of Sachse, Texas and the City of Garland, Texas, for public transportation improvements and sanitary sewer improvements; and providing for an effective date.

Executive Summary

The City of Sachse has a Capital Improvement Project for a new sanitary sewer main that will expand the City's public sewer system in the southern portion of the City (SS-12-05 3rd Sewer Connection

to Garland). *The City of Garland has a transportation improvement project for the widening of Pleasant Valley Road in Garland, connecting to Miles Road in Sachse, south of the President George Bush Turnpike. **This Interlocal Cooperation Agreement identifies the responsibilities of both the City of Sachse and the City of Garland related to the two projects.***

Attachments: [Exhibit A - Project Map PDF](#)

[Exhibit B - ILA Sewer Plan PDF](#)

[Sachse Garland ILA PDF](#)

[Sachse RESO approving Garland ILA PDF](#)

[15-2817](#)

Discuss and consider equipment and furnishings for the Sachse Municipal Complex.

Executive Summary

The Sachse Municipal Complex, consisting of City Hall, Public Library, Public Safety Building, and Senior Center may be enhanced through additional furnishing and equipment. The purpose of this item is to update Council on the status of previously approved equipment and projects, estimated bond funds remaining, and additional equipment that could enhance the use of the facility.

Attachments: [Campus Bond update.pdf](#)

5. ADJOURNMENT.

Vision Statement: Sachse is a friendly, vibrant community offering a safe and enjoyable quality of life to all who call Sachse home.

The City of Sachse reserves the right to reconvene, recess or realign the regular session or called Executive Session or order of business at any time prior to adjournment. Note: The Sachse City Council reserves the right to convene into Executive Session pursuant to the Texas Government Code, Chapter 551 regarding posted items on the regular meeting agenda.

State law prohibits the introduction or discussion of any item of business not posted at least seventy-two (72) hours prior to the meeting time. Therefore, during Citizen Input for example, the Council is prohibited by state law to deliberate or take action on any issues introduced by the public other than to take them under advisement. Posted: May 15, 2015; 5:00 p.m. Terry Smith, City Secretary _____.

If you plan to attend this public meeting and you have a disability that requires special arrangements at the meeting, please contact Terry Smith, City Secretary, at (972) 495-1212, 48 business hours prior to the scheduled meeting date. Reasonable accommodations will be made to assist your needs.



Legislation Details (With Text)

File #:	15-2798	Version:	1	Name:	Consider approval of the minutes of the most recent Council meeting.
Type:	Agenda Item	Status:		Status:	Agenda Ready
File created:	5/7/2015	In control:		In control:	City Council
On agenda:	5/18/2015	Final action:		Final action:	
Title:	Consider approval of the minutes of the May 4, 2015 regular meeting.				
	Executive Summary Minutes from the recent Council meeting.				

Sponsors:

Indexes:

Code sections:

Attachments: [Minutes.05.04.15.pdf](#)

Date	Ver.	Action By	Action	Result
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Title

Consider approval of the minutes of the May 4, 2015 regular meeting.

Executive Summary

Minutes from the recent Council meeting.

Background

Minutes from a recent Council meeting on May 4, 2015, for review and approval.

Policy Considerations

Not applicable.

Budgetary Considerations

Not applicable.

Staff Recommendations

Approval of the minutes of the May 4, 2015, regular meeting as a Consent Agenda Item.

REGULAR MEETING
OF THE
CITY COUNCIL OF THE CITY OF SACHSE
MAY 4, 2015

The City Council of the City of Sachse held a Regular Meeting on Monday, May 4, 2015 at 7:30 p.m. at the Sachse City Hall after proper notice. The roll of the duly constituted City Council Members was called which members are as follows, to wit:

Mayor Mike Felix
Mayor Pro Tem Jeff Bickerstaff
Councilman Charles Ross
Councilman Brett Franks
Councilman Paul Watkins
Councilman Cullen King
Councilman Bill Adams

and all were present.

Staff present: Interim City Manager Alan Dickerson, City Secretary Terry Smith, Executive Assistant Michelle Sirianni, Community Development Director Dan McGinn, Interim Police Chief Todd Renshaw, Human Resources Manager Stacy Buckley, Parks and Recreation Director Lance Whitworth, Library Manager Mignon Morse, City Engineer Greg Peters, Public Works Director Joe Crase, Fire Chief Rick Coleman, and Finance Director Teresa Savage.

Invocation and Pledge of Allegiance to U.S. and Texas Flags:

The invocation was offered by Councilman King and the pledges were led by Councilman Watkins.

1. Consent Agenda:

Councilman Adams moved to approve the Consent Agenda consisting of: 15-2779 Consider approval of the minutes of the April 18, 2015 Special Meeting; 15-2778 Consider approval of the minutes of the April 20, 2015 regular meeting; 15-2780 Consider approval of the minutes of the April 22, 2015 Special Meeting. 15-2793 Consider receiving the Monthly Revenue and Expenditure for the period ending March 31, 2015; 15-2777 Consider acceptance of the Quarterly Budget and Investment Reports for the quarter ended March 31, 2015; and 15-2783 Resolution No. 3666 of the City Council of the City of Sachse, Texas, approving the Interlocal Agreement between the City and Collin County concerning improvements to Maxwell Creek Road from Ranch Road to the north City Limits -- 2007 Bond Project #07-089. The motion was seconded by Councilman King and carried unanimously.

2. Mayor and City Council Announcements regarding special events, current activities and local achievements:

15-2782 Recognition of service to the City for Mr. Warren Becker.

15-2781 Proclamation recognizing the Sachse High School Girls Soccer Team successful season.

15-2767 Recognize Hudson Middle School student for Art Achievement.

Councilman Franks noted last Saturday's Movie in the Park was a success with 200 attendees.

Councilman King noted the Comic Book event Saturday at the Library was a success. He also stated the Pet Shot Clinic in the afternoon was well attended.

Mayor Felix noted he attended the May 2nd Relay for Life Event in Wylie.

3. Citizen Input:

No comments were made.

4. Regular Agenda Items:

15-2786 Conduct a public hearing and consider an Ordinance of the City of Sachse, Texas, amending the Comprehensive Zoning Ordinance and Map, as heretofore amended; to grant a change of zoning from an Agricultural District (AG) to a Planned Development District (PD) on an approximately 96.80-acre tract of land, more particularly described in Exhibit "A" as 96.80 acres out of the Thomas Goodwin Survey, Abstract 502, and located on the northeast corner of Pleasant Valley Road and Ben Road, City of Sachse, Dallas County, Texas; providing for the approval of the Zoning Exhibit attached as Exhibit "B"; providing for the approval of the Development Standards attached as Exhibit "C"; providing for the approval of the Zoning Concept Plan approved as Exhibit "D":

Following staff briefing, Mayor Felix opened the public hearing.

Perry Easterling 6702 Bailey Road, is an adjacent property owner. He had many questions about the septic system and parking on the small street.

Chris Benator 3605 Pleasant Valley, stated she is in favor of the zoning. Her concern is the marketing of the property because of all the landfill trucks and debris on the road.

Emily Donnelly 6302 Ben Road, stated she felt it is a nice product. Only concern is where will drainage go from all the bar ditches. She could go either way on the project.

Councilman Adams moved to close the public hearing. The motion was seconded by Councilman Ross and carried unanimously.

Following discussion, Mayor Pro Tem Bickerstaff moved to approve item 15-2786 (Ordinance No. 3667), as presented. The motion was seconded by Councilman Watkins and carried unanimously.

15-2784 Consider a resolution of the City Council of the City of Sachse, Texas, awarding the bid for the construction of the Ranch Road Paving and Drainage Improvements Project to McMahon Contracting, L.P., in an amount not to exceed six hundred forty-seven thousand seven hundred seventy-one dollars and sixty-seven cents (\$647,771.67); authorizing the City Manager to execute such agreement in a form approved by the City Attorney and providing an effective date:

Following discussion, Councilman Adams moved to approve 15-2784 (Resolution No. 3668), as presented. The motion was seconded by Councilman Franks and carried unanimously.

15-2770 Consider a resolution of the City Council of the City of Sachse, Texas, approving a purchase order in the amount not to exceed fifty-four thousand five hundred eighty-five dollars and zero cents (\$54,585.00) to GT Construction, Incorporated for concrete pavement replacement to Woodbridge Parkway south of State Highway 78; authorizing its execution by the City Manager; and providing an effective date:

Following discussion, Councilman Adams moved to approve 15-2770 (Resolution No. 3669), as presented. The motion was seconded by Councilman Franks and carried unanimously.

15-2790 Adjourn to Executive Session pursuant to the provisions of the Texas Government Code, Section 551.074: Deliberation Regarding Personnel Discussion of appointment of City manager; Action resulting from Executive Session

At 9:22 p.m. Councilman Ross moved to recess to executive session. The motion was seconded by Councilman Watkins and carried unanimously.

At 9:55 p.m. Councilman Adams moved to return to open session. The motion was seconded by Councilman Ross and carried unanimously.

Councilman Watkins moved that Gina Nash be appointed as City Manager for the City of Sachse effective June 1, 2015 and for the approval of the employment agreement with Gina Nash as City Manager. The motion was seconded by Mayor Pro Tem Bickerstaff and carried unanimously.

5. Adjournment:

There being no further business, Councilman Adams moved to adjourn. The motion was seconded by Councilman Ross and carried unanimously. The meeting adjourned at 9:57 p.m.

ATTEST:

APPROVED:

CITY SECRETARY

MAYOR



Legislation Details (With Text)

File #:	15-2802	Version:	1	Name:	Proclamation recognizing Armstrong Elementary School Principal Chris Grey.
Type:	Agenda Item	Status:		Status:	Agenda Ready
File created:	5/7/2015	In control:		In control:	City Council
On agenda:	5/18/2015	Final action:		Final action:	
Title:	Proclamation recognizing Armstrong Elementary School Principal Chris Grey.				

Executive Summary

Mr. Grey is leaving his position and this agenda item is to recognize his contributions to Sachse and the Garland Independent School District.

Sponsors:

Indexes:

Code sections:

Attachments: [Proclamation.Chris Grey.pdf](#)

Date	Ver.	Action By	Action	Result
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Title

Proclamation recognizing Armstrong Elementary School Principal Chris Grey.

Executive Summary

Mr. Grey is leaving his position and this agenda item is to recognize his contributions to Sachse and the Garland Independent School District.

Background

Armstrong Elementary School Principal Chris Grey will be recognized by the Mayor and Council. Mayor Pro Tem Bickerstaff requested this agenda item.

Policy Considerations

None.

Budgetary Considerations

None.

Staff Recommendations

Mayor Felix present the proclamation to Mr. Chris Grey, on his accomplishments.

PROCLAMATION

WHEREAS, Mr. Chris Grey has served the Garland Independent School District for fifteen years administering to students; and

WHEREAS, Chris has served as Assistant Principal at Club Hill Elementary, Principal at Hickman Elementary and Principal at Armstrong Elementary; and

WHEREAS, Mr. Grey has served as principal at Armstrong Elementary School for the past 3 years; and

WHEREAS, Mr. Grey has provided many years of dedicated service to his students and experienced the growing student population in the Garland Independent School District; and

WHEREAS, Chris Grey is leaving to another position as Principal at Watson Technology Center and will be greatly missed. We wish him luck in his future endeavors.

NOW, THEREFORE, by the powers vested in me as Mayor of the great City of Sachse, Texas, I do hereby proclaim

May 19, 2015 as "Chris Grey Day" in the City of Sachse

in recognition of his significant contributions to our schools, community and the many friendships he has established over the years.

IN WITNESS WHEREOF, I have hereunto set my hand and caused the Seal of the City of Sachse, Texas to be affixed this the 18th day of May, 2015.



Mike J. Felix
Mayor



Legislation Details (With Text)

File #: 15-2820 **Version:** 1 **Name:** Award City Scholarship
Type: Agenda Item **Status:** Agenda Ready
File created: 5/14/2015 **In control:** City Council
On agenda: 5/18/2015 **Final action:**
Title: Presentation of scholarship award to Sachse High School Senior, Kevin Clardy.

Executive Summary

This is the second year that the City of Sachse is offering a \$1,000 scholarship to a young man or young woman who is currently enrolled at the 12th grade level and lives in the City of Sachse. The City Council reviewed scholarship applications at the May 4th meeting and selected Kevin Clardy, a senior at Sachse High School to be the recipient of this distinguished award. Kevin Clardy is the recipient of the 2015 scholarship award.

Sponsors:

Indexes:

Code sections:

Attachments: [ScholarshipCertificate2015PDF.pdf](#)

Date	Ver.	Action By	Action	Result
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Title

Presentation of scholarship award to Sachse High School Senior, Kevin Clardy.

Executive Summary

This is the second year that the City of Sachse is offering a \$1,000 scholarship to a young man or young woman who is currently enrolled at the 12th grade level and lives in the City of Sachse. The City Council reviewed scholarship applications at the May 4th meeting and selected Kevin Clardy, a senior at Sachse High School to be the recipient of this distinguished award. Kevin Clardy is the recipient of the 2015 scholarship award.

Background

The scholarship award is made possible by the City's solid waste provider, Allied Waste (Republic). Under the terms of the city's waste disposal contract, Allied Waste provides \$1,000 annual to be used for a scholarship to a local youth from the City of Sachse.

Policy Considerations

N/A

Budgetary Considerations

The \$1,000 is donated by Allied Waste to be used for a scholarship.

Staff Recommendations

This is a presentation only.

CITY OF SACHSE \$1,000 SCHOLARSHIP FUND

FUNDED BY REPUBLIC SERVICES INC.

PRESENTED TO

Kevin Clardy

The City of Sachse commends you for your academic achievements and school and community involvement. As an individual your achievements endorse the high character and values that the City of Sachse represents.

The City Council commends you for planning to further your education and would like to present to you this \$1,000 scholarship to be used during the 2015/16 academic year.

Given this 18th day of May, 2015

Mike Felix, Mayor



Legislation Details (With Text)

File #:	15-2801	Version:	1	Name:	Proclamation recognizing Motorcycle Safety Awareness campaign.
Type:	Agenda Item	Status:		Status:	Agenda Ready
File created:	5/7/2015	In control:		In control:	City Council
On agenda:	5/18/2015	Final action:		Final action:	
Title:	Proclamation recognizing Motorcycle Safety Awareness campaign.				
	Executive Summary				
	Each year the Motorcycle Safety Awareness Campaign asks us to help promote their annual event.				
Sponsors:					
Indexes:					
Code sections:					
Attachments:	Proclamatiuon.motorcycle safety.pdf				

Date	Ver.	Action By	Action	Result
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Title

Proclamation recognizing Motorcycle Safety Awareness campaign.

Executive Summary

Each year the Motorcycle Safety Awareness Campaign asks us to help promote their annual event.

Background

This year we have a group requesting the proclamation promoting safety awareness: Keith Bryant with the Christians Motorcycle Club. Mayor Felix will present a proclamation.

Policy Considerations

None.

Budgetary Considerations

None.

Staff Recommendations

Mayor Felix present the proclamation recognizing Motorcycle Safety Awareness.

PROCLAMATION

WHEREAS, today's society is finding more citizens involved in motorcycling on the roads of our country, and

WHEREAS, motorcyclists are roughly unprotected and much more likely to be injured or killed in a crash than other vehicle drivers, and

WHEREAS, campaigns have helped inform riders and motorists alike on motorcycle safety issues to reduce motorcycle related risks, injuries and most of all fatalities, through a comprehensive approach to motorcycle safety, and

WHEREAS, it is the responsibility of all who put themselves behind the wheel, to become aware of motorcyclists, regarding them with the same respect as any other vehicle traveling the highways of the country, and

WHEREAS, urging all citizens of our community to become aware of the inherent danger involved in operating a motorcycle and give the operator the respect on the road they deserve.

NOW, THEREFORE, by the powers vested in me as Mayor of the great City of Sachse, Texas, I do hereby recognize

Motorcycle Safety Awareness in the City of Sachse

in acknowledgement of their annual safety campaign.

IN WITNESS WHEREOF, I have hereunto set my hand and caused the Seal of the City of Sachse, Texas to be affixed this the 18th day of May, 2015.



Mike J. Felix
Mayor



Legislation Details (With Text)

File #: 15-2785 **Version:** 1 **Name:** Engineering Department Staff Briefing 2015
Type: Agenda Item **Status:** Agenda Ready
File created: 4/24/2015 **In control:** City Council
On agenda: 5/18/2015 **Final action:**
Title: Staff Briefing: Engineering Department Update.

Executive Summary

City Engineer will update the Sachse City Council on the status of the Engineering Department.

Sponsors:

Indexes:

Code sections:

Attachments: [Engineering Department Briefing PDF](#)

Date	Ver.	Action By	Action	Result
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Title

Staff Briefing: Engineering Department Update.

Executive Summary

City Engineer will update the Sachse City Council on the status of the Engineering Department.

Background

City Engineer Greg Peters will provide a presentation on the current status and future goals of the Engineering Department.

Policy Considerations

N/A

Budgetary Considerations

N/A

Staff Recommendations

No action is required for this item.



Engineering Department Update

City Council

May 18, 2015

Overview

- Staff and Responsibilities
- 2015 Strategic Plan
- Private Development
- Capital Improvement Projects
- Looking Ahead



Staff and Responsibilities

- City Engineer
 - Manage the City's Capital Improvement Plan (CIP)
 - Private development infrastructure oversight
 - Engineering design for City projects
 - Floodplain management
 - Citizen assistance
- Project Manager – Land Development
 - Private development infrastructure coordination, review, and plan approval
 - CIP plan review
 - Engineering design for City projects
- Construction Inspector
 - Inspects CIP and private development infrastructure
 - Maintains the City of Sachse GIS system & mapping
 - Traffic counts



2015 Strategic Plan

- Goal 1: Strategically invest in the City's existing and future infrastructure to ensure those needs are met
 - Strategy 1: Partner with Counties to widen arterial roadways to their ultimate width
 - Strategy 3: Provide utility infrastructure to meet community growth
 - Strategy 4: Maintain existing roadways and alleys to an acceptable level
- Goal 3: Provide a high quality of life environment for families, individuals, businesses, and other organizations in Sachse
 - Strategy 6: Expand the trail system to enhance multimodal options
- Goal 4: Make Sachse more prosperous through job creation and quality development that adds community value
 - Strategy 2: Develop initiatives that result in value-added re-development in targeted areas of the State Highway 78 corridor

2014-15 Capital Improvements

Completed

- Woodbridge Parkway Extension
- High Service Water Pump @ Public Works
- Street Maintenance

Under Construction

- Maxwell Creek Road (Developer & Collin County)
- Quiet Zone Improvements
- Ranch Road (Collin County)

Construction Planned for This Year

- 3rd Sewer Connection to Garland
- SH 78 & 5th Street Lighting
- 6th Street re-construction (CDBG)
- Big Valley & Williford street maintenance

Current Design Projects

- Sachse Road & 5th Street (Dallas County)

Private Development Infrastructure 2014-15

Projects Complete

- Walmart Neighborhood Market

Projects Substantially Complete

- Westgate Shopping Center
- Murphy Oil
- Woodbridge Phase 19
- Heritage Park Phase 3
- Gods Servant Vietnamese Baptist Church

Projects in Construction

- Woodbridge Gate (LA Fitness)
- Jackson Hills Phase 3
- Harmony Hill Lane

Looking Ahead

Key Department Tasks

- Implement Pavement Assessment Program
- Implement Annual Infrastructure Report
- Continue to foster relationships with Counties, School Districts, neighboring cities, and private developers to maximize tax payer dollars on infrastructure

Capital Projects

- Construction of the 3rd Sewer Connection to Garland
- Construction of the SH 78 & 5th Street Lighting
- Final Design for Sachse Road & 5th Street
- Design & Construction of Maxwell Creek Road to the north City limit
- Final Design of sewer expansion projects



Contact Information

Greg Peters, P.E.
City Engineer
469-429-4792
gpeters@cityofsachse.com



Legislation Details (With Text)

File #:	15-2815	Version:	1	Name:	Atmos Settlement Ordinance
Type:	Agenda Item	Status:		Status:	Agenda Ready
File created:	5/8/2015	In control:		In control:	City Council
On agenda:	5/18/2015	Final action:		Final action:	
Title:	Consider an ordinance of the City of Sachse, Texas, approving a negotiated settlement between the Atmos Cities Steering Committee ("ACSC") and Atmos Energy Corp., Mid-Tex Division regarding the company's 2014 and 2015 Rate Review Mechanism filings; approving a settlement agreement with attached rate tariffs and proof of revenues; declaring existing rates to be unreasonable; adopting tariffs that reflect rate adjustments consistent with the negotiated settlement; finding the rates to be set by the settlement tariffs to be just and reasonable and in the public interest; requiring the company to reimburse ACSC's reasonable ratemaking expenses; determining that this ordinance was passed in accordance with the requirements of the Texas Open Meetings Act; adopting a savings clause; declaring an effective date; and requiring delivery of this ordinance to the company and the ACSC's legal counsel.				
Sponsors:					
Indexes:					
Code sections:					
Attachments:	Model Staff Report for Ordinance.pdf Revised Atmos Energy Ordinance.pdf Revised Attachments to Ordinance Atmos Rate Settlement.pdf				

Date	Ver.	Action By	Action	Result
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Title

Consider an ordinance of the City of Sachse, Texas, approving a negotiated settlement between the Atmos Cities Steering Committee ("ACSC") and Atmos Energy Corp., Mid-Tex Division regarding the company's 2014 and 2015 Rate Review Mechanism filings; approving a settlement agreement with attached rate tariffs and proof of revenues; declaring existing rates to be unreasonable; adopting tariffs that reflect rate adjustments consistent with the negotiated settlement; finding the rates to be set by the settlement tariffs to be just and reasonable and in the public interest; requiring the company to reimburse ACSC's reasonable ratemaking expenses; determining that this ordinance was passed in accordance with the requirements of the Texas Open Meetings Act; adopting a savings clause; declaring an effective date; and requiring delivery of this ordinance to the company and the ACSC's legal counsel.

Executive Summary

Rates cannot change without the adoption of a rate ordinance by cities. The purpose of this ordinance is to approve the Settlement Agreement and the resulting rate change under the RRM tariff. As a result of the negotiations, the Executive Committee was able to reduce the Company's requested \$28.8 million rate increase to \$21,962,784. When added to the settlement of the 2014 RRM filing and the adjustments recommended by the Proposal for

Decision (PFD), the Company will receive total additional annual revenues of \$65.7 million. Because the 2014 rates have been in effect since June 1, 2014, the increase to currently-billed rates is \$21 million. Approval of the Ordinance will result in rates that implement an increase in Atmos Mid-Tex's revenues effective June 1, 2015.

Background

In June 2013, City Council approved an ordinance approving and adopting rate schedule "RRM-Rate Review Mechanism" for Atmos Energy Corporation. The RRM, which was created collaboratively by the Atmos Cities Steering Committee (ACSC) and Atmos Mid-Tex, allows for a more comprehensive rate review and annual adjustment than the legislatively approved Gas Reliability Infrastructure Program (GRIP).

In June 2014, City Council approved a resolution denying the rate increase requested by Atmos Energy Corp., Mid-Tex Division under the annual RRM process. The ACSC's analysis did not support the requested increase, and negotiations to reduce the amount of the increase were unsuccessful. While awaiting the results of the appeal of the 2014 rate request, Atmos filed a request for another rate increase in February 2015. ACSC has analyzed schedules and evidence offered by Atmos Mid-Tex to support its 2015 request, and the parties have reached a negotiated settlement. The recommended Settlement Agreement requires Atmos to abate its appeal of the City's rejection of the 2014 RRM rate increase pending approval by all ACSC cities of the Settlement Agreement, and also requires Atmos to give the City the benefit of the adjustments to the 2014 rate increase recommended by the PFD.

For bills rendered after June 1, 2015, the monthly residential customer charge will be \$18.60, a 1.59% increase over current rates; the typical commercial customer will see an increase of \$2.69 or 0.96%.

Policy Considerations

Rates cannot change without the adoption of a rate ordinance by the City; the ACSC is recommending that all member cities adopt an ordinance approving the negotiated settlement.

Budgetary Considerations

Atmos rate increases would affect the total cost of natural gas for city use, as well as residential and commercial customers within the City.

Staff Recommendations

Staff recommends approval of an ordinance of the City of Sachse, Texas, approving a negotiated settlement between the Atmos Cities Steering Committee ("ACSC") and Atmos Energy Corp., Mid-Tex Division regarding the company's 2014 and 2015 Rate Review Mechanism filings; approving a settlement agreement with attached rate tariffs and proof of revenues; declaring existing rates to be unreasonable; adopting tariffs that reflect rate adjustments consistent with the negotiated settlement; finding the rates to be set by the settlement tariffs to be just and reasonable and in the public interest; requiring the company

to reimburse ACSC's reasonable ratemaking expenses; determining that this ordinance was passed in accordance with the requirements of the Texas Open Meetings Act; adopting a savings clause; declaring an effective date; and requiring delivery of this ordinance to the company and the ACSC's legal counsel.

MODEL STAFF REPORT

The City, along with other similarly situated cities served by Atmos Energy Corp., Mid-Tex Division (“Atmos Mid-Tex” or “Company”), is a member of the Atmos Cities Steering Committee (“ACSC”). The RRM Tariff was adopted by the City as an alternative to the Gas Reliability Infrastructure Program (“GRIP”), the statutory provision that allows Atmos to bypass the City’s rate regulatory authority to increase its rates annually to recover capital investments. In February 2014, Atmos Mid-Tex filed its second annual filing under the Rate Review Mechanism (“RRM”) Tariff, seeking an increase of \$45.7 million. Although ACSC attempted to reach a settlement with the Company as it had in past years, the wide differences between the Company and ACSC’s consultants’ recommendations made a compromise impossible. On the recommendation of the ACSC Executive Committee and ACSC’s legal counsel, the City in 2014 adopted a Resolution denying the requested rate increase.

The Company appealed the City’s denial to the Railroad Commission of Texas (“Commission”), and revised its requested increase to \$43.8 million. A hearing was held on the Company’s appeal on September 3, 2014. On April 28, 2015, the Commission’s Hearings Examiner issued his Proposal for Decision (“PFD”) in the Company’s appeal of the City’s denial of the 2014 RRM rate increase. This PFD was not favorable to ACSC, but did recommend a reduction of approximately \$860,000 to the Company’s adjusted 2014 filing.

While the parties were waiting for the PFD from the Hearings Examiner in the appeal of the 2014 RRM filing, on February 27, 2015, Atmos Mid-Tex filed with the City another rate increase request under the RRM Tariff, seeking additional revenues in the amount of \$28.762 million (total system) or \$24.0 million (affected cities). The City worked with ACSC to analyze the schedules and evidence offered by Atmos Mid-Tex to support its 2015 request to increase rates. The Ordinance and attached Settlement Agreement and tariffs are the result of negotiation between the Mid-Tex Executive Committee and the Company to resolve issues raised by ACSC during the review and evaluation of Atmos Mid-Tex’s filing. The recommended Settlement Agreement also requires Atmos to abate its appeal of the City’s rejection of the 2014 RRM rate increase pending approval by all ACSC cities of the Settlement Agreement. The Agreement requires Atmos to give the City the benefit of the adjustments to the 2014 rate increase recommended by the PFD.

The Ordinance and Settlement tariffs approve rates that will increase the Company’s revenues by \$65.7 million for the Mid-Tex Rate Division, effective for bills rendered on or after June 1, 2015. The monthly residential customer charge will be \$18.60. The consumption charge will change from \$0.08819 per Ccf to \$0.09931 per Ccf. The monthly bill impact for the typical residential customer consuming 60 Ccf will be an increase of \$1.14 (about a 1.59% increase in the base bill). The typical commercial customer will see an increase of \$2.69 or 0.96%.

The ACSC Executive Committee and its designated legal counsel and consultants recommend that all Cities adopt the Ordinance approving the negotiated Settlement Agreement resolving both the 2014 and the 2015 RRM filings, and implementing the rate change.

RRM Background:

The RRM tariff was originally approved by ACSC Cities as part of the settlement agreement to resolve the Atmos Mid-Tex 2007 system-wide rate filing at the Railroad Commission. In early

2013, the City adopted a renewed RRM tariff for an additional five years. This is the third RRM filing under the renewed tariff. The RRM tariff and the process implementing that tariff were created collaboratively by ACSC and Atmos Mid-Tex as an alternative to the legislatively-authorized GRIP surcharge process. ACSC has opposed GRIP because it constitutes piecemeal ratemaking, does not allow any review of the reasonableness of Atmos' expenditures, and does not allow participation by cities or recovery of cities' rate case expenses. In contrast, the RRM process has allowed for a more comprehensive rate review and annual adjustment as a substitute for GRIP filings. ACSC's consultants have calculated that had Atmos filed its 2015 case under the GRIP provisions, it would have received additional revenues from ratepayers of approximately \$10 million.

Purpose of the Ordinance:

The purpose of the Ordinance is to approve the Settlement Agreement and the resulting rate change under the RRM tariff. As a result of the negotiations, the Executive Committee was able to reduce the Company's requested \$28.8 million rate increase for Mid-Tex cities to \$21,962,784. When added to the settlement of the 2014 RRM filing and the adjustments recommended by the PFD, the Company will receive total additional annual revenues of \$65.7 million. Because the 2014 rates have been in effect since June 1, 2014, the increase to currently-billed rates is \$21 million. Approval of the Ordinance will result in rates that implement an increase in Atmos Mid-Tex's revenues effective June 1, 2015.

Why Approve the Settlement Agreement:

While it is annoying and disconcerting to annually consider rate adjustments from Atmos Mid-Tex, the Texas legislature has granted gas utilities the right, through the GRIP process, to an annual increase based on increases in invested capital. GRIP is piecemeal ratemaking and ignores increases in revenues and declines in O&M expenses that may be associated with plant additions. ACSC found it preferable to negotiate with Atmos to substitute an expedited comprehensive review process that includes consideration of revenues and expenses as well as invested capital for the GRIP process.

Compelling reasons for approving the Settlement include:

1. While the 2015 RRM system-wide filing exceeded \$28 million, a comparable GRIP filing would have been in excess of \$38 million. ACSC has negotiated a reduction to the 2015 filing of approximately \$6 million. Therefore, the 2015 RRM result is approximately \$16 million better for ratepayers within municipal limits than ratepayers within Environs.
2. ACSC counsel is convinced that the Proposal for Decision ("PFD") by Railroad Commission Examiners in the 2014 RRM appeal will not improve if we file Exceptions and Replies to Exceptions. Counsel recommends action to avoid the PFD becoming a final order that would serve as precedent in future rate proceedings.
3. The token benefit to ratepayers authorized in the PFD to the 2014 appeal has been incorporated into the Settlement Agreement.
4. Atmos will file its formal withdrawal of its 2014 appeal only after all ACSC members approve the Settlement Agreement.

5. The alternative to approval of the Settlement Agreement would be another contested case hearing on appeal of the 2015 filing, implementation of interim rates on June 1, 2015 at the full value of the Company's request (or \$6 million higher than proposed by the Settlement) and continuation of the 2014 appeal with resulting rate case expenses borne by ratepayers.

Explanation of "Be It Ordained" Sections:

1. This section approves all findings in the Ordinance.
2. This section finds the Settlement Agreement (attached to the Ordinance) to be a comprehensive settlement of gas utility rate issues arising from Atmos Mid-Tex's 2014 and 2015 RRM filings, and that such settlement is in the public interest and consistent with the City's statutory authority.
3. This section finds the existing Atmos Mid-Tex rates to be unreasonable, and approves the new tariffed rates providing for additional revenues over currently-billed rates of \$21 million and adopts the attached new rate tariffs.
4. This section establishes the baseline for pensions and other post-employment benefits for future rate cases.
5. This section renews the Atmos Mid-Tex RRM Tariff for an additional period of time, commencing with the filing to be made on March 1, 2016, and continuing until the RRM Tariff is suspended by ordinance of the City.
6. This section requires the Company to reimburse Cities for reasonable ratemaking costs associated with reviewing and processing the RRM filing.
7. This section repeals any resolution or ordinance that is inconsistent with this Ordinance.
8. This section finds that the meeting was conducted in compliance with the Texas Open Meetings Act, Texas Government Code, Chapter 551.
9. This section is a savings clause, which provides that if any section(s) is later found to be unconstitutional or invalid, that finding shall not affect, impair or invalidate the remaining provisions of this Ordinance. This section further directs that the remaining provisions of the Ordinance are to be interpreted as if the offending section or clause never existed.
10. This section provides for an effective date upon passage which, according to the Cities' ordinance that adopted the RRM process, is June 1, 2015.
11. This paragraph directs that a copy of the signed Ordinance be sent to a representative of the Company and legal counsel for the Steering Committee.

ORDINANCE NO. _____

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SACHSE, TEXAS, APPROVING A NEGOTIATED SETTLEMENT BETWEEN THE ATMOS CITIES STEERING COMMITTEE (“ACSC”) AND ATMOS ENERGY CORP., MID-TEX DIVISION REGARDING THE COMPANY’S 2014 AND 2015 RATE REVIEW MECHANISM FILINGS; APPROVING A SETTLEMENT AGREEMENT WITH ATTACHED RATE TARIFFS AND PROOF OF REVENUES; DECLARING EXISTING RATES TO BE UNREASONABLE; ADOPTING TARIFFS THAT REFLECT RATE ADJUSTMENTS CONSISTENT WITH THE NEGOTIATED SETTLEMENT; FINDING THE RATES TO BE SET BY THE SETTLEMENT TARIFFS TO BE JUST AND REASONABLE AND IN THE PUBLIC INTEREST; REQUIRING THE COMPANY TO REIMBURSE ACSC’S REASONABLE RATEMAKING EXPENSES; DETERMINING THAT THIS ORDINANCE WAS PASSED IN ACCORDANCE WITH THE REQUIREMENTS OF THE TEXAS OPEN MEETINGS ACT; ADOPTING A SAVINGS CLAUSE; DECLARING AN EFFECTIVE DATE; AND REQUIRING DELIVERY OF THIS ORDINANCE TO THE COMPANY AND THE ACSC’S LEGAL COUNSEL.

WHEREAS, the City of Sachse, Texas (“City”) is a gas utility customer of Atmos Energy Corp., Mid-Tex Division (“Atmos Mid-Tex” or “Company”), and a regulatory authority with an interest in the rates and charges of Atmos; and

WHEREAS, the City is a member of the Atmos Cities Steering Committee (“ACSC”), a coalition of similarly-situated cities served by Atmos Mid-Tex (“ACSC Cities”) that have joined together to facilitate the review of and response to natural gas issues affecting rates charged in the Atmos Mid-Tex service area; and

WHEREAS, ACSC and the Company worked collaboratively to develop a new Rate Review Mechanism (“RRM”) tariff that allows for an expedited rate review process by ACSC Cities as a substitute to the Gas Reliability Infrastructure Program (“GRIP”) process instituted by

the Legislature, and that will establish rates for the ACSC Cities based on the system-wide cost of serving the Atmos Mid-Tex Division; and

WHEREAS, the initial RRM Tariff was in effect for four (4) years; and

WHEREAS, ACSC Cities and Atmos Mid-Tex entered into another settlement agreement and revised the RRM Tariff; and

WHEREAS, ACSC Cities and Atmos Mid-Tex compromised and reached agreements on the amount of the rate increases to be in effect for the RRM Tariff filings for 2012 and 2013; and

WHEREAS, ACSC Cities and Atmos Mid-Tex were unable to reach an agreement on the 2014 RRM Tariff filing, resulting in the ACSC Cities' rejection of the 2014 RRM filing; and

WHEREAS, Atmos Mid-Tex appealed the ACSC Cities' actions rejecting its 2014 RRM filing to the Railroad Commission of Texas ("Commission"), pursuant to the provisions of the RRM Tariff; and

WHEREAS, Atmos Mid-Tex and ACSC litigated the appeal of the 2014 RRM filing at the Commission; and

WHEREAS, on February 27, 2015, Atmos Mid-Tex filed its 2015 RRM Tariff filing, requesting to increase natural gas base rates system-wide by \$28.762 million; and

WHEREAS, ACSC coordinated its review of Atmos Mid-Tex RRM filing through its Executive Committee, assisted by ACSC's attorneys and consultants, to resolve issues identified in the Company's RRM filing; and

WHEREAS, Atmos Mid-Tex has agreed to withdraw its appeal of ACSC's rejection of its 2014 RRM Tariff rate increase; and

WHEREAS, the Executive Committee, as well as ACSC's counsel and consultants, recommend that ACSC Cities approve the attached Settlement Agreement (Attachment A to this

Ordinance) as well as the tariffs attached thereto, resolving both the 2014 and the 2015 RRM Tariff filings, which together will increase the Company's revenues by \$65.7 million over the amount allowed under City-approved rates set in 2013; and

WHEREAS, the attached tariffs implementing new rates are consistent with the negotiated Settlement Agreement and are just, reasonable, and in the public interest; and

WHEREAS, the RRM Tariff should be renewed for a period of time commencing in 2016 and continuing until the RRM Tariff is suspended by ordinance of the City; and

WHEREAS, the RRM Tariff contemplates reimbursement of ACSC's reasonable expenses associated with RRM applications;

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF SACHSE, TEXAS:

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

Section 2. That the City Council finds that the Settlement Agreement (Attachment A to this Ordinance) represents a comprehensive settlement of gas utility rate issues affecting the rates, operations, and services offered by Atmos Mid-Tex within the municipal limits arising from Atmos Mid-Tex's 2014 and 2015 RRM filings, is in the public interest, and is consistent with the City's authority under Section 103.001 of the Texas Utilities Code.

Section 3. That the existing rates for natural gas service provided by Atmos Mid-Tex are unreasonable. The new tariffs attached hereto and incorporated herein as Attachment C, are just and reasonable, and are designed to allow Atmos Mid-Tex to recover annually an additional \$65.7 million in revenue over the amount allowed under currently approved rates, or \$21 million over currently-billed rates, as shown in the Proof of Revenues attached hereto and incorporated herein as Attachment B; such tariffs are hereby adopted.

Section 4. That the ratemaking treatment for pensions and other post-employment benefits in Atmos' next RRM filing shall be as set forth on Attachment D, attached hereto and incorporated herein.

Section 5. That in an effort to streamline the regulatory review process, the Atmos Mid-Tex RRM Tariff is renewed for a period commencing with the Company's March 1, 2016 RRM filing for calendar year 2015, effective June 1, 2016, and continuing thereafter until such time as the City adopts an ordinance suspending operation of the RRM Tariff.

Section 6. That Atmos Mid-Tex shall reimburse the reasonable ratemaking expenses of the ACSC in processing the Company's RRM application.

Section 7. That to the extent any resolution or ordinance previously adopted by the Council is inconsistent with this Ordinance, it is hereby repealed.

Section 8. That the meeting at which this Ordinance was approved was in all things conducted in strict compliance with the Texas Open Meetings Act, Texas Government Code, Chapter 551.

Section 9. That if any one or more sections or clauses of this Ordinance is adjudged to be unconstitutional or invalid, such judgment shall not affect, impair or invalidate the remaining provisions of this Ordinance and the remaining provisions of the Ordinance shall be interpreted as if the offending section or clause never existed.

Section 10. That consistent with the City Ordinance that established the RRM process, this Ordinance shall become effective from and after its passage with rates authorized by attached tariffs to be effective for bills rendered on or after June 1, 2015.

Section 11. That a copy of this Ordinance shall be sent to Atmos Mid-Tex, care of Chris Felan, Vice President of Rates and Regulatory Affairs Mid-Tex Division, Atmos Energy

Corporation, 5420 LBJ Freeway, Suite 1862, Dallas, Texas 75240, and to Geoffrey Gay, General Counsel to ACSC, at Lloyd Gosselink Rochelle & Townsend, P.C., 816 Congress Avenue, Suite 1900, Austin, Texas 78701.

PASSED AND APPROVED this _____ day of _____, 2015.

Mike Felix, Mayor

ATTEST:

APPROVED AS TO FORM:

Terry Smith, City Secretary

Peter G. Smith, City Attorney

**SETTLEMENT AGREEMENT BETWEEN ATMOS ENERGY CORP., MID-TEX
DIVISION AND ATMOS CITIES STEERING COMMITTEE**

WHEREAS, this agreement (“Settlement Agreement”) is entered into by Atmos Energy Corp’s Mid-Tex Division and Atmos Cities Steering Committee (“ACSC”) whose members include the Cities of Abilene, Addison, Allen, Alvarado, Angus, Anna, Argyle, Arlington, Aubrey, Bedford, Bellmead, Benbrook, Beverly Hills, Blossom, Blue Ridge, Bowie, Boyd, Bridgeport, Brownwood, Buffalo, Burkburnett, Burleson, Caddo Mills, Canton, Carrollton, Cedar Hill, Celeste, Celina, Centerville, Cisco, Clarksville, Cleburne, Clyde, College Station, Colleyville, Colorado City, Comanche, Commerce, Coolidge, Coppell, Copperas Cove, Corinth, Corral City, Crandall, Crowley, Dalworthington Gardens, Denison, DeSoto, Duncanville, Eastland, Edgecliff Village, Emory, Ennis, Euless, Everman, Fairview, Farmers Branch, Farmersville, Fate, Flower Mound, Forest Hill, Fort Worth, Frisco, Frost, Gainesville, Garland, Garrett, Grand Prairie, Grapevine, Gunter, Haltom City, Harker Heights, Haskell, Haslet, Hewitt, Highland Park, Highland Village, Honey Grove, Hurst, Hutto, Iowa Park, Irving, Justin, Kaufman, Keene, Keller, Kemp, Kennedale, Kerens, Kerrville, Killeen, Krum, Lake Worth, Lakeside, Lancaster, Lewisville, Lincoln Park, Little Elm, Lorena, Madisonville, Malakoff, Mansfield, McKinney, Melissa, Mesquite, Midlothian, Murphy, Newark, Nocona, North Richland Hills, Northlake, Oakleaf, Ovilla, Palestine, Pantego, Paris, Parker, Pecan Hill, Petrolia, Plano, Ponder, Pottsboro, Prosper, Quitman, Red Oak, Reno (Parker County), Richardson, Richland, Richland Hills, Roanoke, Robinson, Rockwall, Roscoe, Rowlett, Royse City, Sachse, Saginaw, Sansom Park, Seagoville, Sherman, Snyder, Southlake, Springtown, Stamford, Stephenville, Sulphur Springs, Sweetwater, Temple, Terrell, The Colony, Trophy Club, Tyler, University Park, Venus, Vernon, Waco, Watauga, Waxahachie, Westlake, White Settlement, Whitesboro, Wichita Falls, Woodway, and Wylie.

WHEREAS, on February 28, 2014, Atmos filed with the ACSC Cities an application, hereinafter referred to as the 2014 RRM filing, to adjust rates pursuant to Rider RRM - Rate Review Mechanism, which were subsequently consolidated into GUD No. 10359 at the Railroad Commission of Texas; and

WHEREAS, on February 27, 2015, Atmos filed with the ACSC Cities an application, hereinafter referred to as the 2015 RRM filing, to adjust rates pursuant to Rider RRM - Rate Review Mechanism; and

WHEREAS, the Settlement Agreement resolves all issues between Atmos and ACSC (“the Signatories”) regarding the 2014 RRM filing, which is currently pending before the Commission, and the 2015 RRM filing, which is currently pending before the ACSC Cities, in a manner that the Signatories believe is consistent with the public interest, and the Signatories represent diverse interests; and

WHEREAS, the Signatories believe that the resolution of the issues raised in the 2014 RRM filing and the 2015 RRM filing can best be accomplished by each ACSC City approving this Settlement Agreement and the rates, terms and conditions reflected in the tariffs attached to this Settlement Agreement as Exhibit A;

NOW, THEREFORE, in consideration of the mutual agreements and covenants established herein, the Signatories, through their undersigned representatives, agree to the

following Settlement Terms as a means of fully resolving all issues between Atmos and the ACSC Cities involving the 2014 RRM filing and 2015 RRM filing:

Settlement Terms

1. Upon the execution of this Settlement Agreement, the ACSC Cities will approve an ordinance or resolution to approve the Settlement Agreement and implement the rates, terms and conditions reflected in the tariffs attached to the Settlement Agreement as Exhibit A. (Attachment A to the Ordinance ratifying the Agreement). Said tariffs should allow Atmos to recover annually an additional \$65.7 million in revenue over the amount allowed under currently approved rates by implementation of rates shown in the proof of revenues attached as Exhibit B. (Attachment B to the Ordinance ratifying this Agreement). The uniform implementation of gas rates, terms and conditions established by the Settlement Agreement shall be effective for bills rendered on or after June 1, 2015. Consistent with the City's authority under Section 103.001 of the Texas Utilities Code, the Settlement Agreement represents a comprehensive settlement of gas utility rate issues affecting the rates, operations and services offered by Atmos within the municipal limits of the ACSC Cities arising from Atmos' 2014 RRM filing and 2015 RRM filing. No refunds of charges billed to customers by Atmos under the RRM in past periods shall be owed or owing.
2. In an effort to streamline the regulatory review process, Atmos and the ACSC Cities have agreed to renew the Rate Review Mechanism ("Rider RRM") for a period commencing with the Company's March 1, 2016 filing under this mechanism for the calendar year 2015, effective June 1, 2016, and continuing thereafter until such time as either the ACSC Cities issue an ordinance stating a desire to discontinue the operation of the tariff or Atmos files a Statement of Intent. Atmos and the ACSC Cities further agree that the RRM tariff shall remain in effect until such time as new, final rates are established for Atmos. Upon approval of this Settlement Agreement by the ACSC Cities, Atmos shall file an updated RRM Tariff with each city reflecting the provisions of this agreement.
3. Atmos and the ACSC Cities agree that rate base as of December 31, 2014 in the amount of \$1,955,948,256 is just and reasonable and shall be recovered in rates.
4. Atmos and the ACSC Cities agree that a pension and other postemployment benefits balance as of December 31, 2014 in the amount of \$18,284,949 is just and reasonable and shall be used as the beginning balance for purposes of determining pension and other postemployment benefits to be recovered in the next RRM filing (Attachment D to the Ordinance ratifying the Agreement).
5. With regard to the treatment of Atmos' Rule 8.209 regulatory asset under the RRM, Atmos and the ACSC Cities agree to the following with respect to any pending and future RRM filings:
 - a. the capital investment in the Rule 8.209 regulatory asset in the 2014 RRM filing and 2015 RRM filing is reasonable and consistent with the requirements of Rule 8.209;

- b. the classification of projects included in the Rule 8.209 regulatory asset in the 2014 RRM filing and 2015 RRM filing is reasonable and consistent with the requirements of Rule 8.209 and shall serve as a basis for classification of projects in future RRM filings;
 - c. the treatment of blanket replacement projects, system upgrades, relocations, and transmission line replacements in the Rule 8.209 regulatory asset in the 2014 RRM filing and 2015 RRM filing is reasonable and consistent with the requirements of Rule 8.209 and shall be included in future RRM filings.
 - d. the incurred expenses included in the Rule 8.209 regulatory asset in the 2014 RRM and the 2015 RRM are reasonable and consistent with the requirements of Rule 8.209 and shall be included in future RRM filings;
 - e. interest on the Rule 8.209 regulatory asset account shall be calculated using the pre-tax cost of capital most recently approved by the Commission. The use of the pre-tax cost of capital is consistent with Rule 8.209. A return on Rule 8.209 capital investment is only earned once the investment is included in rate base. No change in the Company's calculation of the interest component in its Rule 8.209 regulatory asset accounts is warranted through the period ended May 31, 2015. Beginning June 1, 2015, interest expense shall be calculated monthly using simple interest (*i.e.* 11.49% divided by 12, or approximately 0.96% per month) applied to the total value of the Rule 8.209 asset investment (exclusive of interest) until such time the Rule 8.209 regulatory asset is approved for inclusion in the Company's rate base.
 - f. While Atmos and the ACSC Cities agree to apply the treatments and methodologies set forth in this paragraph, subsections (a) – (e) in all future RRM filings, the regulatory authority retains its right to disallow any capital investment that is not shown to be prudently incurred, and any expense not shown to be reasonable and necessary, in future RRM filings.
 - g. Atmos and the ACSC Cities acknowledge that their agreement regarding the treatment and methodologies applicable to Rule 8.209 capital investments under the RRM tariff shall not prejudice the right of either party to argue for different treatments or methodologies in a future statement of intent proceeding.
6. Revenues approved pursuant to Paragraph 1 of the Settlement Agreement include reimbursement of rate case expenses owed to the ACSC Cities in connection with the 2014 RRM filing.
7. The Signatories agree that each ACSC city shall approve this Settlement Agreement and adopt an ordinance or resolution to implement for the ACSC Cities the rates, terms, and conditions reflected in the tariffs attached to the Settlement Agreement as Exhibit A. Atmos and ACSC further agree that at such time as all of the ACSC Cities have passed an ordinance or resolution consistent with the Settlement and Atmos has received such ordinance or resolution, Atmos shall withdraw its appeal of the currently pending RRM filing before the Railroad Commission of Texas in connection with the 2014 RRM filing.

8. Atmos and the ACSC Cities further agree that the express terms of the Rider RRM are supplemental to the filing, notice, regulatory review, or appellate procedural process of the ratemaking provisions of Chapter 104 of the Texas Utilities Code. If the statute requires a mandatory action on behalf of the municipal regulatory authority or Atmos, the parties will follow the provisions of such statute. If the statute allows discretion on behalf of the municipal regulatory authority, the ACSC Cities agree that they shall exercise such discretion in such a way as to implement the provisions of the RRM tariff. If Atmos appeals an action or inaction of an ACSC City regarding an RRM filing to the Railroad Commission, the ACSC Cities agree that they will not oppose the implementation of interim rates or advocate the imposition of a bond by Atmos consistent with the RRM tariff. Atmos agrees that it will make no filings on behalf of its Mid-Tex Division under the provisions of Section 104.301 of the Texas Utilities code while the Rider RRM is in place. In the event that a regulatory authority fails to act or enters an adverse decision regarding the proposed annual RRM adjustment, the Railroad Commission of Texas shall have exclusive appellate jurisdiction, pursuant to the provisions of the Texas Utilities Code, to review the action or inaction of the regulatory authority exercising exclusive original jurisdiction over the RRM request. In addition, the Signatories agree that this Settlement Agreement shall not be construed as a waiver of the ACSC Cities' right to initiate a show cause proceeding or the Company's right to file a Statement of Intent under the provisions of the Texas Utilities Code.
9. The Signatories agree that the terms of the Settlement Agreement are interdependent and indivisible, and that if any ACSC city enters an order that is inconsistent with this Settlement Agreement, then any Signatory may withdraw without being deemed to have waived any procedural right or to have taken any substantive position on any fact or issue by virtue of that Signatory's entry into the Settlement Agreement or its subsequent withdrawal. If any ACSC city rejects this Settlement Agreement, then this Settlement Agreement shall be void *ab initio* and counsel for the ACSC Cities shall thereafter only take such actions as are in accordance with the Texas Disciplinary Rules of Professional Conduct.
10. The Signatories agree that all negotiations, discussions and conferences related to the Settlement Agreement are privileged, inadmissible, and not relevant to prove any issues associated with Atmos' 2014 RRM filing and 2015 RRM filing.
11. The Signatories agree that neither this Settlement Agreement nor any oral or written statements made during the course of settlement negotiations may be used for any purpose other than as necessary to support the entry by the ACSC Cities of an ordinance or resolution implementing this Settlement Agreement.
12. The Signatories agree that this Settlement Agreement is binding on each Signatory only for the purpose of settling the issues set forth herein and for no other purposes, and, except to the extent the Settlement Agreement governs a Signatory's rights and obligations for future periods, this Settlement Agreement shall not be binding or precedential upon a Signatory outside this proceeding.

Attachment A

13. The Signatories agree that this Settlement Agreement may be executed in multiple counterparts and may be filed with facsimile signatures.

Agreed to this 7 day of May, 2015.

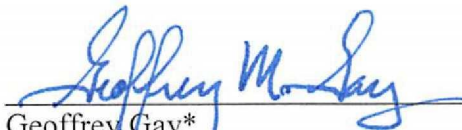
ATMOS ENERGY CORP., MID-TEX DIVISION

By: John A. Paris
John A. Paris
President, Mid-Tex Division

Agreed to this 7th day of May 2015.

ATTORNEY FOR ATMOS CITIES STEERING COMMITTEE, WHOSE MEMBERS INCLUDE THE CITIES OF ABILENE, ADDISON, ALLEN, ALVARADO, ANGUS, ANNA, ARGYLE, ARLINGTON, AUBREY, BEDFORD, BELLMEAD, BENBROOK, BEVERLY HILLS, BLOSSOM, BLUE RIDGE, BOWIE, BOYD, BRIDGEPORT, BROWNWOOD, BUFFALO, BURKBURNETT, BURLESON, CADDO MILLS, CANTON, CARROLLTON, CEDAR HILL, CELESTE, CELINA, CENTERVILLE, CISCO, CLARKSVILLE, CLEBURNE, CLYDE, COLLEGE STATION, COLLEYVILLE, COLORADO CITY, COMANCHE, COMMERCE, COOLIDGE, COPPELL, COPPERAS COVE, CORINTH, CORRAL CITY, CRANDALL, CROWLEY, DALWORTHINGTON GARDENS, DENISON, DESOTO, DUNCANVILLE, EASTLAND, EDGECLIFF VILLAGE, EMORY, ENNIS, EULESS, EVERMAN, FAIRVIEW, FARMERS BRANCH, FARMERSVILLE, FATE, FLOWER MOUND, FOREST HILL, FORT WORTH, FRISCO, FROST, GAINESVILLE, GARLAND, GARRETT, GRAND PRAIRIE, GRAPEVINE, GUNTER, HALTOM CITY, HARKER HEIGHTS, HASKELL, HASLET, HEWITT, HIGHLAND PARK, HIGHLAND VILLAGE, HONEY GROVE, HURST, HUTTO, IOWA PARK, IRVING, JUSTIN, KAUFMAN, KEENE, KELLER, KEMP, KENNEDALE, KERENS, KERRVILLE, KILLEEN, KRUM, LAKE WORTH, LAKESIDE, LANCASTER, LEWISVILLE, LINCOLN PARK, LITTLE ELM, LORENA, MADISONVILLE, MALAKOFF, MANSFIELD, MCKINNEY, MELISSA, MESQUITE, MIDLOTHIAN, MURPHY, NEWARK, NOCONA, NORTH RICHLAND HILLS, NORTHLAKE, OAKLEAF, OVILLA, PALESTINE, PANTEGO, PARIS, PARKER, PECAN HILL, PETROLIA, PLANO, PONDER, POTTSBORO, PROSPER, QUITMAN, RED OAK, RENO (PARKER COUNTY), RICHARDSON, RICHLAND, RICHLAND HILLS, ROANOKE, ROBINSON, ROCKWALL, ROSCOE, ROWLETT, ROYSE CITY, SACHSE, SAGINAW, SANSOM PARK, SEAGOVILLE, SHERMAN, SNYDER, SOUTHLAKE, SPRINGTOWN, STAMFORD, STEPHENVILLE, SULPHUR SPRINGS, SWEETWATER, TEMPLE, TERRELL, THE COLONY, TROPHY CLUB, TYLER, UNIVERSITY PARK, VENUS, VERNON, WACO, WATAUGA, WAXAHACHIE, WESTLAKE, WHITE SETTLEMENT, WHITESBORO, WICHITA FALLS, WOODWAY, AND WYLIE.

By:


Geoffrey Gay*

* Subject to approval by ACSC City Councils

**MID-TEX DIVISION
ATMOS ENERGY CORPORATION**

RRC Tariff No:

RATE SCHEDULE:	C – COMMERCIAL SALES	
APPLICABLE TO:	ALL CUSTOMERS IN THE MID-TEX DIVISION EXCEPT THE CITY OF DALLAS AND UNINCORPORATED AREAS	
EFFECTIVE DATE:	Bills Rendered on or after 06/01/2015	PAGE:

Application

Applicable to Commercial Customers for all natural gas provided at one Point of Delivery and measured through one meter and to Industrial Customers with an average annual usage of less than 30,000 Ccf.

Type of Service

Where service of the type desired by Customer is not already available at the Point of Delivery, additional charges and special contract arrangements between Company and Customer may be required prior to service being furnished.

Monthly Rate

Customer's monthly bill will be calculated by adding the following Customer and Ccf charges to the amounts due under the riders listed below:

Charge	Amount
Customer Charge per Bill	\$ 40.00 per month
Rider CEE Surcharge	\$ 0.00 per month ¹
Total Customer Charge	\$ 40.00 per month
Commodity Charge – All Ccf	\$ 0.08020 per Ccf

Gas Cost Recovery: Plus an amount for gas costs and upstream transportation costs calculated in accordance with Part (a) and Part (b), respectively, of Rider GCR.

Weather Normalization Adjustment: Plus or Minus an amount for weather normalization calculated in accordance with Rider WNA.

Franchise Fee Adjustment: Plus an amount for franchise fees calculated in accordance with Rider FF. Rider FF is only applicable to customers inside the corporate limits of any incorporated municipality.

Tax Adjustment: Plus an amount for tax calculated in accordance with Rider TAX.

Surcharges: Plus an amount for surcharges calculated in accordance with the applicable rider(s).

Agreement

An Agreement for Gas Service may be required.

Notice

Service hereunder and the rates for services provided are subject to the orders of regulatory bodies having jurisdiction and to the Company's Tariff for Gas Service.

¹ Reference Rider CEE - Conservation And Energy Efficiency as approved in GUD 10170. Surcharge billing effective July 1, 2014.

**MID-TEX DIVISION
ATMOS ENERGY CORPORATION**
RRC Tariff No:

RATE SCHEDULE:	I – INDUSTRIAL SALES	
APPLICABLE TO:	ALL CUSTOMERS IN THE MID-TEX DIVISION EXCEPT THE CITY OF DALLAS AND UNINCORPORATED AREAS	
EFFECTIVE DATE:	Bills Rendered on or after 06/01/2015	PAGE:

Application

Applicable to Industrial Customers with a maximum daily usage (MDU) of less than 3,500 MMBtu per day for all natural gas provided at one Point of Delivery and measured through one meter. Service for Industrial Customers with an MDU equal to or greater than 3,500 MMBtu per day will be provided at Company's sole option and will require special contract arrangements between Company and Customer.

Type of Service

Where service of the type desired by Customer is not already available at the Point of Delivery, additional charges and special contract arrangements between Company and Customer may be required prior to service being furnished.

Monthly Rate

Customer's monthly bill will be calculated by adding the following Customer and MMBtu charges to the amounts due under the riders listed below:

Charge	Amount
Customer Charge per Meter	\$ 700.00 per month
First 0 MMBtu to 1,500 MMBtu	\$ 0.2937 per MMBtu
Next 3,500 MMBtu	\$ 0.2151 per MMBtu
All MMBtu over 5,000 MMBtu	\$ 0.0461 per MMBtu

Gas Cost Recovery: Plus an amount for gas costs and upstream transportation costs calculated in accordance with Part (a) and Part (b), respectively, of Rider GCR.

Franchise Fee Adjustment: Plus an amount for franchise fees calculated in accordance with Rider FF. Rider FF is only applicable to customers inside the corporate limits of any incorporated municipality.

Tax Adjustment: Plus an amount for tax calculated in accordance with Rider TAX.

Surcharges: Plus an amount for surcharges calculated in accordance with the applicable rider(s).

Curtailment Overpull Fee

Upon notification by Company of an event of curtailment or interruption of Customer's deliveries, Customer will, for each MMBtu delivered in excess of the stated level of curtailment or interruption, pay Company 200% of the midpoint price for the Katy point listed in *Platts Gas Daily* published for the applicable Gas Day in the table entitled "Daily Price Survey."

Replacement Index

In the event the "midpoint" or "common" price for the Katy point listed in *Platts Gas Daily* in the table entitled "Daily Price Survey" is no longer published, Company will calculate the applicable imbalance fees utilizing a daily price index recognized as authoritative by the natural gas industry and most closely approximating the applicable index.

**MID-TEX DIVISION
ATMOS ENERGY CORPORATION****RRC Tariff No:**

RATE SCHEDULE:	I – INDUSTRIAL SALES	
APPLICABLE TO:	ALL CUSTOMERS IN THE MID-TEX DIVISION EXCEPT THE CITY OF DALLAS AND UNINCORPORATED AREAS	
EFFECTIVE DATE:	Bills Rendered on or after 06/01/2015	PAGE:

Agreement

An Agreement for Gas Service may be required.

Notice

Service hereunder and the rates for services provided are subject to the orders of regulatory bodies having jurisdiction and to the Company's Tariff for Gas Service.

Special Conditions

In order to receive service under Rate I, Customer must have the type of meter required by Company. Customer must pay Company all costs associated with the acquisition and installation of the meter.

**MID-TEX DIVISION
ATMOS ENERGY CORPORATION**
RRC Tariff No:

RATE SCHEDULE:	R – RESIDENTIAL SALES	
APPLICABLE TO:	ALL CUSTOMERS IN THE MID-TEX DIVISION EXCEPT THE CITY OF DALLAS AND UNINCORPORATED AREAS	
EFFECTIVE DATE:	Bills Rendered on or after 06/01/2015	PAGE:

Application

Applicable to Residential Customers for all natural gas provided at one Point of Delivery and measured through one meter.

Type of Service

Where service of the type desired by Customer is not already available at the Point of Delivery, additional charges and special contract arrangements between Company and Customer may be required prior to service being furnished.

Monthly Rate

Customer's monthly bill will be calculated by adding the following Customer and Ccf charges to the amounts due under the riders listed below:

Charge	Amount
Customer Charge per Bill	\$ 18.60 per month
Rider CEE Surcharge	\$ 0.02 per month ¹
Total Customer Charge	\$ 18.62 per month
Commodity Charge – All <u>Ccf</u>	\$0.09931 per Ccf

Gas Cost Recovery: Plus an amount for gas costs and upstream transportation costs calculated in accordance with Part (a) and Part (b), respectively, of Rider GCR.

Weather Normalization Adjustment: Plus or Minus an amount for weather normalization calculated in accordance with Rider WNA.

Franchise Fee Adjustment: Plus an amount for franchise fees calculated in accordance with Rider FF. Rider FF is only applicable to customers inside the corporate limits of any incorporated municipality.

Tax Adjustment: Plus an amount for tax calculated in accordance with Rider TAX.

Surcharges: Plus an amount for surcharges calculated in accordance with the applicable rider(s).

Agreement

An Agreement for Gas Service may be required.

Notice

Service hereunder and the rates for services provided are subject to the orders of regulatory bodies having jurisdiction and to the Company's Tariff for Gas Service.

¹Reference Rider CEE - Conservation And Energy Efficiency as approved in GUD 10170. Surcharge billing effective July 1, 2014.

**MID-TEX DIVISION
ATMOS ENERGY CORPORATION**
RRC Tariff No:

RATE SCHEDULE:	T – TRANSPORTATION	
APPLICABLE TO:	ALL CUSTOMERS IN THE MID-TEX DIVISION EXCEPT THE CITY OF DALLAS AND UNINCORPORATED AREAS	
EFFECTIVE DATE:	Bills Rendered on or after 06/01/2015	PAGE:

Application

Applicable, in the event that Company has entered into a Transportation Agreement, to a customer directly connected to the Atmos Energy Corp., Mid-Tex Division Distribution System (Customer) for the transportation of all natural gas supplied by Customer or Customer's agent at one Point of Delivery for use in Customer's facility.

Type of Service

Where service of the type desired by Customer is not already available at the Point of Delivery, additional charges and special contract arrangements between Company and Customer may be required prior to service being furnished.

Monthly Rate

Customer's bill will be calculated by adding the following Customer and MMBtu charges to the amounts and quantities due under the riders listed below:

Charge	Amount
Customer Charge per Meter	\$ 700.00 per month
First 0 MMBtu to 1,500 MMBtu	\$ 0.2937 per MMBtu
Next 3,500 MMBtu	\$ 0.2151 per MMBtu
All MMBtu over 5,000 MMBtu	\$ 0.0461 per MMBtu

Upstream Transportation Cost Recovery: Plus an amount for upstream transportation costs in accordance with Part (b) of Rider GCR.

Retention Adjustment: Plus a quantity of gas as calculated in accordance with Rider RA.

Franchise Fee Adjustment: Plus an amount for franchise fees calculated in accordance with Rider FF. Rider FF is only applicable to customers inside the corporate limits of any incorporated municipality.

Tax Adjustment: Plus an amount for tax calculated in accordance with Rider TAX.

Surcharges: Plus an amount for surcharges calculated in accordance with the applicable rider(s).

Imbalance Fees

All fees charged to Customer under this Rate Schedule will be charged based on the quantities determined under the applicable Transportation Agreement and quantities will not be aggregated for any Customer with multiple Transportation Agreements for the purposes of such fees.

Monthly Imbalance Fees

Customer shall pay Company the greater of (i) \$0.10 per MMBtu, or (ii) 150% of the difference per MMBtu between the highest and lowest "midpoint" price for the Katy point listed in *Platts Gas Daily* in the table entitled "Daily Price Survey" during such month, for the MMBtu of Customer's monthly Cumulative Imbalance, as defined in the applicable Transportation Agreement, at the end of each month that exceeds 10% of Customer's receipt quantities for the month.

**MID-TEX DIVISION
ATMOS ENERGY CORPORATION**

RRC Tariff No:

RATE SCHEDULE:	T – TRANSPORTATION	
APPLICABLE TO:	ALL CUSTOMERS IN THE MID-TEX DIVISION EXCEPT THE CITY OF DALLAS AND UNINCORPORATED AREAS	
EFFECTIVE DATE:	Bills Rendered on or after 06/01/2015	PAGE:

Curtailment Overpull Fee

Upon notification by Company of an event of curtailment or interruption of Customer's deliveries, Customer will, for each MMBtu delivered in excess of the stated level of curtailment or interruption, pay Company 200% of the midpoint price for the Katy point listed in *Platts Gas Daily* published for the applicable Gas Day in the table entitled "Daily Price Survey."

Replacement Index

In the event the "midpoint" or "common" price for the Katy point listed in *Platts Gas Daily* in the table entitled "Daily Price Survey" is no longer published, Company will calculate the applicable imbalance fees utilizing a daily price index recognized as authoritative by the natural gas industry and most closely approximating the applicable index.

Agreement

A transportation agreement is required.

Notice

Service hereunder and the rates for services provided are subject to the orders of regulatory bodies having jurisdiction and to the Company's Tariff for Gas Service.

Special Conditions

In order to receive service under Rate T, customer must have the type of meter required by Company. Customer must pay Company all costs associated with the acquisition and installation of the meter.

**MID-TEX DIVISION
ATMOS ENERGY CORPORATION**

RIDER:	WNA – WEATHER NORMALIZATION ADJUSTMENT	
APPLICABLE TO:	ALL CUSTOMERS IN THE MID-TEX DIVISION EXCEPT THE CITY OF DALLAS AND UNINCORPORATED AREAS	
EFFECTIVE DATE:	Bills Rendered on or after 11/01/2015	PAGE:

Provisions for Adjustment

The Commodity Charge per Ccf (100 cubic feet) for gas service set forth in any Rate Schedules utilized by the cities of the Mid-Tex Division service area for determining normalized winter period revenues shall be adjusted by an amount hereinafter described, which amount is referred to as the "Weather Normalization Adjustment." The Weather Normalization Adjustment shall apply to all temperature sensitive residential and commercial bills based on meters read during the revenue months of November through April. The five regional weather stations are Abilene, Austin, Dallas, Waco, and Wichita Falls.

Computation of Weather Normalization Adjustment

The Weather Normalization Adjustment Factor shall be computed to the nearest one-hundredth cent per Ccf by the following formula:

$$WNAF_i = R_i \frac{(HSF_i \times (NDD-ADD))}{(BL_i + (HSF_i \times ADD))}$$

Where

i = any particular Rate Schedule or billing classification within any such particular Rate Schedule that contains more than one billing classification

$WNAF_i$ = Weather Normalization Adjustment Factor for the i^{th} rate schedule or classification expressed in cents per Ccf

R_i = Commodity Charge rate of temperature sensitive sales for the i^{th} schedule or classification.

HSF_i = heat sensitive factor for the i^{th} schedule or classification divided by the average bill count in that class

NDD = billing cycle normal heating degree days calculated as the simple ten-year average of actual heating degree days.

ADD = billing cycle actual heating degree days.

BL_i = base load sales for the i^{th} schedule or classification divided by the average bill count in that class

The Weather Normalization Adjustment for the j th customer in i th rate schedule is computed as:

$$WNA_j = WNAF_i \times q_{ij}$$

Where q_{ij} is the relevant sales quantity for the j th customer in i th rate schedule.

**MID-TEX DIVISION
ATMOS ENERGY CORPORATION**

RIDER:	WNA – WEATHER NORMALIZATION ADJUSTMENT	
APPLICABLE TO:	ALL CUSTOMERS IN THE MID-TEX DIVISION EXCEPT THE CITY OF DALLAS AND UNINCORPORATED AREAS	
EFFECTIVE DATE:	Bills Rendered on or after 11/01/2015	PAGE:

Base Use/Heat Use Factors

Weather Station	<u>Residential</u>		<u>Commercial</u>	
	Base use Ccf	Heat use Ccf/HDD	Base use Ccf	Heat use Ccf/HDD
Abilene	10.22	0.1404	98.80	0.6372
Austin	11.59	0.1443	213.62	0.7922
Dallas	14.12	0.2000	208.11	0.9085
Waco	9.74	0.1387	130.27	0.6351
Wichita Falls	11.79	0.1476	122.35	0.5772

Weather Normalization Adjustment (WNA) Report

On or before June 1 of each year, the company posts on its website at atmosenergy.com/mtx-wna, in Excel format, a *Weather Normalization Adjustment (WNA) Report* to show how the company calculated its WNAs factor during the preceding winter season. Additionally, on or before June 1 of each year, the company files one hard copy and a Excel version of the *WNA Report* with the Railroad Commission of Texas' Gas Services Division, addressed to the Director of that Division.

ATMOS ENERGY CORP., MID-TEX DIVISION
PROOF OF REVENUES AND PROPOSED TARIFF STRUCTURE
TEST YEAR ENDING DECEMBER 31, 2014

(a)	(b)	(c)	(d)	(e)	(f)	(g)
1 Proposed Change In Rates:		\$21,066,527	Schedule A			
2 Proposed Change In Rates without Revenue Related Taxes:		\$19,757,254	Ln 1 divided by factor on WP_F-5.1			
3						
4						
5						
6	Revenue					
7 Residential	Requirements	Allocations				
8 Commercial	\$ 338,431,486	77.95%	Per GUD 10170 Final Order			
9 Industrial and Transportation	\$ 84,223,622	19.40%	Per GUD 10170 Final Order			
10 Net Revenue Requirements GUD No. 10170	\$ 11,490,316	2.65%	Per GUD 10170 Final Order			
11	\$ 434,145,424					
12						
17						
18	Rate Class	Current	Proposed Change	Proposed Rates	Proposed Change In Revenues	Proposed Rates with Rate Case Expenses
19						
20 Residential Base Charge	\$ 18.20	\$ 0.36	\$ 18.56	\$ 6,351,350	\$ 327,447,398	\$ 18.60
21 Residential Consumption Charge	\$ 0.08819	\$ 0.01112	\$ 0.09931	\$ 9,049,383	\$ 80,817,829	\$ 0.09931
22 Commercial Base Charge	\$ 38.50	\$ 1.37	\$ 39.87	\$ 2,000,584	\$ 58,221,364	\$ 40.00
23 Commercial Consumption Charge	\$ 0.07681	\$ 0.00339	\$ 0.08020	\$ 1,834,968	\$ 43,411,339	\$ 0.08020
24 I&T Base Charge	\$ 675.00	\$ 22.35	\$ 697.35	\$ 220,192	\$ 6,870,292	\$ 700.00
25 I&T Consumption Charge Tier 1 MMBTU	\$ 0.2807	\$ 0.0130	\$ 0.2937	\$ 142,055	\$ 3,209,350	\$ 0.2937
26 I&T Consumption Charge Tier 2 MMBTU	\$ 0.2056	\$ 0.0095	\$ 0.2151	\$ 117,051	\$ 2,650,282	\$ 0.2151
27 I&T Consumption Charge Tier 3 MMBTU	\$ 0.0441	\$ 0.0020	\$ 0.0461	\$ 42,703	\$ 984,314	\$ 0.0461
28			\$	\$ 19,758,287	\$ 523,612,169	
29						

Data Sources:

GUD10170_FINAL.xlsm

ATMOS ENERGY CORP., MID-TEX DIVISION
PROOF OF REVENUES AND PROPOSED TARIFF STRUCTURE
TEST YEAR ENDING DECEMBER 31, 2014

(a)	(b)	(c)	(d)	(e)	(f)	(g)
1 Proposed Change In Rates:		\$21,066,527	Schedule A			
2 Proposed Change In Rates without Revenue Related Taxes:		\$19,757,254	Ln 1 divided by factor on WP_F-5.1			
3						
4						
5						
6						
7 Residential	Revenue Requirements	Allocations				
8 Commercial	\$ 338,431,486	77.95%	Per GUD 10170 Final Order			
9 Industrial and Transportation	\$ 84,223,622	19.40%	Per GUD 10170 Final Order			
10 Net Revenue Requirements GUD No. 10170	\$ 11,490,316	2.65%	Per GUD 10170 Final Order			
11	\$ 434,145,424					
12						
17						
18						
19						
20 Residential Base Charge	Current	Proposed Change	Proposed Rates	Proposed Change In Revenues	Proposed Revenues	Proposed Rates with Rate Case Expenses
21 Residential Consumption Charge	\$ 18.20	\$ 0.36	\$ 18.56	\$ 6,351,350	\$ 327,447,398	\$ 18.60
22 Commercial Base Charge	\$ 0.08819	\$ 0.01112	\$ 0.09931	\$ 9,049,383	\$ 80,817,829	\$ 0.09931
23 Commercial Consumption Charge	\$ 38.50	\$ 1.37	\$ 39.87	\$ 2,000,584	\$ 58,221,364	\$ 40.00
24 I&T Base Charge	\$ 0.07681	\$ 0.00339	\$ 0.08020	\$ 1,834,968	\$ 43,411,339	\$ 0.08020
25 I&T Consumption Charge Tier 1 MMBTU	\$ 675.00	\$ 22.35	\$ 697.35	\$ 220,192	\$ 6,870,292	\$ 700.00
26 I&T Consumption Charge Tier 2 MMBTU	\$ 0.2807	\$ 0.0130	\$ 0.2937	\$ 142,055	\$ 3,209,350	\$ 0.2937
27 I&T Consumption Charge Tier 3 MMBTU	\$ 0.2056	\$ 0.0095	\$ 0.2151	\$ 117,051	\$ 2,650,282	\$ 0.2151
28	\$ 0.0441	\$ 0.0020	\$ 0.0461	\$ 42,703	\$ 984,314	\$ 0.0461
29			\$	\$ 19,758,287	\$ 523,612,169	

Data Sources:
GUD10170_FINAL.xlsm

RATE SCHEDULE:	C – COMMERCIAL SALES	
APPLICABLE TO:	ALL CUSTOMERS IN THE MID-TEX DIVISION EXCEPT THE CITY OF DALLAS AND UNINCORPORATED AREAS	
EFFECTIVE DATE:	Bills Rendered on or after 06/01/2015	PAGE:

Application

Applicable to Commercial Customers for all natural gas provided at one Point of Delivery and measured through one meter and to Industrial Customers with an average annual usage of less than 30,000 Ccf.

Type of Service

Where service of the type desired by Customer is not already available at the Point of Delivery, additional charges and special contract arrangements between Company and Customer may be required prior to service being furnished.

Monthly Rate

Customer's monthly bill will be calculated by adding the following Customer and Ccf charges to the amounts due under the riders listed below:

Charge	Amount
Customer Charge per Bill	\$ 40.00 per month
Rider CEE Surcharge	\$ 0.00 per month ¹
Total Customer Charge	\$ 40.00 per month
Commodity Charge – All Ccf	\$ 0.08020 per Ccf

Gas Cost Recovery: Plus an amount for gas costs and upstream transportation costs calculated in accordance with Part (a) and Part (b), respectively, of Rider GCR.

Weather Normalization Adjustment: Plus or Minus an amount for weather normalization calculated in accordance with Rider WNA.

Franchise Fee Adjustment: Plus an amount for franchise fees calculated in accordance with Rider FF. Rider FF is only applicable to customers inside the corporate limits of any incorporated municipality.

Tax Adjustment: Plus an amount for tax calculated in accordance with Rider TAX.

Surcharges: Plus an amount for surcharges calculated in accordance with the applicable rider(s).

Agreement

An Agreement for Gas Service may be required.

Notice

Service hereunder and the rates for services provided are subject to the orders of regulatory bodies having jurisdiction and to the Company's Tariff for Gas Service.

¹ Reference Rider CEE - Conservation And Energy Efficiency as approved in GUD 10170. Surcharge billing effective July 1, 2014.

RATE SCHEDULE:	I – INDUSTRIAL SALES	
APPLICABLE TO:	ALL CUSTOMERS IN THE MID-TEX DIVISION EXCEPT THE CITY OF DALLAS AND UNINCORPORATED AREAS	
EFFECTIVE DATE:	Bills Rendered on or after 06/01/2015	PAGE:

Application

Applicable to Industrial Customers with a maximum daily usage (MDU) of less than 3,500 MMBtu per day for all natural gas provided at one Point of Delivery and measured through one meter. Service for Industrial Customers with an MDU equal to or greater than 3,500 MMBtu per day will be provided at Company's sole option and will require special contract arrangements between Company and Customer.

Type of Service

Where service of the type desired by Customer is not already available at the Point of Delivery, additional charges and special contract arrangements between Company and Customer may be required prior to service being furnished.

Monthly Rate

Customer's monthly bill will be calculated by adding the following Customer and MMBtu charges to the amounts due under the riders listed below:

Charge	Amount
Customer Charge per Meter	\$ 700.00 per month
First 0 MMBtu to 1,500 MMBtu	\$ 0.2937 per MMBtu
Next 3,500 MMBtu	\$ 0.2151 per MMBtu
All MMBtu over 5,000 MMBtu	\$ 0.0461 per MMBtu

Gas Cost Recovery: Plus an amount for gas costs and upstream transportation costs calculated in accordance with Part (a) and Part (b), respectively, of Rider GCR.

Franchise Fee Adjustment: Plus an amount for franchise fees calculated in accordance with Rider FF. Rider FF is only applicable to customers inside the corporate limits of any incorporated municipality.

Tax Adjustment: Plus an amount for tax calculated in accordance with Rider TAX.

Surcharges: Plus an amount for surcharges calculated in accordance with the applicable rider(s).

Curtailment Overpull Fee

Upon notification by Company of an event of curtailment or interruption of Customer's deliveries, Customer will, for each MMBtu delivered in excess of the stated level of curtailment or interruption, pay Company 200% of the midpoint price for the Katy point listed in *Platts Gas Daily* published for the applicable Gas Day in the table entitled "Daily Price Survey."

Replacement Index

In the event the "midpoint" or "common" price for the Katy point listed in *Platts Gas Daily* in the table entitled "Daily Price Survey" is no longer published, Company will calculate the applicable imbalance fees utilizing a daily price index recognized as authoritative by the natural gas industry and most closely approximating the applicable index.

**MID-TEX DIVISION
ATMOS ENERGY CORPORATION**

Attachment C
RRC Tariff No:

RATE SCHEDULE:	I – INDUSTRIAL SALES	
APPLICABLE TO:	ALL CUSTOMERS IN THE MID-TEX DIVISION EXCEPT THE CITY OF DALLAS AND UNINCORPORATED AREAS	
EFFECTIVE DATE:	Bills Rendered on or after 06/01/2015	PAGE:

Agreement

An Agreement for Gas Service may be required.

Notice

Service hereunder and the rates for services provided are subject to the orders of regulatory bodies having jurisdiction and to the Company's Tariff for Gas Service.

Special Conditions

In order to receive service under Rate I, Customer must have the type of meter required by Company. Customer must pay Company all costs associated with the acquisition and installation of the meter.

RATE SCHEDULE:	R – RESIDENTIAL SALES	
APPLICABLE TO:	ALL CUSTOMERS IN THE MID-TEX DIVISION EXCEPT THE CITY OF DALLAS AND UNINCORPORATED AREAS	
EFFECTIVE DATE:	Bills Rendered on or after 06/01/2015	PAGE:

Application

Applicable to Residential Customers for all natural gas provided at one Point of Delivery and measured through one meter.

Type of Service

Where service of the type desired by Customer is not already available at the Point of Delivery, additional charges and special contract arrangements between Company and Customer may be required prior to service being furnished.

Monthly Rate

Customer's monthly bill will be calculated by adding the following Customer and Ccf charges to the amounts due under the riders listed below:

Charge	Amount
Customer Charge per Bill	\$ 18.60 per month
Rider CEE Surcharge	\$ 0.02 per month ¹
Total Customer Charge	\$ 18.62 per month
Commodity Charge – All <u>Ccf</u>	\$0.09931 per Ccf

Gas Cost Recovery: Plus an amount for gas costs and upstream transportation costs calculated in accordance with Part (a) and Part (b), respectively, of Rider GCR.

Weather Normalization Adjustment: Plus or Minus an amount for weather normalization calculated in accordance with Rider WNA.

Franchise Fee Adjustment: Plus an amount for franchise fees calculated in accordance with Rider FF. Rider FF is only applicable to customers inside the corporate limits of any incorporated municipality.

Tax Adjustment: Plus an amount for tax calculated in accordance with Rider TAX.

Surcharges: Plus an amount for surcharges calculated in accordance with the applicable rider(s).

Agreement

An Agreement for Gas Service may be required.

Notice

Service hereunder and the rates for services provided are subject to the orders of regulatory bodies having jurisdiction and to the Company's Tariff for Gas Service.

¹Reference Rider CEE - Conservation And Energy Efficiency as approved in GUD 10170. Surcharge billing effective July 1, 2014.

RATE SCHEDULE:	T – TRANSPORTATION	
APPLICABLE TO:	ALL CUSTOMERS IN THE MID-TEX DIVISION EXCEPT THE CITY OF DALLAS AND UNINCORPORATED AREAS	
EFFECTIVE DATE:	Bills Rendered on or after 06/01/2015	PAGE:

Application

Applicable, in the event that Company has entered into a Transportation Agreement, to a customer directly connected to the Atmos Energy Corp., Mid-Tex Division Distribution System (Customer) for the transportation of all natural gas supplied by Customer or Customer's agent at one Point of Delivery for use in Customer's facility.

Type of Service

Where service of the type desired by Customer is not already available at the Point of Delivery, additional charges and special contract arrangements between Company and Customer may be required prior to service being furnished.

Monthly Rate

Customer's bill will be calculated by adding the following Customer and MMBtu charges to the amounts and quantities due under the riders listed below:

Charge	Amount
Customer Charge per Meter	\$ 700.00 per month
First 0 MMBtu to 1,500 MMBtu	\$ 0.2937 per MMBtu
Next 3,500 MMBtu	\$ 0.2151 per MMBtu
All MMBtu over 5,000 MMBtu	\$ 0.0461 per MMBtu

Upstream Transportation Cost Recovery: Plus an amount for upstream transportation costs in accordance with Part (b) of Rider GCR.

Retention Adjustment: Plus a quantity of gas as calculated in accordance with Rider RA.

Franchise Fee Adjustment: Plus an amount for franchise fees calculated in accordance with Rider FF. Rider FF is only applicable to customers inside the corporate limits of any incorporated municipality.

Tax Adjustment: Plus an amount for tax calculated in accordance with Rider TAX.

Surcharges: Plus an amount for surcharges calculated in accordance with the applicable rider(s).

Imbalance Fees

All fees charged to Customer under this Rate Schedule will be charged based on the quantities determined under the applicable Transportation Agreement and quantities will not be aggregated for any Customer with multiple Transportation Agreements for the purposes of such fees.

Monthly Imbalance Fees

Customer shall pay Company the greater of (i) \$0.10 per MMBtu, or (ii) 150% of the difference per MMBtu between the highest and lowest "midpoint" price for the Katy point listed in *Platts Gas Daily* in the table entitled "Daily Price Survey" during such month, for the MMBtu of Customer's monthly Cumulative Imbalance, as defined in the applicable Transportation Agreement, at the end of each month that exceeds 10% of Customer's receipt quantities for the month.

RATE SCHEDULE:	T – TRANSPORTATION	
APPLICABLE TO:	ALL CUSTOMERS IN THE MID-TEX DIVISION EXCEPT THE CITY OF DALLAS AND UNINCORPORATED AREAS	
EFFECTIVE DATE:	Bills Rendered on or after 06/01/2015	PAGE:

Curtailment Overpull Fee

Upon notification by Company of an event of curtailment or interruption of Customer's deliveries, Customer will, for each MMBtu delivered in excess of the stated level of curtailment or interruption, pay Company 200% of the midpoint price for the Katy point listed in *Platts Gas Daily* published for the applicable Gas Day in the table entitled "Daily Price Survey."

Replacement Index

In the event the "midpoint" or "common" price for the Katy point listed in *Platts Gas Daily* in the table entitled "Daily Price Survey" is no longer published, Company will calculate the applicable imbalance fees utilizing a daily price index recognized as authoritative by the natural gas industry and most closely approximating the applicable index.

Agreement

A transportation agreement is required.

Notice

Service hereunder and the rates for services provided are subject to the orders of regulatory bodies having jurisdiction and to the Company's Tariff for Gas Service.

Special Conditions

In order to receive service under Rate T, customer must have the type of meter required by Company. Customer must pay Company all costs associated with the acquisition and installation of the meter.

**MID-TEX DIVISION
ATMOS ENERGY CORPORATION**

RIDER:	WNA – WEATHER NORMALIZATION ADJUSTMENT	
APPLICABLE TO:	ALL CUSTOMERS IN THE MID-TEX DIVISION EXCEPT THE CITY OF DALLAS AND UNINCORPORATED AREAS	
EFFECTIVE DATE:	Bills Rendered on or after 11/01/2015	PAGE:

Provisions for Adjustment

The Commodity Charge per Ccf (100 cubic feet) for gas service set forth in any Rate Schedules utilized by the cities of the Mid-Tex Division service area for determining normalized winter period revenues shall be adjusted by an amount hereinafter described, which amount is referred to as the "Weather Normalization Adjustment." The Weather Normalization Adjustment shall apply to all temperature sensitive residential and commercial bills based on meters read during the revenue months of November through April. The five regional weather stations are Abilene, Austin, Dallas, Waco, and Wichita Falls.

Computation of Weather Normalization Adjustment

The Weather Normalization Adjustment Factor shall be computed to the nearest one-hundredth cent per Ccf by the following formula:

$$WNAF_i = R_i \frac{(HSF_i \times (NDD-ADD))}{(BL_i + (HSF_i \times ADD))}$$

Where

- i = any particular Rate Schedule or billing classification within any such particular Rate Schedule that contains more than one billing classification
- $WNAF_i$ = Weather Normalization Adjustment Factor for the i^{th} rate schedule or classification expressed in cents per Ccf
- R_i = Commodity Charge rate of temperature sensitive sales for the i^{th} schedule or classification.
- HSF_i = heat sensitive factor for the i^{th} schedule or classification divided by the average bill count in that class
- NDD = billing cycle normal heating degree days calculated as the simple ten-year average of actual heating degree days.
- ADD = billing cycle actual heating degree days.
- BL_i = base load sales for the i^{th} schedule or classification divided by the average bill count in that class

The Weather Normalization Adjustment for the j th customer in i th rate schedule is computed as:

$$WNA_j = WNAF_i \times q_{ij}$$

Where q_{ij} is the relevant sales quantity for the j th customer in i th rate schedule.

**MID-TEX DIVISION
ATMOS ENERGY CORPORATION**

RIDER:	WNA – WEATHER NORMALIZATION ADJUSTMENT	
APPLICABLE TO:	ALL CUSTOMERS IN THE MID-TEX DIVISION EXCEPT THE CITY OF DALLAS AND UNINCORPORATED AREAS	
EFFECTIVE DATE:	Bills Rendered on or after 11/01/2015	PAGE:

Base Use/Heat Use Factors

Weather Station	<u>Residential</u>		<u>Commercial</u>	
	Base use Ccf	Heat use Ccf/HDD	Base use Ccf	Heat use Ccf/HDD
Abilene	10.22	0.1404	98.80	0.6372
Austin	11.59	0.1443	213.62	0.7922
Dallas	14.12	0.2000	208.11	0.9085
Waco	9.74	0.1387	130.27	0.6351
Wichita Falls	11.79	0.1476	122.35	0.5772

Weather Normalization Adjustment (WNA) Report

On or before June 1 of each year, the company posts on its website at atmosenergy.com/mtx-wna, in Excel format, a *Weather Normalization Adjustment (WNA) Report* to show how the company calculated its WNAs factor during the preceding winter season. Additionally, on or before June 1 of each year, the company files one hard copy and a Excel version of the *WNA Report* with the Railroad Commission of Texas' Gas Services Division, addressed to the Director of that Division.

ATMOS ENERGY CORP., MID-TEX DIVISION
PENSIONS AND RETIREE MEDICAL BENEFITS FOR CITIES APPROVAL
TEST YEAR ENDING DECEMBER 31, 2014

Line No.	Description (a)	Shared Services (b)		Mid-Tex Direct (e)		Adjustment Total (g)
		Pension Account Plan ("PAP")	Post-Retirement Medical Plan ("FAS 106") (c)	Pension Account Plan ("PAP") (d)	Supplemental Executive Benefit Plan ("SERP") (f)	
1	Fiscal Year 2014 Towers Watson Report (excluding Removed Cost Centers)	\$ 6,388,826	\$ 4,542,023	\$ 9,481,670	\$ 165,758	\$ 8,736,645
2	Allocation to Mid-Tex	46.26%	46.26%	71.70%	100.00%	71.70%
3	FY14 Towers Watson Benefit Costs (excluding Removed Cost Centers) Allocated to MTX (Ln 1 x Ln 2)	\$ 2,955,304	\$ 2,101,021	\$ 6,798,531	\$ 165,758	\$ 6,264,334
4	O&M and Capital Allocation Factor	100.00%	100.00%	100.00%	100.00%	100.00%
5	FY14 Towers Watson Benefit Costs To Approve (excluding Removed Cost Centers) (Ln 3 x Ln 4)	\$ 2,955,304	\$ 2,101,021	\$ 6,798,531	\$ 165,758	\$ 6,264,334
6						\$ 18,284,949
7						
8	Summary of Costs to Approve:					
9						
10	Total Pension Account Plan ("PAP")	\$ 2,955,304	\$ 2,101,021	\$ 6,798,531		\$ 9,753,835
11	Total Post-Retirement Medical Plan ("FAS 106")				\$ 6,264,334	\$ 8,365,356
12	Total Supplemental Executive Retirement Plan ("SERP")				\$ 165,758	\$ 165,758
13	Total (Ln 10 + Ln 11 + Ln 12)	\$ 2,955,304	\$ 2,101,021	\$ 6,798,531	\$ 165,758	\$ 18,284,949
14						
15						
16	O&M Expense Factor	95.82%	95.82%	43.03%	21.00%	43.03%
17						
18	Expense Portion (Ln 13 x Ln 16)	\$ 2,831,859	\$ 2,013,260	\$ 2,925,600	\$ 34,809	\$ 2,695,721
19						
20	Capital Factor	4.18%	4.18%	56.97%	79.00%	56.97%
21						
22	Capital Portion (Ln 13 x Ln 20)	\$ 123,445	\$ 87,761	\$ 3,872,930	\$ 130,949	\$ 3,568,614
23						
24	Total (Ln 18 + Ln 22)	\$ 2,955,304	\$ 2,101,021	\$ 6,798,531	\$ 165,758	\$ 6,264,334
						\$ 18,284,949



Legislation Details (With Text)

File #:	15-2787	Version:	1	Name:	Discuss and consider a recommendation for naming the story book corner "Pat's Storybook Nook".
Type:	Agenda Item	Status:		Status:	Agenda Ready
File created:	4/27/2015	In control:		In control:	City Council
On agenda:	5/18/2015	Final action:			
Title:	Discuss and consider a recommendation from the Library Board for the naming of the storybook area of the Sachse Public Library.				

Executive Summary

Pat Davis, library clerk for the City of Sachse, was loved by everyone. Pat always had a story to tell and loved her story times with the children. She had a deep commitment and love for our Library especially for children's programming.. Pat was employed with the City for approximately ten (10) years and passed away on March 26. The library staff, library board and her family would like to dedicate/name the story time area in Pat Davis' memory. The Library Board at their April 13 meeting voted to present the naming to the City Council for consideration. The Board's vote was a 4 - 1 vote with two members absent.

Sponsors:

Indexes:

Code sections:

Attachments:

Date	Ver.	Action By	Action	Result
------	------	-----------	--------	--------

Title

Discuss and consider a recommendation from the Library Board for the naming of the storybook area of the Sachse Public Library.

Executive Summary

Pat Davis, library clerk for the City of Sachse, was loved by everyone. Pat always had a story to tell and loved her story times with the children. She had a deep commitment and love for our Library especially for children's programming.. Pat was employed with the City for approximately ten (10) years and passed away on March 26. The library staff, library board and her family would like to dedicate/name the story time area in Pat Davis' memory. The Library Board at their April 13 meeting voted to present the naming to the City Council for consideration. The Board's vote was a 4 - 1 vote with two members absent.

Background

The library staff and board propose to dedicate/name a section (corner) in the Library in Pat's memory the "Pat's Storybook Nook". The family created a fund to purchase children's books in Pat's memory and have recently donated \$2200 to the City from the memorial fund. All items purchased will have a memorial sticker placed inside. The bear mural from the children's author of rhyming books, Karma Wilson, is painted in the children's area and will be utilized in the memorial.

Policy Considerations

The City does not have a naming policy at this time regarding namings or dedications.. A policy will be considered for future dedications and/or memorials.

Budgetary Considerations

The cost is expected to be handled within the current budgetary appropriations and to be very minimal.

Staff Recommendations

Staff recommends naming the story time area "Pat's Storybook Nook". Ellen Ritchie, librarian, will paint the wording "Pat's Storybook Nook" on the wall by the mural.



Legislation Details (With Text)

File #: 15-2799 **Version:** 1 **Name:** Consider appointments to Boards and Commissions.
Type: Agenda Item **Status:** Agenda Ready
File created: 5/7/2015 **In control:** City Council
On agenda: 5/18/2015 **Final action:**
Title: Consider appointments to Boards and Commissions.

Executive Summary
The City Council will make appointments for vacancies on city boards.

Sponsors:

Indexes:

Code sections:

Attachments:

Date	Ver.	Action By	Action	Result
------	------	-----------	--------	--------

Title

Consider appointments to Boards and Commissions.

Executive Summary

The City Council will make appointments for vacancies on city boards.

Background

Tonight, we have 1 vacancy on P&Z.

Interviews tonight will be (In order):

Name Board preference

Ammar Qashshu P&Z

Gary Zumwalt P&Z

Attached under Workshop item # 2800 are the applications.

Policy Considerations

None.

Budgetary Considerations

none.

Staff Recommendations

Consider appointments to Boards and Commissions, as appropriate.



Legislation Details (With Text)

File #:	15-2818	Version:	1	Name:	Sachse-Garland ILA for Road and Sewer Construction
Type:	Agenda Item	Status:		Status:	Agenda Ready
File created:	5/14/2015	In control:		In control:	City Council
On agenda:	5/18/2015	Final action:		Final action:	

Title: Consider a resolution of the City Council of the City of Sachse, Texas, approving the terms and conditions of an Interlocal Cooperation Agreement, by and between the City of Sachse, Texas and the City of Garland, Texas, for public transportation improvements and sanitary sewer improvements; and providing for an effective date.

Executive Summary

The City of Sachse has a Capital Improvement Project for a new sanitary sewer main that will expand the City's public sewer system in the southern portion of the City (SS-12-05 3rd Sewer Connection to Garland). The City of Garland has a transportation improvement project for the widening of Pleasant Valley Road in Garland, connecting to Miles Road in Sachse, south of the President George Bush Turnpike. This Interlocal Cooperation Agreement identifies the responsibilities of both the City of Sachse and the City of Garland related to the two projects.

Sponsors:

Indexes:

Code sections:

Attachments: [Exhibit A - Project Map PDF](#)
[Exhibit B - ILA Sewer Plan PDF](#)
[Sachse Garland ILA PDF](#)
[Sachse RESO approving Garland ILA PDF](#)

Date	Ver.	Action By	Action	Result
------	------	-----------	--------	--------

Title

Consider a resolution of the City Council of the City of Sachse, Texas, approving the terms and conditions of an Interlocal Cooperation Agreement, by and between the City of Sachse, Texas and the City of Garland, Texas, for public transportation improvements and sanitary sewer improvements; and providing for an effective date.

Executive Summary

The City of Sachse has a Capital Improvement Project for a new sanitary sewer main that will expand the City's public sewer system in the southern portion of the City (SS-12-05 3rd Sewer Connection to Garland). *The City of Garland has a transportation improvement project for the widening of Pleasant Valley Road in Garland, connecting to Miles Road in Sachse, south of the President George Bush Turnpike. **This Interlocal Cooperation Agreement identifies the responsibilities of both the City of Sachse and the City of Garland related to the two projects.***

Background

The City of Sachse has a Capital Improvement Project for a new sanitary sewer main that will expand the City's public sewer system in the southern portion of the City (SS-12-05 3rd Sewer Connection to Garland). The City of Garland processes and treats the City of Sachse's sanitary sewage. The proposed sewer main will cross under Pleasant Valley Road in the City of Garland near Rowlett Creek. The project is currently in the final stages of construction plan preparation. The project will be advertised for bid later this year.

The City of Garland has a public transportation project to widen and improve Pleasant Valley Road in the City of Garland, south of the President George Bush Turnpike. The project includes a new bridge over Rowlett Creek. Due to the floodplain and bridge elevations, the City of Garland will be raising the roadway elevation of Pleasant Valley Road. The elevation change will require Garland to construct a section of road in Sachse, where Pleasant Valley Road connects to Miles Road. The length of the road improvements in Sachse are approximately 500 feet. The project is currently in the final stages of construction plan preparation. The project will be advertised for bid later this year.

The two projects cross paths in the southern end of the City of Sachse and the northern end of the City of Garland, as shown in Exhibit A - Project Map. There is approximately 1,000 linear feet of proposed Sachse sewer (600 linear feet of 30-inch sewer, 400 linear feet of 8-inch sewer, 7 manholes) within the limits of the Garland road project. The portion of proposed sanitary sewer is shown in Exhibit B - ILA Sewer Plan. The timing of the two projects, and the crossing of the Sachse sewer beneath the Garland road, requires coordination between the two Cities. This Agreement defines the roles and responsibilities of both parties.

If the City of Garland project begins construction first, **this Agreement allows for a portion of Sachse's sewer to be constructed during the road construction.** The advantage to the City of Sachse is that the improvements would be made by traditional open trench methods, which is significantly more cost effective than a large diameter bore beneath the road.

Per this agreement, **the City of Garland is responsible for the cost of design and construction of the portion of Pleasant Valley Road to be constructed within the City of Sachse.**

Per this Agreement, the **City of Sachse is fiscally responsible for the portions of the Sachse sewer project** that may be constructed with the Garland road project. The City of Sachse would provide payment to the City of Garland based upon the itemized bid tabulation of the Contractor selected by the City of Garland through a standard public bid process.

Policy Considerations

The sanitary sewer project is identified in the Capital Improvement Plan for the City of Sachse. Section 791.011 of the Texas Government Code includes the Texas Interlocal Cooperation Act, which authorizes the Parties to contract with one another to perform governmental functions and services, including all or part of a function or service in

recreation, public health and welfare, and streets, roads, and drainage, engineering, and other governmental functions in which the Parties are mutually interested.

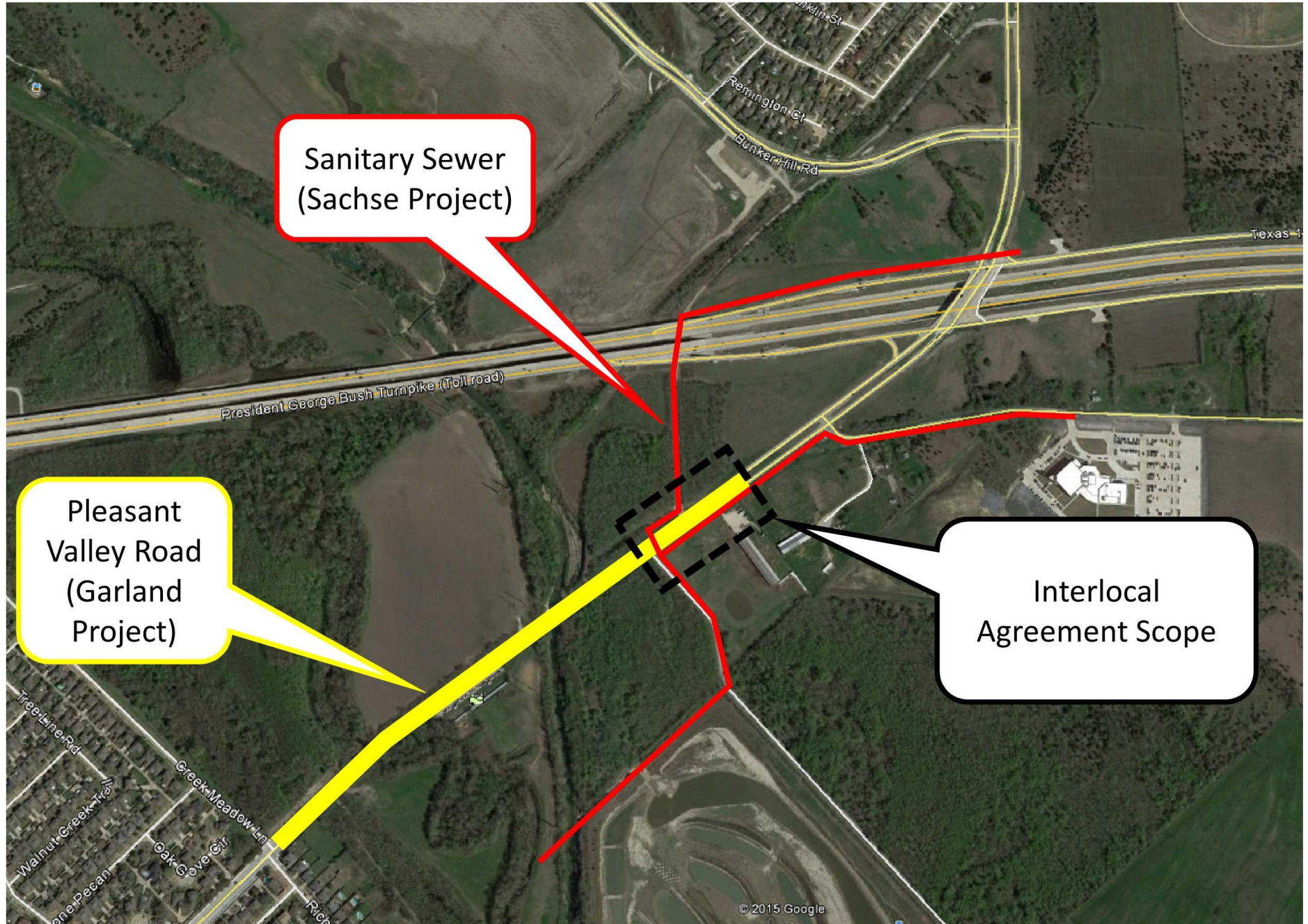
Budgetary Considerations

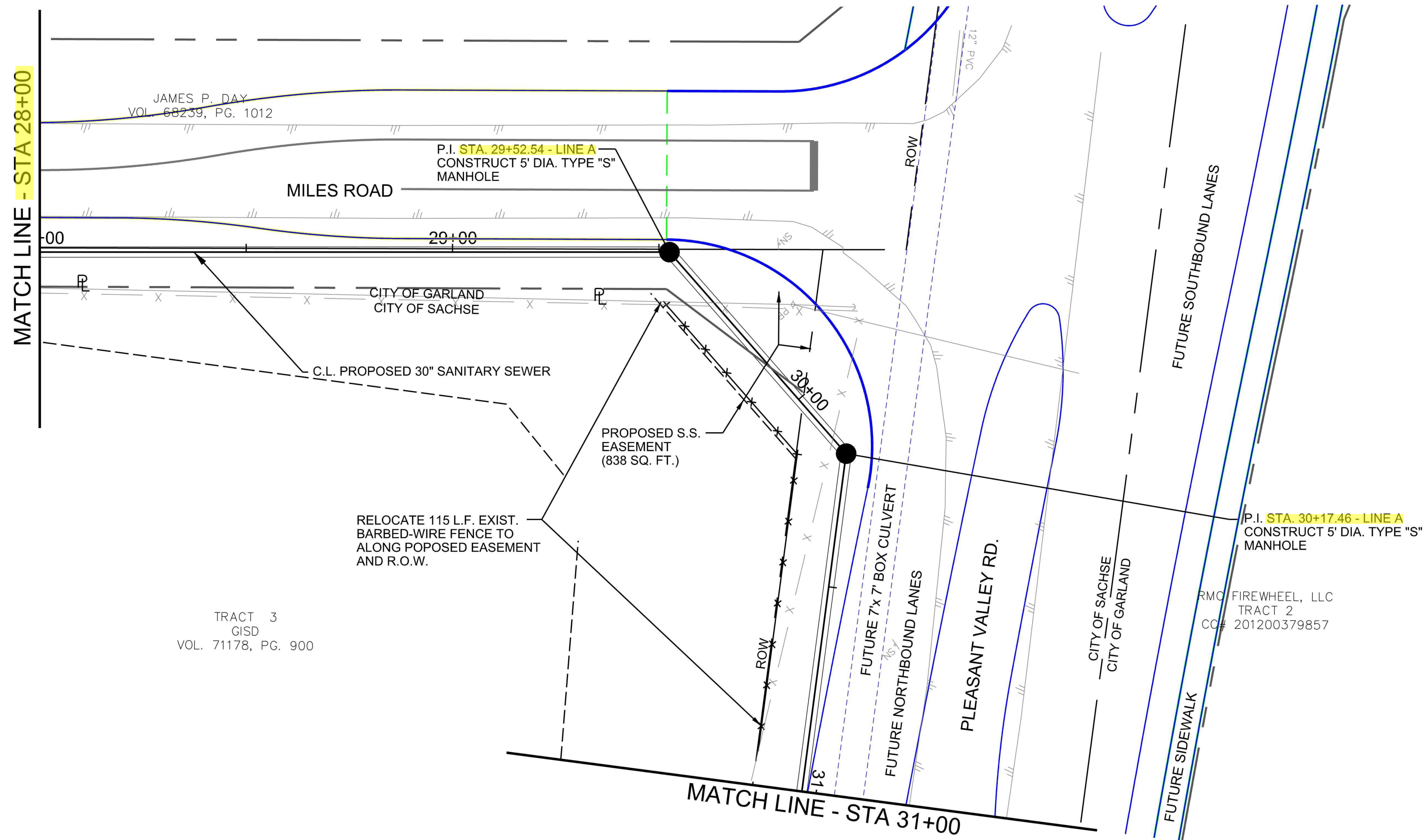
Per the Agreement, the City of Sachse would provide payment to the City of Garland for the Sachse sanitary sewer improvements being constructed by Garland. Garland will provide Sachse with the itemized bid tabulation submitted by the selected Contractor for the Sachse sewer portion. Staff estimates the cost of the sewer improvements within the scope of this Agreement to be \$180,000.00 based upon unit price construction cost information available at this time. The project funding shall be through SEDC and TIF funds, as identified for the CIP Project SS-12-05 3rd Sewer Connection to Garland. Any portion of the Sachse project constructed by Garland's contractor would be removed from the scope of the CIP project. It is anticipated that this agreement would result in no net increase to the cost of the Sachse sewer project.

Staff Recommendations

Staff recommends approval of a resolution of the City Council of the City of Sachse, Texas, approving the terms and conditions of an Interlocal Cooperation Agreement, by and between the City of Sachse, Texas and the City of Garland, Texas, for public transportation improvements and sanitary sewer improvements; and providing for an effective date, as a consent item.

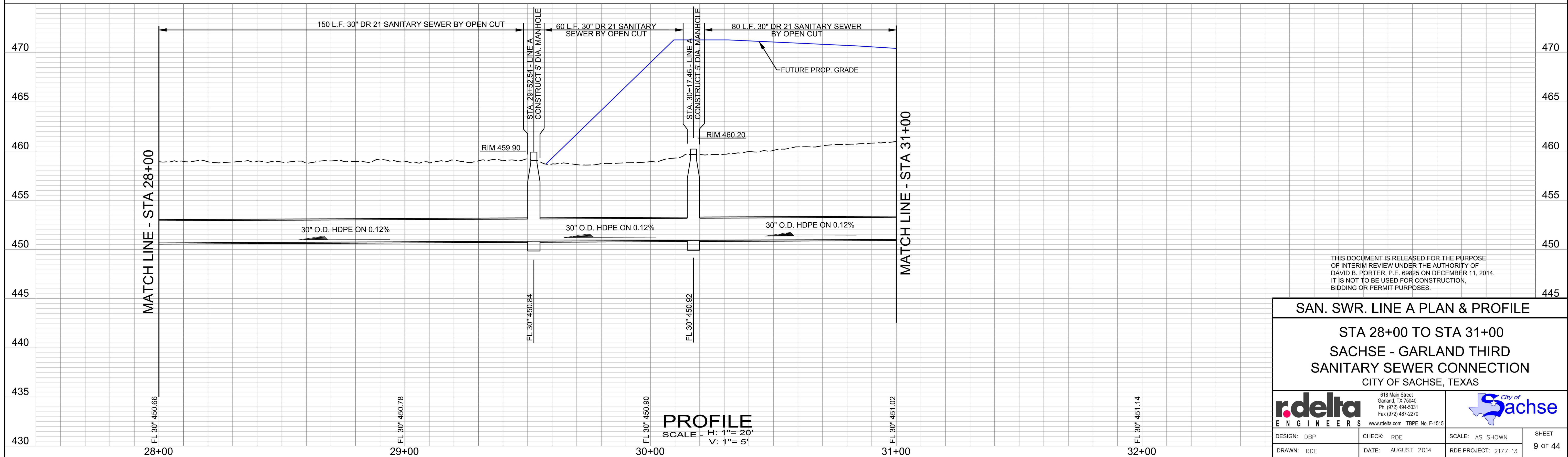
Sachse-Garland ILA – Project Map





PLAN
SCALE: 1"= 20'

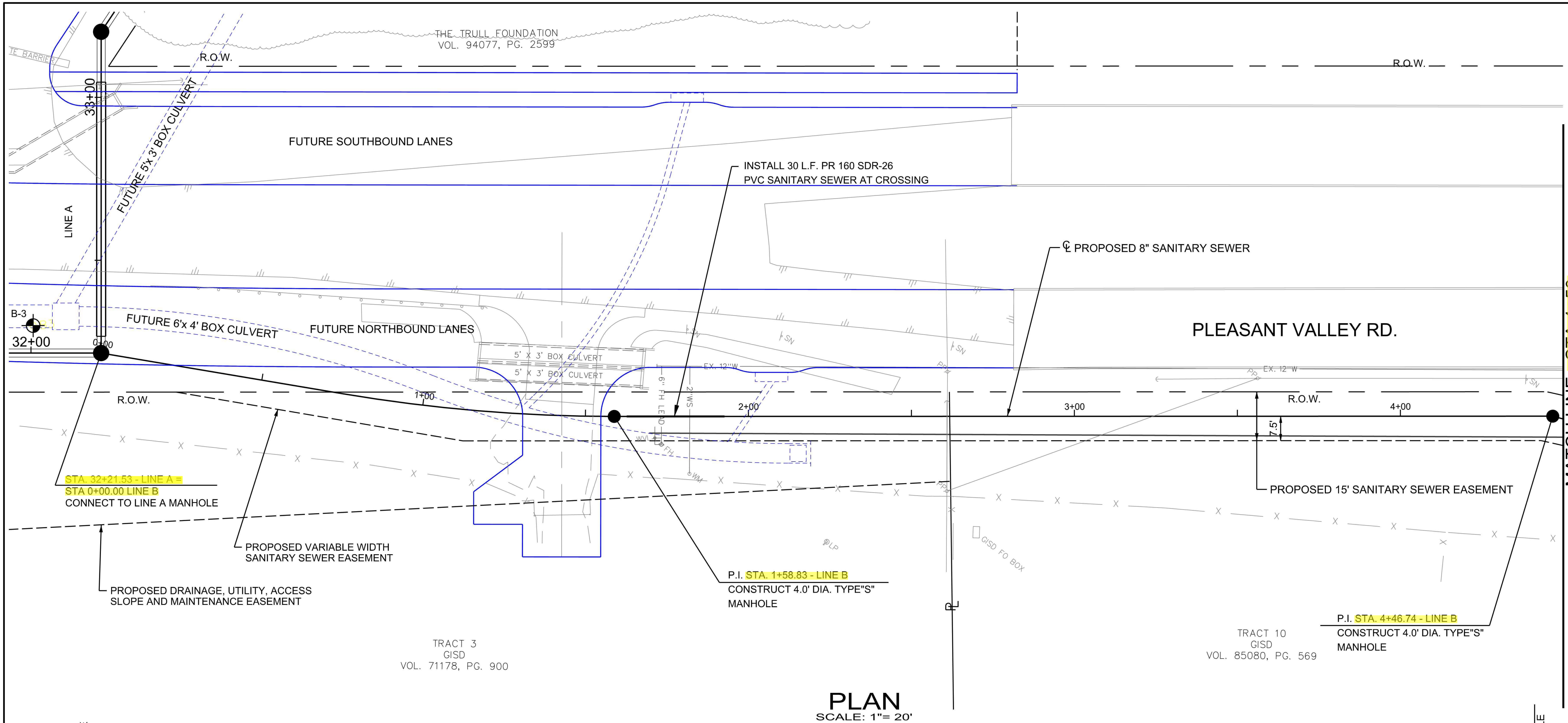
- NOTES:
1. FOR PROJECT CONTROL INFORMATION, SEE SHEET 4.
 2. FOR SANITARY SEWER HORIZONTAL ALIGNMENT, SEE SHEET 4.



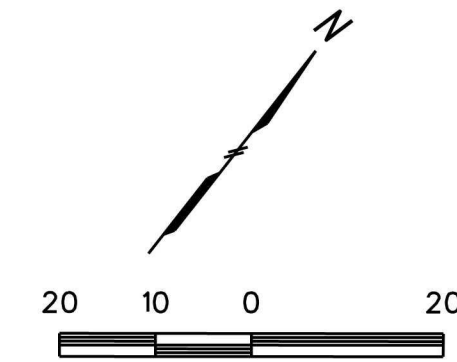
SAN. SWR. LINE A PLAN & PROFILE

STA 28+00 TO STA 31+00
SACHSE - GARLAND THIRD
SANITARY SEWER CONNECTION
CITY OF SACHSE, TEXAS

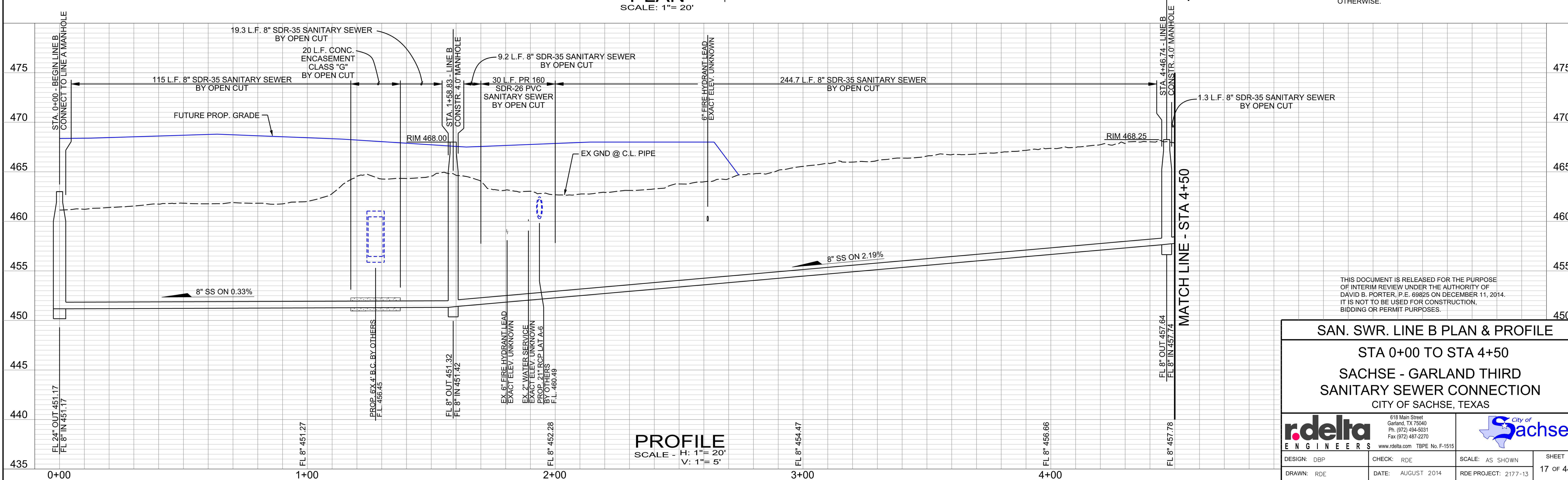
		616 Main Street Garland, TX 75040 Ph. (972) 494-5031 Fax (972) 487-2270 www.rdelta.com TBPE No. F-1515			
DESIGN: DBP		CHECK: RDE		SCALE: AS SHOWN	
DRAWN: RDE		DATE: AUGUST 2014		RDE PROJECT: 2177-13	
				SHEET 9 OF 44	



NOTE:
CONTRACTOR SHALL FIELD VERIFY THE LOCATION AND DEPTH OF ALL
EXISTING UTILITIES (SHOWN ON PLANS OR NOT) PRIOR TO CONSTRUCTION.
IF FIELD CONDITIONS DIFFER SIGNIFICANTLY FROM LOCATIONS SHOWN ON
PLANS, THE CONTRACTOR SHALL CONTACT THE ENGINEER PRIOR TO
PROCEEDING WITH CONSTRUCTION. R-DELTA ENGINEERS, INC. WILL NOT
BE RESPONSIBLE FOR ANY WORK BY THE CONTRACTOR NEGLECTING TO
LOCATE THESE UTILITIES.



- NOTES:
1. FOR PROJECT CONTROL INFORMATION, SEE SHEET 4.
 2. FOR SANITARY SEWER HORIZONTAL ALIGNMENT, SEE SHEET 4.
 3. LINE B - 8" SDR-35 PVC SANITARY SEWER PIPE UNLESS SHOWN OTHERWISE.



THIS DOCUMENT IS RELEASED FOR THE PURPOSE
OF INTERIM REVIEW UNDER THE AUTHORITY OF
DAVID B. PORTER, P.E. 69825 ON DECEMBER 11, 2014.
IT IS NOT TO BE USED FOR CONSTRUCTION,
BIDDING OR PERMIT PURPOSES.

SAN. SWR. LINE B PLAN & PROFILE

STA 0+00 TO STA 4+50

SACHSE - GARLAND THIRD
SANITARY SEWER CONNECTION
CITY OF SACHSE, TEXAS

		616 Main Street Garland, TX 75040 Ph. (972) 494-5031 Fax (972) 467-2270 www.rdelta.com TBPE No. F-1515			
DESIGN: DBP		CHECK: RDE		SCALE: AS SHOWN	
DRAWN: RDE		DATE: AUGUST 2014		RDE PROJECT: 2177-13	
				SHEET 17 OF 4	

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This Interlocal Cooperation Agreement (“Agreement”) is entered into by and between the City of Sachse, Texas (“Sachse”) and the City of Garland, Texas (“Garland”), acting by and through their respective authorized representatives, pursuant to Chapter 791, Texas Government Code, as amended. The Cities of Sachse and Garland are collectively referred to herein as the “Cities” and each is individually referred to as “City” or “Party.”

WHEREAS, the Parties desire to enter into an agreement which sets forth the understandings and obligations of the Parties with respect to the construction of improvements to Pleasant Valley Road and that certain wastewater line for the City of Sachse; and

WHEREAS, the Parties are authorized to enter into this Agreement pursuant to Section 791.011 of the Texas Government Code, the Texas Interlocal Cooperation Act, which authorizes the Parties to contract with one another to perform governmental functions and services, including all or part of a function or service in recreation, public health and welfare, and streets, roads, and drainage, engineering, and other governmental functions in which the Parties are mutually interested;

WHEREAS, the functions and services of the Parties set forth in this Agreement are governmental functions and services which each City is authorized to perform and provide, and the terms, conditions and provisions of this Agreement are in support of and further the public health, safety welfare, and convenience of the citizens of each of the Cities and are in the public interest;

WHEREAS, Garland desires to construct public transportation improvements to portions of Pleasant Valley Road that run over Rowlett Creek, within the territorial limits of the City of Garland (“Project”);

WHEREAS, the Parties agree that in order to properly connect the new construction with existing roadway, it is necessary to raise the elevation of the roadway northeast of the Pleasant Valley Road Bridge and approximately 500 feet into the City of Sachse;

WHEREAS, Sachse desires to construct a sanitary sewer line serving the City of Sachse, which will cross under the Pleasant Valley Road right-of-way at Miles Road from inside Sachse's city limits into Garland's city limits;

NOW THEREFORE, in exchange for the mutual covenants set forth herein and other valuable consideration, the sufficiency and receipt of which are hereby acknowledged, the Parties agree as follows:

Article I Purpose

The purpose of this Agreement is to set forth the understandings and obligations of the Parties with respect to the Project (defined below).

Article II Definitions

Except when the context clearly indicates a different meaning, the following words and phrases shall have the following meanings:

“City” shall mean respectively Garland and Sachse.

“Cities” shall mean Garland and Sachse collectively.

“Designated Representative” shall mean the person designated by each City to act on its behalf during the term of this Agreement. Each City may from time to time replace the Designated Representative, at which time the City will notify the other City in writing of the newly appointed Designated Representative.

“Effective Date” shall mean the last date this Agreement is signed by authorized representatives of both Cities.

“Expiration Date” shall mean the date the parties have fully satisfied their respective obligations hereunder and the Project has been completed and accepted by the Cities.

“Force Majeure” shall mean any contingency or cause beyond the reasonable control of a party, as applicable, including, without limitations, acts of God or the public enemy, war, riot, civil commotion, insurrection, adverse weather, government or de facto governmental action or inaction (unless caused by negligence or omissions of such party), fires, explosions, floods, strikes, slowdowns or work stoppages, shortage of materials or labor.

“Garland” shall mean the City of Garland.

“Project” shall mean all activities related to the design and construction of the improvements to Pleasant Valley Road, within the City of Sachse city limits, and the design and construction of the Wastewater Line, within City of Garland city limits.

“Sachse” shall mean the City of Sachse.

“Wastewater Line” shall mean the approximate 1000 linear feet of variable size wastewater main crossing under Pleasant Valley Road at Miles Road, in an east to west direction, which is more particularly described in below Section 4.6.

Article III Term

This Agreement shall become effective as to each Party on the date of adoption as indicated on the signature page for each Party and shall continue in force and remain binding on each Party until the Project has been completed and the Parties have substantially fulfilled each and every obligation to one another as described herein.

Article IV Project

4.1 Preparation of Pleasant Valley Road Project Plans. The Cities acknowledge, understand, and agree that prior to the Effective Date, Garland has caused the Pleasant Valley Road Project Plans and specifications to be prepared by Grantham & Associates, Inc., a professional engineering firm and Sachse has caused the Wastewater Line project plans and specifications to be prepared by R-Delta Engineers, Inc., a professional engineering firm. The Cities further acknowledge and agree that each City shall be solely responsible for the costs related to the design of their respective portions of the Project. Garland further agrees to direct its engineer to complete the Pleasant Valley Road Project Plans to 100% completion.

4.2 Bidding. Garland shall be responsible for soliciting competitive bids, and awarding a contract for the construction of the Project, inclusive of the Wastewater Line, in accordance with applicable state law, including the costs related to preparation of bid packages and advertising.

4.3 Construction Costs; Payment.

- (a) Subject to the provisions of Section 4.6 below, Garland shall be responsible for the payment to contractors for the costs associated with construction of the Project, inclusive of the Sachse Wastewater Line.
- (b) Upon the City of Garland selecting their Contractor, Garland will provide Sachse with the itemized bid tabulation submitted by the selected Contractor for the Wastewater Line. Sachse then, within 30 days of receiving the itemized bid tabulation for the Wastewater Line, shall pay Garland the full amount set forth in the Bid Tabulation.
- (c) If the Cities determine that additional work is required after awarding the bid for the Project and such additional work is performed after written approval from Sachse of a change order related to the additional work, Sachse will pay such additional amounts to Garland as they become due.

4.4 Acquisition of Easements. Garland shall obtain, at Garland's cost, any necessary easements located within the City of Sachse that are required to complete the Project. The form

of any easement located within the City of Sachse shall be delivered to Sachse for approval, which shall not be unreasonably withheld, prior to the conveyance of the easement from the property owner to Garland. The city of Garland shall be named as the Grantee for any perpetual easement located within the City of Sachse. After completion and acceptance of the Project by Sachse, Garland shall assign its interests to any perpetual easement granted in connection with the Project located within the City of Sachse. Any and all temporary construction easements shall name the City of Garland as grantee.

4.5 Right of Entry; Plans and Specifications. Sachse hereby grants to Garland, its employees, agents, and contractors, the nonexclusive right and license to enter upon the area of the Pleasant Valley Road right-of-way located within the City of Sachse, as described and depicted in the attached **Exhibit "A"**, to conduct the necessary construction activities related to the Project as described in the Plans and Specifications, attached hereto as **Exhibit "B"** and incorporated herein by reference, which shall be in conformance with the ordinances and regulations of the City of Sachse, and approved by the Sachse City Engineer prior to the commencement of construction activities within the City of Sachse right-of-way.

4.6 Wastewater Line. Due to the depth of the proposed Wastewater Line, the construction of the portion of the Wastewater Line crossing beneath Pleasant Valley Road shall occur concurrently with the improvements to Pleasant Valley Road and Bridge. However, in the event that the award of the Wastewater Line Project occurs prior to the bid of Pleasant Valley Road and Bridge, Sachse may elect to construct the portion of the Wastewater Line under the Pleasant Valley Road right-of-way at such time as Sachse bids and awards the Wastewater Line Project. Notwithstanding any other provision herein to the contrary, in the event Sachse elects to construct the portion of the Wastewater Line under Pleasant Valley Road right-of-way, Sachse shall be solely responsible for paying all costs and expenses related to the Wastewater Line construction, including any and all manhole adjustments as described below in this Section 4.6.

In the event Sachse constructs the Wastewater Line prior to Garland posting the bid for the Pleasant Valley Road and Bridge Project, Garland shall include, at Sachse's cost and expense, the adjustment of the manholes for Line A and Line B to final grade of the Pleasant Valley Road Bridge plans at the following stations, which are generally depicted in the Sanitary and Sewer Line Profiles attached hereto as **Exhibit "C"**, and incorporated herein by reference:

Line A, Sta. 29+52.54,
Line A, Sta. 30+17.46
Line A, Sta. 32+21.53
Line A, Sta. 33+20.14
Line B, Sta. 1+58.83
Line B, Sta. 4+46.74

In the event that Garland constructs the Pleasant Valley Road Project prior to Sachse's Wastewater Line, Garland shall be responsible to construct improvements which shall include, but not be limited to, the installation of the Sachse – Garland Third Sanitary Sewer Connection Line A (30" wastewater main) from Sta. 28+00 to Sta. Sta. 34+00 and Line B (8" wastewater main) from Sta. 0+00 to Sta. 4+46.74.

4.7 Ownership and Maintenance of Improvements. Upon full payment and completion of the Wastewater Line, ownership of the Wastewater Line improvements shall be transferred from Garland to Sachse by bill of sale or other appropriate instrument. Upon transfer of ownership of the Wastewater Line to Sachse, Sachse shall be solely responsible for the operation, maintenance, and repair of the Wastewater Line, including its appurtenances. Upon completion of the Pleasant Valley Road right-of-way improvements and final acceptance, the ownership of the improvements shall transfer to Sachse. Following the conveyance of ownership of the improvements, unless otherwise stated herein, all repair and maintenance shall be Sachse's sole responsibility.

4.8 Maintenance Bonds. All maintenance bonds for the Project shall be issued jointly to Sachse and Garland. Upon conveyance of ownership of the right-of-way improvements located within the City of Sachse from Garland to Sachse and the Wastewater Line, Garland agrees to assign its interest in the maintenance bonds to Sachse.

4.9 Contractor Compliance. Unless otherwise agreed between the Designated Representatives, Garland shall have the responsibility of determining whether the contractor has complied with the provisions in the contract for construction of the Project. Sachse shall be responsible for any costs incurred in the enforcement of the contract against the contractor for the work performed with respect to the Wastewater Line.

4.10 Final Acceptance. Garland shall not accept the portion of the Project within the City of Sachse and the Wastewater Line until those portions are inspected by Sachse and authorization to accept is given to Garland by the Sachse Designated Representative. Authorization to accept shall not be unreasonably withheld or delayed and, in any case, the inspection must occur within 30 days after the written request to inspect and approve is given to Sachse by Garland.

4.11 Traffic Enforcement. Any necessary traffic enforcement shall remain at all times with the law enforcement agency having jurisdiction over the portion of the Project within the territorial limits of the respective city.

Article V Miscellaneous

5.1 Severability. If a provision contained in this Agreement is held invalid for any reason, the invalidity does not affect other provisions of the Agreement that can be given effect without the invalid provision, and to this end the provisions of this Agreement are severable.

5.2 Validity and Enforceability. If any current or future legal limitations affect the validity or enforceability of a provision of this Agreement, then the legal limitations are made a part of this Agreement and shall operate to amend this Agreement to the minimum extent necessary to bring this Agreement into conformity with the requirements of the limitations, and so modified, this Agreement shall continue in full force and effect.

5.3 Amendment. This Agreement may be amended only by the mutual written consent of the Parties.

5.4 Third Parties. This Agreement is intended to inure only to the benefit of the Parties hereto. This Agreement is not intended to create, nor shall be deemed or construed to create any rights in third parties.

5.5 Notice. Any notice required or permitted between the Parties must be in writing, addressed to the attention of each respective Designated Representative, and shall be delivered in person, or certified mail, return receipt requested, or may be transmitted by facsimile (fax) transmission.

5.6 Governing Law. The validity of this Agreement and any of its terms and provisions as well as the rights and duties of the Parties, shall be governed by the laws of the State of Texas; and venue for any action concerning this Agreement shall be in the State District Court of Dallas County, Texas.

5.7 Headings. The headings at the beginning of the various provisions of this Agreement have been included only in order to make it easier to locate the subject covered by each provision and are not to be used in construing this Agreement.

(Signature pages to follow)

EXECUTED this _____ day of _____, 2015.

City of Sachse, Texas

By: _____
Printed Name: _____
Title: _____

EXECUTED this _____ day of _____, 2015.

City of Garland, Texas

By: _____
Printed Name: _____
Title: _____

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SACHSE, TEXAS, APPROVING THE TERMS AND CONDITIONS OF AN INTERLOCAL COOPERATION AGREEMENT, BY AND BETWEEN THE CITY OF SACHSE, TEXAS AND THE CITY OF GARLAND, TEXAS, FOR PUBLIC TRANSPORTATION IMPROVEMENTS AND SANITARY SEWER IMPROVEMENTS; AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, the City of Sachse desires to construct a sanitary sewer line serving the City of Sachse, which will cross under the Pleasant Valley Road right-of-way at Miles Road from inside the city limits of Sachse into the city limits of Garland; and

WHEREAS, the City of Garland desires to construct public transportation improvements to portions of Pleasant Valley Road within the city limits of Garland and into the city limits of Sachse; and

WHEREAS, the City of Sachse and the City of Garland desire to enter into an agreement which sets forth the understandings and obligations of the Parties with respect to the construction of public transportation improvements to Pleasant Valley Road and that certain sanitary sewer line for the City of Sachse; and

WHEREAS, the Parties are authorized to enter into an Interlocal Cooperation Agreement pursuant to Section 791.011 of the Texas Government Code; and

WHEREAS, upon full review and consideration of the Agreement and all matters related thereto, the City Council is of the opinion and finds that the terms and conditions thereof should be approved, and that the City Manager should be authorized to execute the Agreement on behalf of the City of Sachse, Texas.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SACHSE, TEXAS, THAT:

SECTION 1. The City Manager is hereby authorized to execute the Agreement with the City of Garland for the construction of a sanitary sewer project within the city limits of the City of Garland and a public transportation project within the City of Sachse.

SECTION 2. This Resolution shall take effect immediately from and after its passage, and it is, accordingly, so resolved.

DULY RESOLVED AND ADOPTED by the City Council of the City of Sachse, Texas,
this _____ day of _____, 2015.

CITY OF SACHSE, TEXAS

Mike Felix, Mayor

ATTEST:

Terry Smith, City Secretary

**EXHIBIT “A”
INTERLOCAL COOPERATION AGREEMENT**



Legislation Details (With Text)

File #: 15-2817 **Version:** 1 **Name:** Campus Bond Fund Update May 2015
Type: Agenda Item **Status:** Agenda Ready
File created: 5/13/2015 **In control:** City Council
On agenda: 5/18/2015 **Final action:**
Title: Discuss and consider equipment and furnishings for the Sachse Municipal Complex.

Executive Summary

The Sachse Municipal Complex, consisting of City Hall, Public Library, Public Safety Building, and Senior Center may be enhanced through additional furnishing and equipment. The purpose of this item is to update Council on the status of previously approved equipment and projects, estimated bond funds remaining, and additional equipment that could enhance the use of the facility.

Sponsors:

Indexes:

Code sections:

Attachments: [Campus Bond update.pdf](#)

Date	Ver.	Action By	Action	Result
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Title

Discuss and consider equipment and furnishings for the Sachse Municipal Complex.

Executive Summary

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Background

Funding for the construction of the municipal complex was approved by the voters of the City of Sachse in 2006, and bonds were issued in two stages in 2007 and 2009. The total amount issued was \$20,405,000; an additional \$374,309 in investment earnings was credited to the project. At the time of the first update to City Council in April 2013, expenditures to date totaled \$20,550,638, leaving unexpended funds of \$228,671. Several items were identified at the meeting in April 2013 for which staff was requested to obtain cost estimates, but prior to presenting those cost estimates, the ice storm in December 2013 revealed a need for backup power generating at the Senior Center. A revised list of suggested projects and equipment was presented to City Council in September 2014. Several items have been completed, and several are currently in progress; additionally, funds have been received from Dallas County for reimbursement of the Sachse/Miles signalization which was originally paid using campus bond funds, so additional monies are available.

Expenditures to date include an outdoor Christmas tree, historic photos, forensic drying cabinet, outdoor furniture, and outdoor signage and upgraded audio-visual equipment for the library. These items total \$38,162 in funds expended.

Work in progress as of May 13th includes security enhancements around the campus, an additional exit door at the library, solar shades in City Hall customer service area, and the backup generator at the Senior Center. These projects total an estimated \$143,041.

This leaves an estimated balance of:

April 2013 Campus bond fund balance:	\$228,671
Expenditures completed	(38,162)
Dallas County reimbursement	92,387
Work in Progress	<u>(143,041)</u>
Updated Balance	\$139,855

Staff has cooperatively prepared a list of additional equipment and projects that would either solve existing problems or enhance the functionality and efficiency of the campus. This list includes: A Gator to assist with landscape maintenance, additional sidewalks making the amphitheater more accessible, a cover over the amphitheater stage, additional outdoor furnishings, electrical upgrades to support the Christmas lighting projects, miscellaneous upgrades to the Senior Center, and the addition of an RFID system in the library. The full list of suggested items totals \$138,909.

Policy Considerations

The bonds approved by voters in 2006 specified purposes and amounts for those purposes. Proceeds of voted bonds can only be used for the purposes for which the bonds were voted. Unexpended funds from the bonds that were issued for the campus may only be used for the campus.

Budgetary Considerations

Unexpended bond funds will be the only funding source for these projects and enhancements.

Staff Recommendations

Staff recommends that City Council consider equipment and furnishings for the municipal complex in an amount to complete the expenditure of all 2006 bond funds.

CITY OF SACHSE

MUNICIPAL CAMPUS BOND FUNDS

City Council Update
May 18, 2015

OVERVIEW

- Original presentation to council 4/15/2013
- Balance \$228,671.32
- Original List included: Library Exterior Signage, Solar Shades, Library A/V Equipment, Outdoor Furniture and Trash Receptacles, Historic Photos, Outdoor Flag Lighting, Outdoor Christmas Tree, Security Enhancements, and Library Meeting Room Door.
- Follow-up presentation to council 9/2/2014
- Items added include: Generator at Senior Center, Forensic Drying Cabinet
- Funds must be used for the purposes for which the bonds were voted.

ADDITIONAL INFO-WORK IN PROGRESS

- Security Enhancements originally estimated at \$73,000 required upgrades to network in order to work properly. These network upgrades resulted in a total project cost of \$86,002.
- The original estimate for the generator was \$35,800; proper installation will require additional electrical work and the current estimate is \$45,500.
- Maintenance to existing lighting on flags was completed, eliminating the need for additional lighting.

SUMMARY

Balance April 2013	\$228,671
Expended to Date	(\$38,162)
Work in Progress	(\$143,041)
Dallas County Reimbursement for Sachse/Miles Signalization	\$92,387
Updated Balance	\$139,855

ADDITIONAL ITEMS FOR CONSIDERATION

Description	Department	Amount
John Deere Gator	Campus	\$10,500
Amphitheater Cover	Campus	\$8,000
Add'l Sidewalks Amphitheater	Campus	\$10,000
Noise/Privacy Barriers	City Hall	\$3,375
Electrical Upgrades for Christmas Lights	Campus	\$2,000
Additional Tables and Trash Receptacles, Umbrellas	Campus	\$4,500

ADDITIONAL ITEMS FOR CONSIDERATION

Description	Department	Amount
RFID	Library	\$80,284
Folding Tables	Library	\$1,000
Upgraded Sound System	Senior Center	\$10,000
Interior Glass Door	Senior Center	\$3,750
Window Replacement	Senior Center	\$1,000
Exterior Lettering	Senior Center	\$4,500
TOTAL		\$138,909

John Deere Gator



John Deere Gator for Municipal Campus projects including moving dirt, mulching, plants, flowers, chemical application - \$10,500



RFID Cost Analysis and Justification FY 2016 Budget

CURRENT EQUIPMENT

- ▶ Obsolete
- ▶ Replacement parts are not available
- ▶ Inefficient technology
- ▶ Installed in 2001 when building was built
- ▶ No research and development is being done with the old barcode system.
- ▶ RFID is a step to future proofing this library and moving to more efficient customer service.

RFID—allows an item such as a book or DVD to be tracked and communicated by radio waves.

- ▶ Proposed RFID System
- ▶ Two security gates
- ▶ Self Check kiosk
- ▶ RFID Tags
- ▶ DVD cases
- ▶ Staff stations for circulation desk and check-in station
- ▶ Inventory wand

RFID-Based Self-Services

- Stand alone kiosks allows patrons to simultaneously checkout multiple items
- Protects patron privacy and confidentiality
- Reduces long lines during peak library hours
- Customer service is enhanced by allowing staff members to be available for patrons

Tangible Factors - Costs

- One Time Implementation Costs
 - RFID Tag Purchase
 - Software Interface
 - Self-Checkout Machines
 - Work stations
 - RFID Handheld device
 - Handheld device data transfer kit
 - Outsourced tagging for collection

Overall Benefits

- Enhance library mission by reducing staff time on circulation activities and using staff for customer service, program planning, and collection maintenance.
- Enhanced Patron Experience
- Increased efficiency with automated checkouts
- Increased Circulation