CITY COUNCIL REGULAR MEETING

September 18, 2023 at 7:00 PM
Hewitt City Hall, 200 Patriot Court, Hewitt, TX 76643

AGENDA

Steve Fortenberry, Mayor, Ward 3
Erica Bruce, Mayor Pro Tem, Ward 3 – **Michael S. Bancale**, Council Member, At-Large
Johnny Stephens, Council Member, Ward 1 – **Johnny Price**, Council Member, Ward 2
Bob Potter, Council Member, Ward 2 – **Brad Turner,** Council Member, Ward 1

The meeting will be streamed live on the city's website at www.cityofhewitt.com/790/Hewitt-TX-TV.

Pursuant to Texas Government Code Sec. 551.127, on a regular, non-emergency basis, members may attend and participate in the meeting remotely by video conference. Should that occur, a quorum of the members will be physically present at the location noted above on this agenda.

REGULAR MEETING - 7:00 PM

DECLARATION OF A QUORUM AND CALL TO ORDER

PLEDGE OF ALLEGIANCE

SPECIAL PRESENTATION(S) AND RECOGNITION(S)

1. Introduction of new Assistant Chief of Police.

PUBLIC COMMENTS

The City Council invites citizens to speak on any topic not already scheduled for a public hearing. The Texas Open Meetings Act prohibits the Council from discussing, responding to, or acting on any comments or items not properly posted on the agenda. (Note: Members of the public who wish to speak must complete a "Public Comment Form" and present it to the City Secretary before the meeting.)

REGULAR AGENDA ITEMS

2. Approval of minutes for the Regular Meeting of August 21, 2023.

3. Presentation of the report from the City Engineer Miles Whitney, P.E.
   Update on pending utility projects
   Update on pending street projects
   Update on pending drainage projects.

4. Briefing and discussion concerning Financial Statements ending August 31, 2023.

5. Discussion and possible action regarding a request from Randy Rodriguez for a waiver of penalty and interest on property taxes.

6. Discussion and possible action to ratify the expenditure of $96,775.19 for the purchase of one Administrative and one Investigative vehicle for the Police Department.

7. Discussion and possible action to authorize the City Manager to renew an existing Interlocal Agreement with the City of Waco for The Heart of Texas Regional Marketing Plan.

8. Discussion and possible action concerning the selection of an architect for the design phase of Fire Station No. 2.

9. Briefing and possible action on **Resolution No. 2023-08** amending Texpool authorized representatives.

10. Discussion and possible action on **Resolution No. 2023-09** approving a negotiated settlement between the Atmos Cities Steering Committee ("ACSC") and Atmos Energy Corp., Mid-Tex Division regarding the Company's 2023 Rate Review Mechanism Filings.

ADJOURNMENT

I certify that the above notice of meeting was posted on the Public Notice Board located in front of City Hall on **September 13, 2023**, by 5:00 PM.

CITY OF HEWITT

Lydia Lopez

Lydia Lopez, TRMC/CMC
City Secretary

In compliance with the Americans with Disabilities Act, the City of Hewitt will provide reasonable accommodations for persons attending and/or participating in City Council meetings. The facility is wheelchair accessible, with accessible parking available at the front of the building. Requests for sign interpreters or special services must be received forty-eight (48) hours prior to the meeting by calling the City Secretary at 254.296.5602 or by fax at 254.666.6014.

HEWITT TEXAS

COUNCIL AGENDA ITEM FORM

MEETING DATE: September 18, 2023

AGENDA ITEM #: 2.

SUBMITTED BY: Lydia Lopez, City Secretary

ITEM DESCRIPTION:

Approval of minutes for the Regular Meeting of August 21, 2023.

STAFF RECOMMENDATION/ITEM SUMMARY:

Attached is a draft copy of the meeting minutes. Please review and advise if any corrections are needed.

FISCAL IMPACT:

Amount Budgeted - N/A
Line Item in Budget - N/A

SUGGESTED MOTION:

I move approval of the minutes as presented but to allow for corrections.

ATTACHMENTS:

1. 2023-08-21 City Council Regular Meeting Minutes

CITY COUNCIL REGULAR MEETING

August 21, 2023 at 7:00 PM
Hewitt City Hall, 200 Patriot Court, Hewitt, TX 76643

MINUTES

Steve Fortenberry, Mayor, Ward 3
Erica Bruce, Mayor Pro Tem, Ward 3 – **Michael S. Bancale**, Council Member, At-Large
Johnny Stephens, Council Member, Ward 1 – **Johnny Price**, Council Member, Ward 2
Bob Potter, Council Member, Ward 2 – **Brad Turner,** Council Member, Ward 1

REGULAR MEETING - 7:00 PM

DECLARATION OF A QUORUM AND CALL TO ORDER

Mayor Steve Fortenberry called the Regular Meeting to order at 7:00 PM, announced all members were present, and declared a quorum.

PLEDGE OF ALLEGIANCE

Mayor Fortenberry led the Pledge of Allegiance.

PUBLIC COMMENTS

The City Council invites citizens to speak on any topic not already scheduled for a public hearing. The Texas Open Meetings Act prohibits the Council from discussing, responding to, or acting on any comments or items not properly posted on the agenda. (Note: Members of the public who wish to speak must complete a "Public Comment Form" and present it to the City Secretary before the meeting.)

Mayor Fortenberry read the statement above and inquired if the City Secretary received any public comment forms. The City Secretary received no public comment forms.

PUBLIC HEARING(S) AND RELATED ACTION

1. Conduct the second of two public hearings on the 2023 Property Tax Rate.

   City Manager Bo Thomas advised the maximum property tax rate to be considered is $0.546736. Mayor Fortenberry opened the public hearing at 7:02 PM and called for those wishing to speak about the 2023 Property Tax Rate. Jim Bruns, 701 Regina, inquired how he would be able to protest his valuation. City Attorney Mike Dixon responded that he could protest the valuation of his property with the McLennan County Appraisal District. No one else appeared. The public hearing was closed at 7:04 PM.

REGULAR AGENDA ITEMS

2. Approval of minutes of the Workshop/ Regular Meeting of August 7, 2023, and the Special Meeting of August 14, 2023.
   MOTION: Mayor Pro Tem Erica Bruce moved to approve the minutes of the City Council Workshop/Regular Meeting of August 7, 2023, and the Special Meeting of August 14, 2023, as presented but to allow corrections.
   SECOND: Council Member Bob Potter
   The City Secretary polled the Council.
   AYES: Bancale, Potter, Price, Stephens, Turner, Bruce, and Fortenberry
   NAYES: None
   ABSENT: None
   MOTION PASSED.

3. Discussion and possible action on **Ordinance No. 2023-09** accepting the 2023 Certified Tax Roll.
   City Manager Bo Thomas presented.
   MOTION: Mayor Pro Tem Erica Bruce moved approval of **Ordinance No. 2023-09** accepting the 2023 Certified Tax Roll.
   SECOND: Council Member Michael Bancale
   The City Secretary polled the Council.
   AYES: Bancale, Potter, Price, Stephens, Turner, Bruce, and Fortenberry
   NAYES: None
   ABSENT: None
   MOTION PASSED.

4. Discussion and possible action on **Ordinance No. 2023-10** adopting the 2023 Property Tax Rate of $________.
   City Manager Bo Thomas presented. Mayor Pro Tem Erica Bruce presented reasons for the Council to consider setting the de minimus rate. Council Member Michael Bancale expressed the Council's intent to be good stewards of taxpayer money.
   MOTION: Mayor Pro Tem Eric Bruce moved that the property tax rate be increased by the adoption of a tax rate of $0.546736, the de minimus rate, which is effectively a 13.2% increase in the tax rate.
   SECOND: Council Member Michael Bancale
   The City Secretary polled the Council.
   AYES: Bancale, Potter, Price, Stephens, Turner, Bruce, and Fortenberry
   NAYES: None
   ABSENT: None
   MOTION PASSED.

   Mr. Thomas read the caption of **Ordinance No. 2023-10** and filled in the blanks under Section 1 of the ordinance as follows:
   Tax Rate - $0.546736
   M&O Rate - $.332142
   "The tax rate will effectively be raised by 11.4 percent and will raise taxes for maintenance and operations on a $100,000 home by approximately $27.15.

MOTION: Council Member Michael Bancale moved to approve **Ordiance No. 2023-10**.
SECOND: Council Member Johnny Price
The City Secretary polled the Council.
AYES: Bancale, Potter, Price, Stephens, Turner, Bruce, and Fortenberry
NAYES: None
ABSENT: None
MOTION PASSED.

5. Discussion and possible action on **Resolution No. 2023-07** approving the FY 2023-2024 Master Fee Schedule.
   City Manager Bo Thomas presented changes in the fee schedule and noted that the water rates would only become effective after the Council reviewed and deliberated later in the year.
   MOTION: Mayor Pro Tem Erica Bruce moved approval of **Resolution No. 2023-07** approving the FY 2023-2024 Master Fee Schedule.
   SECOND: Council Member Michael Bancale
   The City Secretary polled the Council.
   AYES: Bancale, Potter, Price, Stephens, Turner, Bruce, and Fortenberry
   NAYES: None
   ABSENT: None
   MOTION PASSED.

Mayor Fortenberry reordered agenda items 6 and 7 per the City Attorney.

7. Discussion and possible action on **Ordinance No. 2023-11** adopting the FY 2023-2024 Annual Operating and Capital Budget.
   City Manager Bo Thomas presented.
   MOTION: Council Member Bob Potter moved approval of **Ordinance No. 2023-11** adopting the FY 2023-2024 Annual Operating and Capital Budget.
   SECOND: Mayor Pro Tem Erica Bruce
   The City Secretary polled the Council.
   AYES: Bancale, Potter, Price, Stephens, Turner, Bruce, and Fortenberry
   NAYES: None
   ABSENT: None
   MOTION PASSED.

6. Discussion and possible action on ratification of the property tax rate increase reflected in the budget.
   City Manager Bo Thomas presented.
   MOTION: Mayor Pro Tem Erica Bruce moved to ratify the property tax increase reflected in the budget.
   SECOND: Council Member Michael Bancale
   The City Secretary polled the Council.
   AYES: Bancale, Potter, Price, Stephens, Turner, Bruce, and Fortenberry
   NAYES: None
   ABSENT: None
   MOTION PASSED.

8. Briefing and discussion concerning Financial Statements ending July 31, 2023.

   City Manager Bo Thomas advised that Finance Director Lee Garcia previously sent the July Financial Statements electronically for the Council to review. He inquired if the Council had any questions. The Council raised no questions.

9. Discussion and possible action concerning the cancellation of the September 4, 2023 City Council Regular Meeting.

   City Manager Bo Thomas announced that the next Council Meeting falls on the Labor Day holiday, September 4, 2023, and unless the Council had an objection, the Council Meeting will be cancelled. The next regular meeting will be held on September 18, 2023.

   Mayor Fortenberry expressed appreciation to the staff for the hard work on the budget.

ADJOURNMENT

MOTION: Mayor Pro Tem Erica Bruce moved to adjourn the Regular Meeting at 7:34 PM.
SECOND: Council Member Bob Potter
The City Secretary polled the Council.
AYES: Bancale, Potter, Price, Stephens, Turner, Bruce, and Fortenberry
NAYES: None
ABSENT: None
MOTION PASSED.

Approved:__________________________

ATTEST:

______________________________ ______________________________

Lydia Lopez, City Secretary Steve Fortenberry, Mayor

HEWITT TEXAS

COUNCIL AGENDA ITEM FORM

MEETING DATE: September 18, 2023

AGENDA ITEM #: 3.

SUBMITTED BY: Miles Whitney, P.E.

ITEM DESCRIPTION:

Presentation of the report from the City Engineer Miles Whitney, P.E.
Update on pending utility projects
Update on pending street projects
Update on pending drainage projects.

STAFF RECOMMENDATION/ITEM SUMMARY:

The City Engineer will present and answer any questions regarding the Engineer's report.

FISCAL IMPACT:

Amount Budgeted - N/A
Line Item in Budget - N/A

SUGGESTED MOTION:

No action is required.

ATTACHMENTS:

1. Hewitt-PR-9.12.23

HEWITT
TEXAS

CITY ENGINEER'S REPORT
September 12, 2023

Utility Projects

Chaparral, Crescent, and Will Boleman

Contractor is mobilizing and traffic control is being placed.

Commerce Park Plant Improvements

- Well
  Project is advertising for bids. Bids are set to be received 9/20/23.
- Plant
  - Reviewing civil plans and electrical plans are progressing.

Street/Transportation Projects

Chaparral, Crescent, and Will Boleman

Refer to update above.

E. Wall and Briarfield

ROW survey and topo has been received and is being reviewed.

Drainage Projects

N/A

By:

STATE OF TEXAS
MILES W. WHITNEY
116154
LICENSED
PROFESSIONAL ENGINEER

Miles W. Whitney, P.E.

Note: All dates are approximate and subject to change.

HEWITT
TEXAS

COUNCIL AGENDA ITEM FORM

MEETING DATE: September 18, 2023

AGENDA ITEM #: 4.

SUBMITTED BY: Lee Garcia, Finance Director

ITEM DESCRIPTION:

Briefing and discussion concerning Financial Statements ending August 31, 2023.

STAFF RECOMMENDATION/ITEM SUMMARY:

The financial statements ending August 31, 2023, were sent electronically on September 12, 2023. This is an opportunity for the council to ask any questions or make comments.

FISCAL IMPACT:

Amount Budgeted - N/A
Line Item in Budget - N/A

SUGGESTED MOTION:

No action is required.

ATTACHMENTS:

None

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COUNCIL AGENDA ITEM FORM

MEETING DATE: September 18, 2023

AGENDA ITEM #: 5.

SUBMITTED BY: Bo Thomas, City Manager

ITEM DESCRIPTION:

Discussion and possible action regarding a request from Randy Rodriguez for a waiver of penalty and interest on property taxes.

STAFF RECOMMENDATION/ITEM SUMMARY:

January 31, 2023 was the deadline for postmark for property taxes without penalty and interest being assessed. Based on the weather conditions this year, the Postal Service was not open to postmark payments prior to the deadline. Mr. Randy Rodriguez has requested a waiver of the penalties and interest due to the inability of the Postal Service to postmark their payment due to weather closure. The County has specified a process that they have utilized to waive certain penalties and interest based upon these same conditions.

The County Tax Office advised that the commissioners would approve if it were postmarked February 2 or 3 and the check was dated January 31 or before. Mr. Rodriguez's account was postmarked Feb. 3, and the date of the check was January 31, so the criteria were met; however, the deadline to submit a waiver request was July 31. Mr. Rodriguez's letter requesting the waiver was postmarked August 1, 2023. This was past the deadline to submit.

FISCAL IMPACT:

Amount Budgeted - N/A
Line Item in Budget - N/A

SUGGESTED MOTION:

At the Council's discretion

ATTACHMENTS:

1. Waiver Request - Rodriguez

July 22, 2023

I am writing to you about a notice I recieved in the mail concerning my Taxes.

I have lived in Hewitt for 23 years. I grew fond of the beautiful parks and shops and loved that we are close to all business locations. the community is grown alot and it has alot of changes with the constructions and growth.
I kindly ask that you please waive this Tax Lien issued to us, we paid our house Taxes on time in January.

January 2022 had a freeze, due to that freeze all business were closed down, including the tax office, that day we were able to get to the post office here in Hewitt to mail payment. We were not going to risk driving down town with roads slick for our safety. I hope you understand and consider our proposal to waive this Tax Lien for 2022.

We paid our taxes on time considering the bad weather and offices being closed. Never had we ever been late on our Taxes the 23 years we have lived in Hewitt, Tx.

Thank You for your time,

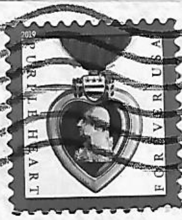
A Citizen of Mc Lennan County,

Randy Rodriguez

R

Randy Rodriguez
301 Will Boleman Dr
Hewitt, TX 76643-3602

NORTH TEXAS TX P&DC
DALLAS TX 750
1 AUG 2023 PM 10 L



City of Hewitt
200 Patriot Court
Hewitt, Tx. 76643

76643-410000

From: "Lydia Lopez (citysecretary@cityofhewitt.com)" <citysecretary@cityofhewitt.com>
To: "jennifer.ferguson@co.mclennan.tx.us" <jennifer.ferguson@co.mclennan.tx.us>
Date: Fri, 4 Aug 2023 16:00:19 +0000
Subject: New Request for Waiver of Tax Penalty

Attached is a request from Mr. Randy Rodriguez requesting the city of Hewitt to waive the tax penalty due to the ice storm. Please research and advise if this request should be granted.

Thank you,

HEWITT TEXAS

City Secretary's Office
Lydia Lopez
200 Patriot Court | Hewitt, Texas 76643
(P) 254.296.5602 | (F) 254.666.6014
citysecretary@cityofhewitt.com | www.cityofhewitt.com

WARNING: THIS MESSAGE MAY BE FROM AN OUTSIDE SOURCE. PLEASE DO NOT CLICK ON ANY LINKS OR OPEN ANY ATTACHMENTS IF YOU ARE NOT EXPECTING THE MESSAGE AND/OR DO NOT RECOGNIZE THE SENDER.

From: paul.graser@co.mclennan.tx.us <paul.graser@co.mclennan.tx.us>
Sent: Thursday, August 17, 2023 11:26 AM
To: Lydia Lopez <citysecretary@cityofhewitt.com>
Subject: RE: New Request for Waiver of Tax Penalty

Since the request of waiver was sent to you and not to the commissioners, they are not going to hear that one. So, it will be up to your council if they want to waive it for the City. I know after August 1st, they are not excepting anymore requests. They went with the 180 days from the day it would have been delinquent and that was there cutoff according to the code. If you have any questions, please let me know.
Thanks
Paul

From: Lydia Lopez (citysecretary@cityofhewitt.com) <citysecretary@cityofhewitt.com>
Sent: Tuesday, August 8, 2023 8:10 AM
To: paul.graser@co.mclennan.tx.us
Subject: RE: New Request for Waiver of Tax Penalty

Good morning,

Thank you for the update. We will wait for the County Commissioner's response.

Best regards,

Lydia

From: paul.graser@co.mclennan.tx.us <paul.graser@co.mclennan.tx.us>
Sent: Monday, August 7, 2023 3:24 PM
To: Lydia Lopez <citysecretary@cityofhewitt.com>
Subject: FW: New Request for Waiver of Tax Penalty

Hello Lydia,
The payment was postmarked February 3 and we posted it along with all the first payments received on February 8. The check was dated January 31, 2023. Not sure when the cutoff is for when they are allowing them. I sent it to the county secretary and I will let you know what they do with it.
Thanks
Paul

From: Jennifer Ferguson (jennifer.ferguson@co.mclennan.tx.us) <jennifer.ferguson@co.mclennan.tx.us>
Sent: Friday, August 4, 2023 12:57 PM
To: Lynn Aguirre <Lynn.Aguirre@co.mclennan.tx.us>; Paul Graser <Paul.Graser@co.mclennan.tx.us>
Subject: Fwd: New Request for Waiver of Tax Penalty

Jennifer Ferguson
Tax Specialist II
McLennan County Tax Office
Email: jennifer.ferguson@co.mclennan.tx.us
Phone: 254-757-5151
Fax: 254-757-2666

Lydia Lopez

From:	Lydia Lopez
Sent:	Thursday, August 17, 2023 2:01 PM
To:	paul.graser@co.mclennan.tx.us
Subject:	RE: New Request for Waiver of Tax Penalty

That is an excellent observation. I noted that as well.

From: paul.graser@co.mclennan.tx.us <paul.graser@co.mclennan.tx.us>
Sent: Thursday, August 17, 2023 1:48 PM
To: Lydia Lopez <citysecretary@cityofhewitt.com>
Subject: RE: New Request for Waiver of Tax Penalty

The commissioners would approve it if it was postmarked Feb. 2 or 3, the check was dated January 31 or before. That particular account was postmarked Feb. 3 and the date of the check was January 31. So it met that criteria, but I saw where it was postmarked Aug 1. That part is in the code under 33.011(d) (d) A request for a waiver of penalties and interest under Subsection (a)(1) or (3), (b), (h), (j), or (k) must be made before the 181st day after the delinquency date.
The 181st day was on July 31st.

Paul

From: Lydia Lopez (citysecretary@cityofhewitt.com) <citysecretary@cityofhewitt.com>
Sent: Thursday, August 17, 2023 1:36 PM
To: paul.graser@co.mclennan.tx.us
Subject: RE: New Request for Waiver of Tax Penalty

Can you provide us with the documentation you would provide your Commissioners for their decision?

From: paul.graser@co.mclennan.tx.us <paul.graser@co.mclennan.tx.us>
Sent: Thursday, August 17, 2023 1:32 PM
To: Lydia Lopez <citysecretary@cityofhewitt.com>
Subject: RE: New Request for Waiver of Tax Penalty

August 1 for submitting it to you. If they got it in before that, your council can rule on it whenever the next council meeting is.

From: Lydia Lopez (citysecretary@cityofhewitt.com) <citysecretary@cityofhewitt.com>
Sent: Thursday, August 17, 2023 1:28 PM
To: paul.graser@co.mclennan.tx.us
Subject: RE: New Request for Waiver of Tax Penalty

For clarification, did you mean September 1, 2023, was the deadline for submitting the request, or August 1, as written below?

Lydia Lopez

From: paul.graser@co.mclennan.tx.us
Sent: Tuesday, September 12, 2023 11:44 AM
To: Lydia Lopez
Subject: code for delinquency

Tax Code Section 33.011
Waiver of Penalties and Interest

(a) The governing body of a taxing unit:
(1) shall waive penalties and may provide for the waiver of interest on a delinquent tax if an act or omission of an officer, employee, or agent of the taxing unit or the appraisal district in which the taxing unit participates caused or resulted in the taxpayer's failure to pay the tax before delinquency and if the tax is paid not later than the 21st day after the date the taxpayer knows or should know of the delinquency;
(3) may waive penalties and provide for the waiver of interest on a delinquent tax if the taxpayer submits evidence showing that:
(A) the taxpayer attempted to pay the tax before the delinquency date by mail;
(B) the taxpayer mailed the tax payment to an incorrect address that in a prior tax year was the correct address for payment of the taxpayer's tax;
(C) the payment was mailed to the incorrect address within one year of the date that the former address ceased to be the correct address for payment of the tax; **and**
(D) the taxpayer paid the tax not later than the 21st day after the date the taxpayer knew or should have known of the delinquency.

(d) A request for a waiver of penalties and interest under Subsection (a)(1) or (3), (b), (h), (j), or (k) must be made before the 181st day after the delinquency date. A request for a waiver of penalties and interest under Subsection (a)(2) must be made before the first anniversary of the date the religious organization acquires the property. A request for a waiver of penalties and interest under Subsection (i) must be made before the 181st day after the date the property owner making the request receives notice of the delinquent tax that satisfies the requirements of Section 33.04 (Notice of Delinquency)(c). To be valid, a waiver of penalties or interest under this section must be requested in writing. If a written request for a waiver is not timely made, the governing body of a taxing unit may not waive any penalties or interest under this section.

Paul Graser *****My email address will be changing January 1, 2024 to paul.graser@mclennan.gov*****
Senior Deputy Tax Assessor Collector
McLennan County Tax Office

HEWITT
TEXAS

COUNCIL AGENDA ITEM FORM

MEETING DATE: September 18, 2023

AGENDA ITEM #: 6.

SUBMITTED BY: John McGrath, Police Chief

ITEM DESCRIPTION:

Discussion and possible action to ratify the expenditure of $96,775.19 for the purchase of one Administrative and one Investigative vehicle for the Police Department.

STAFF RECOMMENDATION/ITEM SUMMARY:

This item seeks ratification for the expense of replacing two non-patrol vehicles. The vehicles were required to be replaced due to age and mileage and were approved by the Council to be replaced in the FY 2023-2024 budget. The locating and purchasing of vehicles is difficult due to low stock and minimum four-month delivery. The Police Department located two vehicles suitable for the needed purpose at a lower than budget cost. The Council approved an expenditure of $110,000 for the two vehicles in the FY 2023-2024 budget. The two vehicles were purchased from Bird Kultgen Ford at the cost of $96,775.19. The purchase allowed the Department to avoid the delay of vehicle delivery and reduce the expense of the budgeted amount by $13,224.81.

FISCAL IMPACT:

Amount Budgeted - $96,775.19
Line Item in Budget - 10 50635 4101 and 10 50635 4102

SUGGESTED MOTION:

I move to ratify the expenditure of $96,775.19 to Bird Kultgen Ford for the vehicles purchased by the Police Department.

ATTACHMENTS:

1. Police Vehicle Invoices

BIRD KULTGEN

Company: City Of Hewitt
Primary Contact: Kevin Reinke
Sales Manager:
Sales Person: James Wilkerson
DMS Number:

Email: cityofhewitt.com;kreinke@cityofhe...
Address: 200 PATRIOT COURT
HEWITT, TX 76643

Cash

$ 48,843.55

N 2023 Ford F-150 XL 4WD SuperCrew 5.5' Box

Stock: F574
VIN: 1FTFW1E55PFB95474
Odometer: 27
Color: WHI / JB
Engine: 8 Cylinder Engine
Transmission:
MPG: 17 city / 22 hwy
Style: 4WD Standard Pickup Trucks

CASH DETAILS

Retail Price	$ 53,635.00
Discount	($ 3,231.00)
Rebates and incentives	($ 2,000.00)
NET SELLING PRICE	**$ 48,404.00**
DOC FEE	$ 150.00
Licence Fee	$ 118.25
Title Fee	$ 32.75
R & B Fee	$ 25.00
Additional Fees	$ 12.00
TOTAL FEES	**$ 338.00**
VIT Tax	$ 101.55
TOTAL TAXES	**$ 101.55**
SALES SUB TOTAL	**$ 48,843.55**
FINAL PRICE	**$ 48,843.55**

YOU'RE SAVING $5,231.00
$3,231.00 off MSRP
$2,000.00 off with Rebates/Incentives

X
Customer Signature

X
Sales Signature

Prepared by Michael Kinser

Generated by DealerSocket

08/28/2023 16:53:11

BK BIRD KULTGEN

Company: City Of Hewitt
Primary Contact: Kevin Reinke
Sales Manager:
Sales Person: James Wilkerson
DMS Number:

Email: cityofhewitt.com;kreinke@cityofhe...
Address: 200 PATRIOT COURT
HEWITT, TX 76643

Cash

$ 47,931.64

N 2023 Ford F-150 XL 4WD SuperCrew 5.5' Box

Stock: F586
VIN: 1FTFW1E55PFB91893
Odometer: 5
Color: SIL / JB
Engine: 8 Cylinder Engine
Transmission:
MPG: 17 city / 22 hwy
Style: 4WD Standard Pickup Trucks

CASH DETAILS

Retail Price	$ 52,725.00
Discount	($ 3,231.00)
Rebates and incentives	($ 2,000.00)
NET SELLING PRICE	**$ 47,494.00**
DOC FEE	$ 150.00
Licence Fee	$ 118.25
Title Fee	$ 32.75
R & B Fee	$ 25.00
Additional Fees	$ 12.00
TOTAL FEES	**$ 338.00**
VIT Tax	$ 99.64
TOTAL TAXES	**$ 99.64**
SALES SUB TOTAL	**$ 47,931.64**
FINAL PRICE	**$ 47,931.64**

YOU'RE SAVING $5,231.00
$3,231.00 off MSRP
$2,000.00 off with Rebates/Incentives

X
Customer Signature

X
Sales Signature

Prepared by Michael Kinser

Generated by **DealerSocket**

08/28/2023 16:51:39

HEWITT
TEXAS

COUNCIL AGENDA ITEM FORM

MEETING DATE: September 18, 2023

AGENDA ITEM #: 7.

SUBMITTED BY: Bo Thomas, City Manager

ITEM DESCRIPTION:

Discussion and possible action to authorize the City Manager to renew an existing Interlocal Agreement with the City of Waco for The Heart of Texas Regional Marketing Plan.

STAFF RECOMMENDATION/ITEM SUMMARY:

In 2012, the City of Hewitt joined a regional marketing program initiated by the Waco Convention & Visitors Bureau. This program allowed member cities to pay a portion of their estimated hotel/motel occupancy tax receipts to the City of Waco via the agreement. The Waco Convention & Visitors Bureau, in turn, promotes the city's hotels and restaurants through a website at wacoheartoftexas.com and other various ways.

The agreement calls for 24% of 7% of the city's annual hotel revenues for the year prior or $15,000, whichever is greater. For FY 2023-2024, our costs will be $42,404.48.

FISCAL IMPACT:

Amount Budgeted - $42,404.48
Line Item in Budget - Hotel/Motel Fund

SUGGESTED MOTION:

I move approval to authorize the City Manager to renew an existing Interlocal Agreement with the City of Waco for The Heart of Texas Regional Marketing Plan.

ATTACHMENTS:

1. Interlocal Agreement - Regional Marketing

INTERLOCAL COOPERATIVE AGREEMENT BETWEEN THE CITY OF WACO AND THE CITY OF HEWITT FOR REGIONAL MARKETING

STATE OF TEXAS §
§
COUNTY OF McLENNAN §

INTERLOCAL COOPERATIVE AGREEMENT

This Interlocal Cooperation Agreement ("Agreement") is made and entered into pursuant to *Chapter 791 of the Texas Government Code* by and between the **CITY OF WACO, TEXAS ("WACO")** and the **CITY OF HEWITT, TEXAS ("HEWITT"),** Texas, home-rule municipal corporations acting by and through their authorized representatives, and hereinafter referred to jointly as "Cities".

Recitals.

WHEREAS, the Cities desire to use certain revenue received from municipal hotel occupancy tax to directly promote tourism and the convention and hotel industry; and

WHEREAS, the Cities desire to directly promote tourism by advertising and conducting solicitations and promotional programs to attract tourists and convention delegates or registrants to the municipality or its vicinity; and

NOW, THEREFORE, pursuant to *Chapter 351 of the Texas Tax Code* and as otherwise authorized and permitted by the laws of the State of Texas, for and in consideration of the covenants, conditions and undertakings hereinafter described, and the benefits to accrue to the citizens of the Cities, and subject to each and every term and condition of this Agreement, the Cities contract, covenant and agree as follows:

1. **Recitals.** The recitals hereinabove set forth are incorporated herein for all purposes and are found by the respective City Councils of Waco and Hewitt to be true and correct. It is further found and determined that the City Councils of Waco and Hewitt have authorized and approved execution of this Agreement.

2. **Term of the Agreement.** The term of this agreement shall be from October 1, 2023 through September 30, 2024.

3. **Services.** The services covered by this agreement shall be performed by the City of Waco and may generally be described as regional marketing and advertising services for the City of Waco and surrounding areas.

4. **Compensation.** For services described, Cities agree to provide the differing levels of compensation as described with more particularity in **Exhibit A**.

5. **Non-Appropriation Clause.** As required by State law, and notwithstanding any other provision of this Agreement, the Cities may terminate this agreement at the end of any fiscal year in the event that that City's governing body fails to appropriate funds for the purposes of this Agreement.

6. **Force Majeure.** No Party shall be liable for its failure to perform its obligations under this Agreement if performance is made impractical, abnormally difficult, or abnormally costly, as a result of any unforeseen occurrence beyond its reasonable control. The Party invoking this Force Majeure clause shall notify the other Party immediately by verbal communication and in writing by certified mail of the nature and extent of the contingency within ten (10) working days after its occurrence. If the circumstances constituting a Force Majeure persist, and either of the Cities are unable to perform hereunder for a continuous period of thirty (30) days or more, the Party seeking performance may terminate the Agreement by giving the other Party ten (10) days' notice of its intent to terminate the Agreement. If the other Party is still unable to perform after receiving said notice, the Agreement shall terminate without the necessity of further action by either Party.

7. **No Waiver.** Nothing in this Agreement shall be deemed to waive, modify or amend any legal defense available at law or in equity to any of the Parties nor to create any legal rights or claim on behalf of any third party. No Party waives, modifies, or alters to any extent whatsoever the availability of the defense of governmental immunity under the laws of the State of Texas of the United States.

8. **Notice.**

To the City of Waco:	Bradley Ford City Manager of Waco P.O. Box 2570 Waco, Texas 76702-2570 bradleyf@wacotx.gov Fax: (254) 750-5880
To the City of Hewitt:	Bo Thomas City Manager of Hewitt 200 Patriot Court Hewitt, Texas 76643 bthomas@cityofhewitt.co m Fax: (254) 666-6014

9. **Third Party Beneficiaries.** Except as expressly provided herein, nothing in this Agreement, express or implied, is intended to confer upon any person, other than the Parties, any rights, benefits, or remedies under or by reason of this Agreement.

10. **Effective Date.** This Agreement shall be in full force and effect as of the date the governing bodies of Hewitt and Waco have authorized and approved this Agreement by Resolution duly adopted by each respective governing body.

11. **Entire Agreement.** This Agreement and any Exhibits hereto embody the entire agreement and understanding of the Parties hereto and supersede any and all prior agreements, arrangements and understandings relating to the matters provided for herein. No amendment, waiver of compliance with any provision or condition hereof or consent pursuant to this Agreement shall be effective unless evidenced by an instrument in writing signed by the party against whom enforcement of any amendment, waiver or consent is sought. This Agreement may not be amended or modified except in writing executed by all Parties and authorized by their respective governing bodies.

12. **Partial Invalidity.** In the event any provision of this Agreement shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision hereof, but rather this entire Agreement will be construed as if not containing the particular invalid or unenforceable provision or provisions, and the rights and obligations of the Parties shall be construed and enforced in accordance therewith. The Parties acknowledge that if any provision of this Agreement is determined to be invalid or unenforceable, it is their desire and intention that such provision be reformed and construed on such a manner that it will, to the maximum extent practicable, be deemed to be validated and enforceable.
13. **Survival:** Any provisions that by their terms survive the termination of this contract shall bind its legal representatives, heirs, and assigns as set forth herein.
14. **Gender and Number.** Words of any gender used in this Agreement shall be held and construed to include any other gender, and words in the singular number shall be held to include the plural, unless the context otherwise requires.
15. **Discrimination.** No one, on the grounds of race, color, religion, sex, gender identity or expression, sexual orientation, national origin, age, disability, genetic information, pregnancy, veteran status, or any other legally protected status under applicable federal, state, and local laws will be subject to discrimination in the performance of this agreement.
16. **Article and Section Headings.** The Article and Section headings contained herein are for convenience and reference and are not intended to define or limit the scope of any provision of this contract.
17. **Assignment.** No Party hereto may assign its rights and obligations hereunder.
18. **Benefits:** This Agreement shall bind, and the benefits thereof shall inure to the respective parties hereto, their heirs, legal representatives, executors, administrators, successors, and assigns.
19. **Misspelled Words:** Misspelling of one or more words in this contract shall not void this contract. Such misspelled words shall be read so as to have the meaning apparently intended by the Parties.
20. **Multiple Copies.** This Agreement may be simultaneously executed in several counterparts, each of which shall be an original and all of which shall be considered fully executed as of the date when all Parties have executed an identical counterpart, notwithstanding that all signatures may not appear on the same counterpart.

[Remainder of page intentionally left blank]

THE CITY OF WACO, TEXAS

ATTEST:

By: ______________________________
Bradley Ford, City Manager

____
Michelle Hicks, City Secretary

____
Date Signed

APPROVED AS TO FORM AND LEGALITY:

____
Jennifer Richie, City Attorney

THE CITY OF HEWITT, TEXAS

By:______________________________
Bo Thomas, City Manager

Date: ________________________

ATTEST:

____
City Secretary

[Remainder of page intentionally left blank]

EXHIBIT A

The Interlocal Cooperation Agreement is a marketing program available to those cities in McLennan County with an ordinance addressing hotel occupancy tax.

The cost to each city is based on calculating 24% of 7% of the city's annual hotel revenues for the calendar year prior, or $15,000, whichever is higher.

Revenues are obtained from reports from Source Strategies Inc., a company based in San Antonio, TX.

In return, the city's hotels and other lodging establishments are included in the following:

- Waco Visitors Guide
- Regional map
- The website at wacoheartoftexas.com
- Convention bids, for those hotels able to contract 30+ blocks of rooms for meeting planners
- Sales and marketing meeting for hoteliers

Calculations

Hotel Revenues	7% of Hotel Revs.	24%	Marketing Fee	Quarterly
$ 2,524,076	$176,685.32	24%	$42,404.48	$10,601.12

HEWITT
TEXAS

COUNCIL AGENDA ITEM FORM

MEETING DATE: September 18, 2023

AGENDA ITEM #: 8.

SUBMITTED BY: Jonathan Christian, Fire Chief

ITEM DESCRIPTION:

Discussion and possible action concerning the selection of an architect for the design phase of Fire Station No. 2.

STAFF RECOMMENDATION/ITEM SUMMARY:

The design and construction of a fire station is a unique project that should be met with specific skills and talents. The architect can play one of the largest roles in the success or failure of a project. An architect for a fire station needs to be aware of the growing issues surrounding fire station design as well as a good understanding of the functionality of a fire station. When looking at different architects for the Fire Station 2 project, I wanted to focus on finding an architect that is very experienced with fire stations and understands all of the ins and outs that come with these projects.

I reached out to four architectural firms, contacted numerous referrals and researched their previous fire station projects. I called numerous referrals as well as others involved in projects with the different firms and Martinez was the most highly recommended. I also took into consideration the number of fire stations as well as the focus of the firms. Martinez again showed vast experience in the design of fire stations and is focused primarily on fire and first responder facilities. Martinez has designed over 90 different fire station projects. They are based out of the Houston area but have designed and worked with fire departments across the state and are currently working on two projects in our area with Waco Fire and Killeen Fire Departments. Overall, I feel that our best option for an architect would be Martinez Architects and I recommend that we select them for this project.

If selected to move forward, Martinez Architects would then set up an initial meeting to establish the scope of the project and identify our needs within the design of the station. After the initial meeting, the architect will put together a contract proposal which will include the scope of work and basic fee schedule usually ranging between 8-10 % of the project. This proposal, if agreed upon, would then be brought back for council approval.

FISCAL IMPACT:

Amount Budgeted - N/A
Line Item in Budget - N/A

SUGGESTED MOTION:

I move to select Martinez Architects for the design proposal for Fire Station No. 2.

ATTACHMENTS:

1. List of Martinez Designs

Relevant Projects + Current Workload

Our sole focus on Fire Stations, combined with our highly qualified staff resources allows us to complete various fire stations simultaneously. Just recently, for example, six (6) of our fire stations completed construction within two months of each other. With all of these recently completed fire stations, **our proposed team and support technical staff is now fully available to commence your project immediately and dedicate full design resources.** Below is **partial listing** of our Fire Station experience:

* Indicates projects that were completed solely by Martinez Architects' firm partners Ricardo Martinez and Justin Myers while they were employed with a previous firm.

Texas Fire Department Project List (Partial)

Aldine Fire Station 41
Aldine Fire Station 11 (C.A. only)
Aldine Fire Administration
Atascocita Fire Training/Admin*
Atascocita Fire Station 19*
Atascocita Fire Station 29
Bexar Co. ESD 6- Fire Station 161
Bexar Co. ESD 12 - Fire Station 136
Champions Fire Station 11 (Renovation)
Champions Fire Station 12
Columbus Fire Station Renovation (Feasibility)
Community FD - Fire Station 2*
Crosby Fire Station 1*
Crosby Fire Station 2*
Crosby Fire Stations 3,4,5 (Remodel)*
Cy-Fair Fire Station 1
Cy-Fair Fire Station 2
Cy-Fair Fire Station 3 (Renovation)
Cy-Fair Fire Station 5
Cy-Fair Fire Station 6
Cy-Fair Fire Station 7
Cy-Fair Fire Station 8 (Renovation)
Cy-Fair Fire Station 9
Cy-Fair Fire Station 13
Cy-Fair FD – Admin/Logistics/EOC
Cypress Creek EMS Station 52
Cypress Creek EMS Station 511*
Cypress Creek EMS Station 513*
Cypress Creek Fire Station 23*
Deer Park Fire Station 2
Deer Park Fire Training
Denton Fire / ARFF Station #9
Fort Bend County EMS Station 2
Fresno Fire Station 52
Friendswood Fire Station 1 (design only)*
Friendswood Fire Station 4 (design only)*
Fulshear FD – Cross Creek Fire Station
Fulshear FD – Jordan Ranch Fire Station
Greenville Fire Admin/EOC/Training
Harris Co. Emergency Corps - EMS Station 97
Harris Co. ESD 11 – EMS Admin/Deployment/Dispatch
Harris Co. ESD 48 - Fire Station 1
Harris Co. ESD 48 - Fire Station 4 (Renovation)
Huffman Fire Station 52 (Renovation)
Humble Fire Station 2
Klein Fire Station 32 (Renovation)
Klein Fire Station 34 (Renovation)
McKinney Fire Station 2
McKinney FD – Admin/Logistics/EOC
Midland Fire Station 5
Midland Fire Station 11
Missouri City Fire Station 6 / Admin
Montgomery Fire Station 52
Montgomery Fire Station 54
Montgomery Fire Station 55
Needham Fire Station 61 (Feasibility)
Needham Fire Station 62
North Hays Fire Station 62 (Renovation)
North Hays Fire Station 74
North Hays FD – Headwaters Station
North Hays Fire Training Center
Odessa Fire Station 6 (design only)
Odessa Fire Station 9 (design only)
Pearland Fire Station 6*
Pecan Grove Fire Station
Pflugerville Fire Training
Plainview Fire Station 2
Porter Fire Station 122
Reeves Co. ESD Station 1
Reeves Co. ESD Station 2
Reeves Co. ESD Station 3
Spring Fire Station 70*
Spring Fire Station 71*
Spring Fire Station 73 (Renovation)*
Spring Fire Station 76 (Renovation)
Spring Fire Station 77*
Spring Fire Station 78*
Spring Fire Administration*
South Texas College Fire Training
Texas Emergency Communications Center
The Woodlands Fire Station 1 / Admin*
The Woodlands Fire Station 2 (Renovation)*
The Woodlands Fire Station 3 (Feasibility)
The Woodlands Fire Station 4 (Feasibility)
The Woodlands Fire Station 5 (Feasibility)
The Woodlands Fire Station 6*
The Woodlands Fire Station 7*
The Woodlands Fire Station 8*
The Woodlands Fire Training Renovation
Tomball Fire Station 1*
Waller-Harris ESD 200 – Prairie View Station
Willowfork Fire Administration
Willowfork Fire Station 1 (Renovation)
Wilson Co. ESD 2 – Satellite Fire Station







HEWITT
TEXAS

COUNCIL AGENDA ITEM FORM

MEETING DATE: September 18, 2023

AGENDA ITEM #: 9.

SUBMITTED BY: Lee Garcia, Finance Director

ITEM DESCRIPTION:

Briefing and possible action on **Resolution No. 2023-08** amending Texpool authorized representatives.

STAFF RECOMMENDATION/ITEM SUMMARY:

Staff recommends updating the Texpool authorized representatives through the resolution required by Texpool.

FISCAL IMPACT:

Amount Budgeted - N/A
Line Item in Budget - N/A

SUGGESTED MOTION:

I move approval of **Resolution No. 2023-08** amending Texpool authorized representatives.

ATTACHMENTS:

1. TexPool Authorized Personnel

Print Form Clear Form

RESOLUTION NO. 2023-08

TEXPOOL
AN INVESTMENT SERVICE FOR PUBLIC FUNDS

Resolution Amending Authorized Representatives

Please complete this form to amend or designate Authorized Representatives. *This document supersedes all prior Authorized Representative forms.*

*** Required Fields**

1. Resolution

WHEREAS,

City of Hewitt, Texas
Participant Name*

7 7 9 6 6
Location Number*

("**Participant**") is a local government of the State of Texas and is empowered to delegate to a public funds investment pool the authority to invest funds and to act as custodian of investments purchased with local investment funds; and

WHEREAS, it is in the best interest of the Participant to invest local funds in investments that provide for the preservation and safety of principal, liquidity, and yield consistent with the Public Funds Investment Act; and

WHEREAS, the Texas Local Government Investment Pool ("**TexPool / Texpool Prime**"), a public funds investment pool, were created on behalf of entities whose investment objective in order of priority are preservation and safety of principal, liquidity, and yield consistent with the Public Funds Investment Act.

NOW THEREFORE, be it resolved as follows:

A. That the individuals, whose signatures appear in this Resolution, are Authorized Representatives of the Participant and are each hereby authorized to transmit funds for investment in TexPool / TexPool Prime and are each further authorized to withdraw funds from time to time, to issue letters of instruction, and to take all other actions deemed necessary or appropriate for the investment of local funds.

B. That an Authorized Representative of the Participant may be deleted by a written instrument signed by two remaining Authorized Representatives provided that the deleted Authorized Representative (1) is assigned job duties that no longer require access to the Participant's TexPool / TexPool Prime account or (2) is no longer employed by the Participant; and

C. That the Participant may by Amending Resolution signed by the Participant add an Authorized Representative provided the additional Authorized Representative is an officer, employee, or agent of the Participant;

List the Authorized Representative(s) of the Participant. Any new individuals will be issued personal identification numbers to transact business with TexPool Participant Services.

1.
Name: Everett "Bo" Thomas
Title: City Manager
Phone: 2 5 4 6 6 6 6 1 7 1
Fax: 2 5 4 6 6 6 6 0 1 4
Email: bthomas@cityofhewitt.com
Signature:

2.
Name: Lydia Lopez
Title: City Secretary
Phone: 2 5 4 6 6 6 6 1 7 1
Fax: 2 5 4 6 6 6 6 0 1 4
Email: citysecretary@cityofhewitt.com
Signature:

3.
Name: Lee Garcia
Title: Finance Director
Phone: 2 5 4 6 6 6 6 1 7 1
Fax: 2 5 4 6 6 6 6 0 1 4
Email: financedirector@cityofhewitt.com
Signature:

Form Continues on Next Page

1. Resolution (continued)

4.

Name | Title

Phone | Fax | Email

Signature

List the name of the Authorized Representative listed above that will have primary responsibility for performing transactions and receiving confirmations and monthly statements under the Participation Agreement.

Lee Garcia

Name

In addition and at the option of the Participant, one additional Authorized Representative can be designated to perform only inquiry of selected information. *This limited representative cannot perform transactions.* If the Participant desires to designate a representative with inquiry rights only, complete the following information.

Name | Title

Phone | Fax | Email

D. That this Resolution and its authorization shall continue in full force and effect until amended or revoked by the Participant, and until TexPool Participant Services receives a copy of any such amendment or revocation. This Resolution is hereby introduced and adopted by the Participant at its regular/special meeting held on the 18 day of September, 2023.

Note: Document is to be signed by your Board President, Mayor or County Judge and attested by your Board Secretary, City Secretary or County Clerk.

City of Hewitt, Texas

Name of Participant*

SIGNED

Signature*

Steve Fortenberry

Printed Name*

Mayor

Title*

ATTEST

Signature*

Lydia Lopez

Printed Name*

City Secretary

Title*

2. Delivery Instructions

Please return this document to **TexPool Participant Services**:

Email: texpool@dstsystems.com

Fax: 866-839-3291

HEWITT
TEXAS

COUNCIL AGENDA ITEM FORM

MEETING DATE: September 18, 2023

AGENDA ITEM #: 10.

SUBMITTED BY: Bo Thomas, City Manager

ITEM DESCRIPTION:

Discussion and possible action on **Resolution No. 2023-09** approving a negotiated settlement between the Atmos Cities Steering Committee ("ACSC") and Atmos Energy Corp., Mid-Tex Division regarding the Company's 2023 Rate Review Mechanism Filings.

STAFF RECOMMENDATION/ITEM SUMMARY:

The Atmos Cities Steering Committee (ACSC) and legal counsel recommend that all cities adopt the resolution with its attachments approving the negotiated rate settlement resolving the 2023 RRM Filing, and implementing the rate change. Included as backup is a model staff report and resolution.

Staff recommends approval.

FISCAL IMPACT:

Amount Budgeted - N/A
Line Item in Budget - N/A

SUGGESTED MOTION:

I move approval of **Resolution No. 2023-09** approving a negotiated settlement between the Atmos Cities Steering Committee ("ACSC") and Atmos Energy Corp., Mid-Tex Division.

ATTACHMENTS:

1. Atmos Mid-Tex 2023 RRM Model Staff Report
2. CY22 MTX RRM - Average Bill
3. 2023-09 Atmos Mid-Tex 2023 RRM Settlement Resolution
4. CY22 MTX RRM - Tariffs
5. CY22 MTX RRM - Pension Benchmark

August 2, 2023

MODEL STAFF REPORT FOR RESOLUTION OR ORDINANCE

BACKGROUND AND SUMMARY

The City, along with 181 other Mid-Texas cities served by Atmos Energy Corporation, Mid-Tex Division ("Atmos Mid-Tex" or "Company"), is a member of the Atmos Cities Steering Committee ("ACSC"). In 2007, ACSC and Atmos Mid-Tex settled a rate application filed by the Company pursuant to Section 104.301 of the Texas Utilities Code for an interim rate adjustment commonly referred to as a GRIP filing (arising out of the Gas Reliability Infrastructure Program legislation). That settlement created a substitute rate review process, referred to as Rate Review Mechanism ("RRM"), as a substitute for future filings under the GRIP statute.

Since 2007, there have been several modifications to the original RRM Tariff. The most recent iteration of an RRM Tariff was reflected in an ordinance adopted by ACSC members in 2018. On or about March 31, 2023, the Company filed a rate request pursuant to the RRM Tariff adopted by ACSC members. The Company claimed that its cost-of-service in a test year ending December 31, 2022, entitled it to additional system-wide revenues of $165.9 million.

Application of the standards set forth in ACSC's RRM Tariff reduces the Company's request to $156.1 million, $113.8 million of which would be applicable to ACSC members. After reviewing the filing and conducting discovery, ACSC's consultants concluded that the system-wide deficiency under the RRM regime should be $130.9 million instead of the claimed $156.1 million.

After several settlement meetings, the parties have agreed to settle the case for $142 million. This is a reduction of $23.9 million to the Company's initial request. This includes payment of ACSC's expenses. The settlement also includes an additional $19.5 million for the securitization regulatory asset expenses related to Winter Storm Uri. This was previously approved by the Texas Legislature and Railroad Commission. The Effective Date for new rates is October 1, 2023. ACSC members should take action approving the Resolution/Ordinance before September 30, 2023.

RATE TARIFFS

Atmos generated rate tariffs attached to the Resolution/Ordinance will generate $142 million in additional revenues. Atmos also prepared a Proof of Revenues supporting the settlement figures. ACSC consultants have agreed that Atmos' Proof of Revenues is accurate.

BILL IMPACT

The impact of the settlement on average residential rates is an increase of $6.47 on a monthly basis, or 7.31%. The increase for average commercial usage will be $24.72 or 5.19%. Atmos provided bill impact comparisons containing these figures.

SUMMARY OF ACSC'S OBJECTION TO THE UTILITIES CODE SECTION 104.301 GRIP PROCESS

ACSC strongly opposed the GRIP process because it constitutes piecemeal ratemaking by ignoring declining expenses and increasing revenues while rewarding the Company for increasing capital investment on an annual basis. The GRIP process does not allow any review of the reasonableness of capital investment and does not allow cities to participate in the Railroad Commission's review of annual GRIP filings or allow recovery of Cities' rate case expenses. The Railroad Commission undertakes a mere administrative review of GRIP filings (instead of a full hearing) and rate increases go into effect without any material adjustments. In ACSC's view, the GRIP process unfairly raises customers' rates without any regulatory oversight. In contrast, the RRM process has allowed for a more comprehensive rate review and annual evaluation of expenses and revenues, as well as capital investment.

RRM SAVINGS OVER GRIP

While residents outside municipal limits must pay rates governed by GRIP, there are some cities served by Atmos Mid-Tex that chose to remain under GRIP rather than adopt RRM.

Additionally, the City of Dallas adopted a variation of RRM which is referred to as DARR. When new rates become effective on October 1, 2023, ACSC residents will maintain an economic monthly advantage over GRIP and DARR rates.

Comparison to Other Mid-Tex Rates (Residential)

	Average Bill	Compared to RRM Cities
RRM Cities:	$42.62	-
DARR:	$42.55	($0.07)
ATM Cities:	$44.39	$1.77
Environs:	$44.27	$1.65

Note: ATM Cities and Environs rates are as-filed. Also note that DARR uses a test year ending in September rather than December.

EXPLANATION OF "BE IT RESOLVED" PARAGRAPHS:

1. This section approves all findings in the Resolution/Ordinance.
2. This section adopts the RRM rate tariffs and finds the adoption of the new rates to be just, reasonable, and in the public interest.
3. This section makes it clear that Cities may challenge future costs associated with gas leaks.
4. This section finds that existing rates are unreasonable. Such finding is a necessary predicate to establishment of new rates. The new tariffs will permit Atmos Mid-Tex to recover an additional $142 million on a system-wide basis.
5. This section approves an exhibit that establishes a benchmark for pensions and retiree medical benefits to be used in future rate cases or RRM filings.
6. This section requires the Company to reimburse the City for expenses associated with review of the RRM filing, settlement discussions, and adoption of the Resolution/Ordinance approving new rate tariffs.
7. This section repeals any resolution or ordinance that is inconsistent with the Resolution/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 is later found to be unconstitutional or invalid, that finding shall not affect, impair, or invalidate the remaining provisions of this Resolution/Ordinance. This section further directs that the remaining provisions of the Resolution/Ordinance are to be interpreted as if the offending section or clause never existed.

10. This section provides for an effective date upon passage.

11. This section directs that a copy of the signed Resolution/Ordinance be sent to a representative of the Company and legal counsel for ACSC.

CONCLUSION

The Legislature's GRIP process allowed gas utilities to receive annual rate increases associated with capital investments. The RRM process has proven to result in a more efficient and less costly (both from a consumer rate impact perspective and from a ratemaking perspective) than the GRIP process. Given Atmos Mid-Tex's claim that its historic cost of service should entitle it to recover $165.9 million in additional system-wide revenues, the RRM settlement at $142 million for ACSC members reflects substantial savings to ACSC cities. Settlement at $142 million is fair and reasonable. The ACSC Executive Committee consisting of city employees of 18 ACSC members urges all ACSC members to pass the Resolution/Ordinance before September 30, 2023. New rates become effective October 1, 2023.

ATMOS ENERGY CORP., MID-TEX DIVISION
MID-TEX RATE REVIEW MECHANISM
AVERAGE BILL COMPARISON - BASE RATES
TEST YEAR ENDING DECEMBER 31, 2022

Line No.	Description								Current	Proposed	Change Amount	Change Percent
	(a)								(b)	(c)	(d)	(e)
1	**Rate R @ 43.6 Ccf**											
2	Customer charge								$ 21.55			
3	Consumption charge	43.6		CCF	X	$	0.36223	=	15.79			
4	Rider GCR Part A	43.6		CCF	X	$	0.63625	=	27.74			
5	Rider GCR Part B	43.6		CCF	X	$	0.41732	=	18.20			
6	Subtotal								$ 83.28			
7	Rider FF & Rider TAX		$	83.28	X		0.06237	=	5.19			
8	Total								$ 88.47			
9												
10	Customer charge									$ 22.25		
11	Consumption charge	43.6		CCF	X	$	0.48567	=		21.18		
12	Rider GCR Part A	43.6		CCF	X	$	0.63625	=		27.74		
13	Rider GCR Part B	43.6		CCF	X	$	0.41732	=		18.20		
14	Subtotal									$ 89.37		
15	Rider FF & Rider TAX		$	89.37	X		0.06237	=		5.57		
16	Total									$ 94.94	$ 6.47	7.31%
17												

ATMOS ENERGY CORP., MID-TEX DIVISION
MID-TEX RATE REVIEW MECHANISM
AVERAGE BILL COMPARISON - BASE RATES
TEST YEAR ENDING DECEMBER 31, 2022

Line No.	Description								Current	Proposed	Change Amount	Change Percent
	(a)								(b)	(c)	(d)	(e)
18	**Rate C @ 356.6 Ccf**											
19	Customer charge								$ 63.50			
20	Consumption charge	356.6		CCF	X	$	0.14137	=	50.41			
21	Rider GCR Part A	356.6		CCF	X	$	0.63625	=	226.86			
22	Rider GCR Part B	356.6		CCF	X	$	0.30202	=	107.69			
23	Subtotal								$ 448.46			
24	Rider FF & Rider TAX		$	448.46	X		0.06237	=	27.97			
25	Total								$ 476.43			
26												
27	Customer charge									$ 72.00		
28	Consumption charge	356.6		CCF	X	$	0.18280	=		65.18		
29	Rider GCR Part A	356.6		CCF	X	$	0.63625	=		226.86		
30	Rider GCR Part B	356.6		CCF	X	$	0.30202	=		107.69		
31	Subtotal									$ 471.73		
32	Rider FF & Rider TAX		$	471.73	X		0.06237	=		29.42		
33	Total									$ 501.15	$ 24.72	5.19%
34												

ATMOS ENERGY CORP., MID-TEX DIVISION
MID-TEX RATE REVIEW MECHANISM
AVERAGE BILL COMPARISON - BASE RATES
TEST YEAR ENDING DECEMBER 31, 2022

Line No.	Description							Current	Proposed	Change Amount	Change Percent
	(a)							(b)	(c)	(d)	(e)
35	**Rate I @ 1720 MMBTU**										
36	Customer charge							$ 1,204.50			
37	Consumption charge	1,500	MMBTU	X	$	0.4939	=	740.85			
38	Consumption charge	220	MMBTU	X	$	0.3617	=	79.64			
39	Consumption charge	0	MMBTU	X	$	0.0776	=	-			
40	Rider GCR Part A	1,720	MMBTU	X	$	6.2134	=	10,688.12			
41	Rider GCR Part B	1,720	MMBTU	X	$	0.6267	=	1,078.08			
42	Subtotal							$ 13,791.19			
43	Rider FF & Rider TAX		$13,791.19	X		0.06237	=	860.17			
44	Total							$ 14,651.36			
45											
46	Customer charge								$ 1,382.00		
47	Consumption charge	1,500	MMBTU	X	$	0.7484	=		1,122.62		
48	Consumption charge	220	MMBTU	X	$	0.5963	=		131.30		
49	Consumption charge	0	MMBTU	X	$	0.2693	=		-		
50	Rider GCR Part A	1,720	MMBTU	X	$	6.2134	=		10,688.12		
51	Rider GCR Part B	1,720	MMBTU	X	$	0.6267	=		1,078.08		
52	Subtotal								$ 14,402.12		
53	Rider FF & Rider TAX		$14,402.12	X		0.06237	=		898.28		
54	Total								$ 15,300.40	$ 649.04	4.43%
55											

ATMOS ENERGY CORP., MID-TEX DIVISION
MID-TEX RATE REVIEW MECHANISM
AVERAGE BILL COMPARISON - BASE RATES
TEST YEAR ENDING DECEMBER 31, 2022

Line No.	Description							Current	Proposed	Change Amount	Change Percent
	(a)							(b)	(c)	(d)	(e)
56	**Rate T @ 4720 MMBTU**										
57	Customer charge							$ 1,204.50			
58	Consumption charge	1,500	MMBTU	X	$	0.4939	=	740.85			
59	Consumption charge	3,220	MMBTU	X	$	0.3617	=	1,164.50			
60	Consumption charge	0	MMBTU	X	$	0.0776	=	-			
61	Rider GCR Part B	4,720	MMBTU	X	$	0.6267	=	2,957.85			
62	Subtotal							$ 6,067.70			
63	Rider FF & Rider TAX		$ 6,067.70	X		0.06237	=	378.45			
64	Total							$ 6,446.15			
65											
66	Customer charge								$ 1,382.00		
67	Consumption charge	1,500	MMBTU	X	$	0.5684	=		852.60		
68	Consumption charge	3,220	MMBTU	X	$	0.4163	=		1,340.29		
69	Consumption charge	0	MMBTU	X	$	0.0893	=		-		
70	Rider GCR Part B	4,720	MMBTU	X	$	0.6267	=		2,957.85		
71	Subtotal								$ 6,532.74		
72	Rider FF & Rider TAX		$ 6,532.74	X		0.06237	=		407.45		
73	Total								$ 6,940.19	$ 494.04	7.66%

RESOLUTION NO. 2023-09

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF HEWITT, TEXAS, APPROVING A NEGOTIATED SETTLEMENT BETWEEN THE ATMOS CITIES STEERING COMMITTEE ("ACSC") AND ATMOS ENERGY CORP., MID-TEX DIVISION REGARDING THE COMPANY'S 2023 RATE REVIEW MECHANISM FILING; 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 ATTACHED SETTLEMENT TARIFFS TO BE JUST AND REASONABLE AND IN THE PUBLIC INTEREST; APPROVING AN ATTACHMENT ESTABLISHING A BENCHMARK FOR PENSIONS AND RETIREE MEDICAL BENEFITS; REQUIRING THE COMPANY TO REIMBURSE ACSC'S REASONABLE RATEMAKING EXPENSES; DETERMINING THAT THIS RESOLUTION 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 RESOLUTION TO THE COMPANY AND THE ACSC'S LEGAL COUNSEL.

WHEREAS, the City of Hewitt, 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, charges, and services of Atmos Mid-Tex; 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 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 current RRM tariff was adopted by the City in a rate ordinance in 2018; and

WHEREAS, on about March 1, 2023, Atmos Mid-Tex filed its 2023 RRM rate request with ACSC Cities based on a test year ending December 31, 2022; and

WHEREAS, ACSC coordinated its review of the Atmos Mid-Tex 2023 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, the Executive Committee, as well as ACSC's counsel and consultants, recommend that ACSC Cities approve an increase in base rates for Atmos Mid-Tex of $142 million on a system-wide basis with an Effective Date of October 1, 2023; and

WHEREAS, ACSC agrees that Atmos' plant-in-service is reasonable; and

WHEREAS, with the exception of approved plant-in-service, ACSC is not foreclosed from future reasonableness evaluation of costs associated with incidents related to gas leaks; and

WHEREAS, the attached tariffs (Attachment 1) implementing new rates are consistent with the recommendation of the ACSC Executive Committee, are agreed to by the Company, and are just, reasonable, and in the public interest; and

WHEREAS, the settlement agreement sets a new benchmark for pensions and retiree medical benefits (Attachment 2); and

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

WHEREAS, the RRM Tariff includes Securitization Interest Regulatory Asset amount of $19.5 million;

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

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

Section 2. That, without prejudice to future litigation of any issue identified by ACSC, the City Council finds that the settled amount of an increase in revenues of $142 million on a system-wide basis 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 2023 RRM filing, 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 despite finding Atmos Mid-Tex's plant-in-service to be reasonable, ACSC is not foreclosed in future cases from evaluating the reasonableness of costs associated with incidents involving leaks of natural gas.

Section 4. 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 1, are just and reasonable, and are designed to allow Atmos Mid-Tex to recover annually an additional $142 on a system-wide basis, over the amount allowed under currently approved rates. Such tariffs are hereby adopted.

Section 5. That the ratemaking treatment for pensions and retiree medical benefits in Atmos Mid-Tex's next RRM filing shall be as set forth on Attachment 2, attached hereto and incorporated herein.

Section 6. That Atmos Mid-Tex shall reimburse the reasonable ratemaking expenses of the ACSC in processing the Company's 2023 RRM filing.

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

Section 8. That the meeting at which this Resolution 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 Resolution is adjudged to be unconstitutional or invalid, such judgment shall not affect, impair, or invalidate the remaining provisions of this Resolution, and the remaining provisions of the Resolution shall be interpreted as if the offending section or clause never existed.

Section 10. That consistent with the City Ordinance that established the RRM process, this Resolution shall become effective from and after its passage with rates authorized by attached tariffs to be effective for bills rendered on or after September 30, 2023.

Section 11. That a copy of this Resolution 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 Thomas Brocato, General Counsel to ACSC, at Lloyd Gosselink Rochelle & Townsend, P.C., 816 Congress Avenue, Suite 1900, Austin, Texas 78701.

DULY PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF HEWITT, TEXAS, BY A VOTE OF ____ TO ____, ON THIS THE __________ DAY OF ___ __________________, 2023.

____
Steve Fortenberry, Mayor

ATTEST:

____
Lydia Lopez, City Secretary

APPROVED AS TO FORM & LEGALITY:

____
Michael W. Dixon, City Attorney

MID-TEX DIVISION
ATMOS ENERGY CORPORATION

RATE SCHEDULE:	**R – RESIDENTIAL SALES**	
APPLICABLE TO:	**ALL CUSTOMERS IN THE MID-TEX DIVISION UNDER THE RRM TARIFF**	
EFFECTIVE DATE:	**Bills Rendered on or after 10/01/2023**	

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	$ 22.25 per month
Rider CEE Surcharge	$ 0.05 per month[1]
Total Customer Charge	$ 22.30 per month
Commodity Charge – All Ccf	$0.48567 per Ccf [2]

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, 2023.
[2]The commodity charge includes the base rate amount of $0.46724 per Ccf and Securitization Regulatory Asset amounts related to financing costs in the amount of $0.01843 per Ccf until recovered.

MID-TEX DIVISION
ATMOS ENERGY CORPORATION

RATE SCHEDULE:	**C – COMMERCIAL SALES**	
APPLICABLE TO:	**ALL CUSTOMERS IN THE MID-TEX DIVISION UNDER THE RRM TARIFF**	
EFFECTIVE DATE:	**Bills Rendered on or after 10/01/2023**	

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	$ 72.00 per month
Rider CEE Surcharge	($ 0.02) per month[1]
Total Customer Charge	$ 71.98 per month
Commodity Charge – All Ccf	$ 0.18280 per Ccf [2]

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.

Presumption of Plant Protection Level
For service under this Rate Schedule, plant protection volumes are presumed to be 10% of normal, regular, historical usage as reasonably calculated by the Company in its sole discretion. If a customer believes it needs to be modeled at an alternative plant protection volume, it should contact the company at *mdtx.plantprotection*@atmosenergy.com.

[1] Reference Rider CEE - Conservation and Energy Efficiency as approved in GUD 10170. Surcharge billing effective July 1, 2023.
[2] The commodity charge includes the base rate amount of $0.16437 per Ccf and Securitization Regulatory Asset amounts related to financing costs in the amount of $0.01843 per Ccf until recovered.

MID-TEX DIVISION
ATMOS ENERGY CORPORATION

RATE SCHEDULE:	**I – INDUSTRIAL SALES**	
APPLICABLE TO:	**ALL CUSTOMERS IN THE MID-TEX DIVISION UNDER THE RRM TARIFF**	
EFFECTIVE DATE:	**Bills Rendered on or after 10/01/2023**	

Application
Applicable to Industrial Customers with a maximum daily usage (MDU) of less than 200 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 200 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	$ 1,382.00 per month
First 0 MMBtu to 1,500 MMBtu	$ 0.7484 per MMBtu[1]
Next 3,500 MMBtu	$ 0.5963 per MMBtu[1]
All MMBtu over 5,000 MMBtu	$ 0.2693 per MMBtu[1]

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

[1] The tiered commodity charges include the base rate amounts of $0.5684, $0.4163, and $0.0893 per MMBtu, respectively, plus Securitization Regulatory Asset amounts related to financing costs in the amount of $0.1800 per MMBtu until recovered.

RATE SCHEDULE:	**I – INDUSTRIAL SALES**	
APPLICABLE TO:	**ALL CUSTOMERS IN THE MID-TEX DIVISION UNDER THE RRM TARIFF**	
EFFECTIVE DATE:	**Bills Rendered on or after 10/01/2023**	

utilizing a daily price index recognized as authoritative by the natural gas industry and most closely approximating the applicable index.

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.

Presumption of Plant Protection Level
For service under this Rate Schedule, plant protection volumes are presumed to be 10% of normal, regular, historical usage as reasonably calculated by the Company in its sole discretion. If a customer believes it needs to be modeled at an alternative plant protection volume, it should contact the company at *mdtx.plantprotection*@atmosenergy.com.

MID-TEX DIVISION
ATMOS ENERGY CORPORATION

RATE SCHEDULE:	**T – TRANSPORTATION**	
APPLICABLE TO:	**ALL CUSTOMERS IN THE MID-TEX DIVISION UNDER THE RRM TARIFF**	
EFFECTIVE DATE:	**Bills Rendered on or after 10/01/2023**	

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	$ 1,382.00 per month
First 0 MMBtu to 1,500 MMBtu	$ 0.5684 per MMBtu
Next 3,500 MMBtu	$ 0.4163 per MMBtu
All MMBtu over 5,000 MMBtu	$ 0.0893 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

RATE SCHEDULE:	**T – TRANSPORTATION**	
APPLICABLE TO:	**ALL CUSTOMERS IN THE MID-TEX DIVISION UNDER THE RRM TARIFF**	
EFFECTIVE DATE:	**Bills Rendered on or after 10/01/2023**	

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 UNDER THE RRM TARIFF**	
EFFECTIVE DATE:	**Bills Rendered on or after 10/01/2023**	

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 jth customer in ith rate schedule is computed as:

$WNA_i = WNAF_i \times q_{ij}$

Where q_{ij} is the relevant sales quantity for the jth customer in ith rate schedule.

MID-TEX DIVISION
ATMOS ENERGY CORPORATION

RIDER:	**WNA – WEATHER NORMALIZATION ADJUSTMENT**	
APPLICABLE TO:	**ALL CUSTOMERS IN THE MID-TEX DIVISION UNDER THE RRM TARIFF**	
EFFECTIVE DATE:	**Bills Rendered on or after 10/01/2023**	

Base Use/Heat Use Factors

	Residential		Commercial	
Weather Station	Base use Ccf	Heat use Ccf/HDD	Base use Ccf	Heat use Ccf/HDD
Abilene	9.51	0.1415	88.91	0.7010
Austin	8.87	0.1213	213.30	0.7986
Dallas	12.54	0.2007	185.00	0.9984
Waco	8.81	0.1325	125.26	0.7313
Wichita Falls	10.36	0.1379	122.10	0.6083

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 an 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
MID-TEX RATE REVIEW MECHANISM
PENSIONS AND RETIREE MEDICAL BENEFITS FOR CITIES APPROVAL
TEST YEAR ENDING DECEMBER 31, 2022

		Shared Services		Mid-Tex Direct			
Line No.	Description	Pension Account Plan	Post-Employment Benefit Plan	Pension Account Plan	Post-Employment Benefit Plan	Supplemental Executive Benefit Plan	Adjustment Total
	(a)	(b)	(c)	(d)	(e)	(f)	(g)
1	Proposed Benefits Benchmark - Fiscal Year 2023 Willis Towers Watson Report as adjusted (1) (2) (3)	$ 1,434,339	$ (518,336)	$ 2,336,419	$ (2,678,818)	$ 267,917	
2	Allocation Factor	44.92%	44.92%	78.74%	78.74%	100.00%	
3	Proposed Benefits Benchmark Costs Allocated to Mid-Tex (Ln 1 x Ln 2)	$ 644,336	$ (232,848)	$ 1,839,667	$ (2,109,267)	$ 267,917	
4	O&M and Capital Allocation Factor	100.00%	100.00%	100.00%	100.00%	100.00%	
5	Proposed Benefits Benchmark Costs to Approve (Ln 3 x Ln 4)	$ 644,336	$ (232,848)	$ 1,839,667	$ (2,109,267)	$ 267,917	$ 409,804
6							
7	O&M Expense Factor (WP_F-2.3, Ln 2)	78.60%	78.60%	39.63%	39.63%	11.00%	
8							
9	Summary of Costs to Approve (1):						
10	Total Pension Account Plan	$ 506,464		$ 729,006			$ 1,235,469
11	Total Post-Employment Benefit Plan		$ (183,024)		$ (835,840)		(1,018,864)
12	Total Supplemental Executive Benefit Plan					$ 29,471	29,471
13	Total (Ln 10 + Ln 11 + Ln 12)	$ 506,464	$ (183,024)	$ 729,006	$ (835,840)	$ 29,471	$ 246,076