

# HEWITT TEXAS

## CITY COUNCIL MEETING AGENDA

May 2, 2016

5:30 PM AND 7:00 PM

CITY HALL, 200 PATRIOT COURT

HEWITT, TX 76643

### MAYOR AND CITY COUNCIL

Ed Passalugo – Mayor, Ward 3

Travis Bailey – Mayor Pro Tem, Ward 1

Wilbert Wachtendorf – Council Member, Ward 1

Bill Fuller – Council Member, Ward 2

James Vidrine – Council Member, Ward 2

Ronnie McNiel – Council Member, Ward 3

Alex Snider – Council Member At-Large

### CITY STAFF

Adam Miles, City Manager  
Charlie Buenger, City Attorney  
Miles Whitney, City Engineer

Jim Barton Assistant City Manager

Lydia Lopez, City Secretary

Jim Devlin, Police Chief

Lance Bracco, Fire Chief

James Black, Public Works Director

Lee Garcia, Finance Director

Waynette Ditto, Library Director

Tuck Saunders, Assistant Police Chief

Katie Allgood, Special Projects Coordinator

Tracy Lankford, Community  
Development Director

# HEWITT TEXAS

## NOTICE OF MEETING OF THE GOVERNING BODY

Notice is hereby given that a **Workshop** meeting of the governing body of the City of Hewitt will be held on the **2nd day of May, 2016 at 5:30 PM** in **Hewitt City Hall, Council Chambers, 200 Patriot Court**, Hewitt, Texas, at which time the following subjects will be discussed:

1. Call meeting to order.
2. City Manager's update on municipal business:
  - a. Report from City Engineer including review and discussion of Capital Improvement Projects
  - b. Water Conservation
    - Lawn Maintenance Seminar – Wednesday, May 25 at 6 PM, City Council Chambers
  - c. Briefing and discussion concerning 2016 Preliminary Tax Roll Report
  - d. Briefing and discussion concerning FY 2016-2017 Budget Calendar
  - e. Briefing and discussion concerning the Metropolitan Planning Organization (MPO) and future options for Spring Valley Boulevard
  - f. Briefing and discussion concerning Website update
  - g. Briefing and discussion concerning upcoming events:
    - Summer Concert Series
    - Hewitt Dog Days of Summer – June 17-18, 2016
  - h. Briefing and discussion concerning Public Safety operations – Police & Fire.
    - No Parking signage on Old Temple Road near Warren Park
3. Review regular meeting agenda items.
4. Convene Executive Session pursuant to the Open Meetings Act, Chapter 551, Texas Government Code to discuss the following:
  - **Pursuant to §551.072 – Purchase, Exchange, Lease, or Value of Real Property.**
  - **Pursuant to §551.087 - Deliberation regarding Economic Development Negotiations.**
  - **Pursuant to §551.074 - Personnel Matters.** (Council will meet in Executive Session to discuss the annual evaluation of the City Manager.)
5. Close Executive Session.
6. Adjourn.

I, the undersigned authority, do hereby certify that the above Notice of Meeting of the governing body of the City of Hewitt, Texas was posted on the Public Notice Board located in front of City Hall at 12:00 AM/PM on April 29, 2016.

**CITY OF HEWITT**

  
Lydia Lopez, TRMC  
City Secretary

# HEWITT TEXAS

## NOTICE OF MEETING OF THE GOVERNING BODY

Notice is hereby given that a **Regular** meeting of the governing body of the City of Hewitt will be held on the **2nd day of May, 2016 at 7:00 PM in the City Council Chambers at Hewitt City Hall, 200 Patriot Court, Hewitt, Texas**, at which time the following subjects will be discussed:

1. Call meeting to order.
2. Pledge of Allegiance to the U.S. Flag
3. Special recognition of Venture Crew #152
4. Consider approval of minutes of the City Council Workshop/Regular Meeting of April 18, 2016.
5. Hear visitors on matters pertaining to city business. *Under the Texas Open Meetings Act, the Council is prohibited from discussing, responding, or acting on any comments or items that have not been properly posted on the agenda.*
6. Consider and take appropriate action to amend the City of Hewitt Policy for Administration of Boards, Commissions, and Committees to allow Board of Adjustment positions to be filled with members of the Library Board or Parks and Beautification Committee.
7. Consider and take appropriate action concerning replacement of the roof at the Old Depot Building.
8. Consider and take appropriate action concerning Change Order No. 2 to the contract with H&B Contractors for improvements at Warren Park in an amount not to exceed \$35,602.25.
9. Consider and take appropriate action on an ordinance 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 2016 Rate Review Mechanism filings; 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.
10. Consider and take appropriate action concerning the agreement with the City Manager.
11. Adjourn.

I, the undersigned authority, do hereby certify that the above Notice of Meeting of the governing body of the City of Hewitt, Texas was posted on the Public Notice Board located in front of City Hall at 12:00 AM/PM on April 28, 2016.

**CITY OF HEWITT**

  
Lydia Lopez, TRMC  
City Secretary

Persons with disabilities who plan to attend this meeting and who may need auxiliary aids or services such as interpreters for persons who are deaf or hearing impaired, readers, large print or Braille, are requested to contact the Hewitt City Secretary at (254) 666-6171 at least 24 hours prior to the meeting, so that appropriate arrangements can be made.



**COUNCIL WORKSHOP AGENDA ITEM #2.a**

---



## **CITY ENGINEER'S REPORT**

April 27, 2016

### **2010 IH-35 Utility Improvements:**

Working on getting the two pumps brought back to Hewitt.

### **Commerce Park Plant Project and Related Projects:**

#### **Elevated Storage Tank:**

Tank has water in it, and we will begin utilizing it as soon as the plant contractor is prepared.

#### **Plant Contract:**

Fence is being put up, bac-t samples passed, now the final work on programming, finishing building related items, and putting the equipment through its paces are all the remains .

### **2014 Bond Projects:**

#### **Warren Park Improvements:**

Construction continues, the electrical contractor is running power to the existing restroom facilities. Potential change order to be discussed during meeting

#### **First Street Mill and Overlay / Chapman Rd.**

Plans are approximately 95% complete. Looking to have this project out to bid mid-May.

### **2015 Bond Projects:**

#### **Lift Station No. 5 Removal**

I have ordered preliminary topography along the proposed alignment. I will be having to get with the owners of one of the properties along the path to discuss the line.

#### **IH - 35 Waterline**

Easement documents have been received and will be sent to property owners shortly for their consideration.

#### **Lift Station No. 4; Gravity Line Extension**

Preliminary topography along the proposed alignment has been received.

# HEWITT TEXAS II

## CITY ENGINEER'S REPORT

April 27, 2016

By:



Miles W. Whitney, P.E.

Note: All dates are approximate and subject to change.



**COUNCIL WORKSHOP AGENDA ITEM #2.c**

---

MCLENNAN COUNTY



APPRAISAL DISTRICT

April 29, 2016

Dear Entities:

We are emailing your 2016 preliminary values for your entity. These values may not include all commercial and business personal property numbers for this year and may not include all abatement and exemption amounts. We have tried to adjust for the ARB hearing changes and any CAG (Capitol Appraisal Group Values). Please do not rely heavily on these preliminary numbers. We will certify your numbers to you as we do each year on July 25<sup>th</sup>. Please call if you have questions concerning your values.

Sincerely,

Andrew Hahn

Chief Appraiser

# 2016 Comparable Values

|                 | <u>2013</u>      | <u>2014</u>      | <u>2015</u>      | <u>2016</u>        |
|-----------------|------------------|------------------|------------------|--------------------|
| <u>CITIES</u>   | <u>CERTIFIED</u> | <u>CERTIFIED</u> | <u>CERTIFIED</u> | <u>PRELIMINARY</u> |
| BELLMEAD        | \$356,138,881    | \$365,397,502    | \$381,645,967    | \$398,241,543      |
| BEVERLY HILLS   | \$87,502,691     | \$91,158,492     | \$93,798,148     | \$96,807,975       |
| BRUCEVILLE-EDDY | \$53,898,627     | \$59,295,602     | \$59,671,026     | \$61,202,642       |
| CRAWFORD        | \$38,056,126     | \$40,311,136     | \$41,305,671     | \$43,589,478       |
| GHOLSON         | \$29,544,637     | \$30,607,816     | \$31,577,424     | \$34,628,348       |
| HALLSBURG       | \$17,158,295     | \$17,786,000     | \$18,430,236     | \$19,591,920       |
| HEWITT          | \$657,795,390    | \$706,087,100    | \$730,586,276    | \$766,648,591      |
| LACY LAKEVIEW   | \$287,693,655    | \$301,443,301    | \$309,741,602    | \$310,731,373      |
| LORENA          | \$92,552,741     | \$96,317,256     | \$97,618,072     | \$100,110,850      |
| MART            | \$41,630,132     | \$43,414,355     | \$43,562,466     | \$43,566,564       |
| MCGREGOR        | \$254,577,898    | \$282,589,403    | \$302,899,503    | \$337,822,293      |
| MOODY           | \$39,135,543     | \$42,702,114     | \$43,989,027     | \$45,903,598       |
| RIESEL          | \$39,407,485     | \$50,192,267     | \$49,772,246     | \$49,788,097       |
| ROBINSON        | \$628,784,952    | \$654,906,021    | \$673,460,422    | \$712,059,013      |
| VALLEY MILLS    | \$507,680        | \$471,190        | \$475,540        | \$470,500          |
| WACO            | \$6,817,699,527  | \$7,281,286,721  | \$7,762,106,337  | \$8,437,620,525    |
| WEST            | \$117,228,360    | \$127,250,784    | \$144,293,984    | \$151,520,858      |
| WOODWAY         | \$852,548,069    | \$912,072,677    | \$950,886,030    | \$990,331,539      |
| <u>OTHER'S</u>  |                  |                  |                  |                    |
| MCC             | \$12,873,064,502 | \$13,767,504,516 | \$14,535,691,854 | \$15,330,412,351   |
| MCLENNAN CNTY   | \$11,599,075,619 | \$12,445,687,594 | \$13,193,967,705 | \$14,233,348,951   |
| CASTLEMAN CRK   | \$15,093,044     | \$15,673,179     | \$17,728,654     | \$21,035,440       |
| ELM CREEK       | \$28,148,382     | \$29,910,255     | \$29,905,839     | \$31,078,192       |
| MCL & HILL TEHU | \$123,696,398    | \$127,769,745    | \$134,212,090    | \$141,960,793      |
| WATER CNTRL #2  | \$68,761,201     | \$71,650,453     | \$72,875,897     | \$73,363,493       |
| <u>ISD'S</u>    |                  |                  |                  |                    |
| AXTELL          | \$90,847,125     | \$94,971,623     | \$92,660,488     | \$99,411,840       |
| BOSQUEVILLE     | \$126,720,523    | \$129,403,689    | \$126,546,614    | \$138,985,541      |
| BRUCEVILLE-EDDY | \$113,804,515    | \$127,387,590    | \$115,458,992    | \$120,813,521      |
| CHINA SPRING    | \$541,833,666    | \$553,260,165    | \$562,948,022    | \$618,029,454      |
| CONNALLY        | \$522,096,807    | \$544,190,964    | \$532,158,203    | \$546,752,621      |
| CRAWFORD        | \$125,487,534    | \$132,333,698    | \$131,802,305    | \$141,244,176      |
| GHOLSON         | \$32,382,086     | \$32,952,089     | \$32,200,349     | \$35,324,915       |
| HALLSBURG       | \$55,736,932     | \$55,848,527     | \$56,324,530     | \$59,836,558       |
| LA VEGA         | \$643,920,977    | \$658,490,094    | \$675,339,048    | \$694,585,644      |
| LORENA          | \$364,869,201    | \$385,133,656    | \$391,217,330    | \$399,300,746      |
| MART            | \$64,070,294     | \$68,184,959     | \$69,126,804     | \$70,489,000       |
| MCGREGOR        | \$274,213,966    | \$308,808,296    | \$332,529,800    | \$362,299,600      |
| MIDWAY          | \$3,588,993,463  | \$3,849,021,289  | \$3,967,731,109  | \$4,083,012,605    |
| MOODY           | \$85,916,714     | \$93,212,738     | \$93,322,370     | \$95,323,634       |
| OGLESBY         | \$606,400        | \$656,735        | \$712,815        | \$717,946          |

# 2016 Comparable Values

|               |                         |                         |                         |                         |
|---------------|-------------------------|-------------------------|-------------------------|-------------------------|
| RIESEL        | \$540,410,121           | \$697,497,349           | \$674,778,709           | \$608,878,365           |
| ROBINSON      | \$469,653,237           | \$487,727,368           | \$482,773,852           | \$518,100,280           |
| VALLEY MILLS  | \$42,877,789            | \$43,454,927            | \$42,422,994            | \$43,246,660            |
| WACO          | \$3,864,912,127         | \$4,116,970,639         | \$4,347,725,375         | \$4,782,424,854         |
| WEST          | \$305,035,474           | \$334,741,734           | \$352,438,700           | \$356,267,013           |
| <b>TOTALS</b> | <b>\$46,974,088,786</b> | <b>\$50,275,733,608</b> | <b>\$52,800,420,425</b> | <b>\$56,206,879,900</b> |

**COMMERCIAL AND BUSINESS PERSONAL PROPERTY VALUES HAVE NOT BEEN NOTICED YET. ALL THESE NUMBERS ARE VERY PRELIMINARY.**



**COUNCIL WORKSHOP AGENDA ITEM #2.c**

---

# BUDGET CALENDAR 2016-2017

## BUDGET CREATION BEGINS

| Date                                                                | Required Activity                                                                                                                                                                                                                                                                                                                                                      |
|---------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 5/3                                                                 | <b>CITY MANAGER &amp; DEPT HEAD-BUDGET KICK-OFF</b>                                                                                                                                                                                                                                                                                                                    |
|                                                                     | City Manager gives direction for the budget year at the Department Head meeting and Budget Workbooks are distributed to Department heads, which include budget books, staffing budgets, and capital outlay forms. Finance Director completes budget for Revenue and Debt.                                                                                              |
| 6/1                                                                 | <b>CAPITAL PROJECTS - FIVE YEAR PLAN</b>                                                                                                                                                                                                                                                                                                                               |
|                                                                     | City Manager, City Engineer and Staff meet to discuss Capital Projects for the upcoming 5 year period. The final Capital Project list is presented to council for review.                                                                                                                                                                                              |
| 6/6                                                                 | <b>CAPITAL PROJECTS - COUNCIL REVIEW</b>                                                                                                                                                                                                                                                                                                                               |
|                                                                     | Council reviews capital projects list prioritizing projects and determines when financing is needed.                                                                                                                                                                                                                                                                   |
| 6/7                                                                 | <b>DEADLINE-DEPARTMENT REQUEST</b>                                                                                                                                                                                                                                                                                                                                     |
|                                                                     | City Manager and Finance Director review Revenue estimates and Budget Requests & set up meetings with Department Heads to finalize the Proposed Budget. After final review by City Manager, Finance Director prepares Proposed Budget for Council Workshop. This includes proposed tax rate, debt service, capital outlay items and staffing for the next budget year. |
| 6/20                                                                | <b>REGULAR MEETING-BUDGET WORKSHOP</b>                                                                                                                                                                                                                                                                                                                                 |
|                                                                     | In preparation for the City Council's Budget Workshop, the City Manager prepares Proposed Budget for council discussion. City Council makes changes to Proposed Budget, if any, in preparation for Record Vote on 7/18.                                                                                                                                                |
| 7/18                                                                | <b>REGULAR MEETING- TAKE RECORD VOTE</b>                                                                                                                                                                                                                                                                                                                               |
|                                                                     | * Council determines any tax increase required and takes record vote on tax rate.<br>* Announce date and place for public hearing on the proposed budget on 8/8.                                                                                                                                                                                                       |
| 7/25                                                                | <b>DEADLINE-CERTIFIED TAX ROLL</b>                                                                                                                                                                                                                                                                                                                                     |
|                                                                     | Receive Certified Tax Roll from Appraisal District and and prepare final estimate of property tax revenue and present the Effective, Rollback, I&S and M&O Rates.                                                                                                                                                                                                      |
| <b>BUDGET CREATION ENDS/PUBLICATION &amp; PUBLIC MEETING BEGINS</b> |                                                                                                                                                                                                                                                                                                                                                                        |

*Calendar for May 2016*

| Sun | Mon | Tue | Wed | Thu | Fri | Sat |
|-----|-----|-----|-----|-----|-----|-----|
| 1   | 2   | 3   | 4   | 5   | 6   | 7   |
| 8   | 9   | 10  | 11  | 12  | 13  | 14  |
| 15  | 16  | 17  | 18  | 19  | 20  | 21  |
| 22  | 23  | 24  | 25  | 26  | 27  | 28  |
| 29  | 30  | 31  |     |     |     |     |

*Calendar for June 2016*

| Sun | Mon | Tue | Wed | Thu | Fri | Sat |
|-----|-----|-----|-----|-----|-----|-----|
|     |     |     | 1   | 2   | 3   | 4   |
| 5   | 6   | 7   | 8   | 9   | 10  | 11  |
| 12  | 13  | 14  | 15  | 16  | 17  | 18  |
| 19  | 20  | 21  | 22  | 23  | 24  | 25  |
| 26  | 27  | 28  | 29  | 30  |     |     |

*Calendar for July 2016*

| Sun | Mon | Tue | Wed | Thu | Fri | Sat |
|-----|-----|-----|-----|-----|-----|-----|
|     |     |     |     |     | 1   | 2   |
| 3   | 4   | 5   | 6   | 7   | 8   | 9   |
| 10  | 11  | 12  | 13  | 14  | 15  | 16  |
| 17  | 18  | 19  | 20  | 21  | 22  | 23  |
| 24  | 25  | 26  | 27  | 28  | 29  | 30  |
| 31  |     |     |     |     |     |     |

*Calendar for August 2016*

| Sun | Mon | Tue | Wed | Thu | Fri | Sat |
|-----|-----|-----|-----|-----|-----|-----|
|     | 1   | 2   | 3   | 4   | 5   | 6   |
| 7   | 8   | 9   | 10  | 11  | 12  | 13  |
| 14  | 15  | 16  | 17  | 18  | 19  | 20  |
| 21  | 22  | 23  | 24  | 25  | 26  | 27  |
| 28  | 29  | 30  | 31  |     |     |     |
|     |     |     |     |     |     |     |

- 6 6/20 - Budget Workshop discussion
- 20 7/18 - Council takes Record Vote setting upper limit to tax rate & approving proposed budget
- 25 7/25 - Receive CERTIFIED TAX ROLL
- 22,29 7/22, 7/29 - Deadlines for publication
- 8, 15, 22 8/8, 8/15, 8/22 - Required Council meetings in August

# PUBLIC NOTICES & PUBLIC MEETINGS BEGIN

| Date                               | Required Activity                                                                                                                                                                                                                                                                                                                                             |
|------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 7/22                               | <b>PUBLISH BUDGET NOTICE OF PUBLIC HEARING</b>                                                                                                                                                                                                                                                                                                                |
|                                    | <ul style="list-style-type: none"> <li>* <i>"Notice of Public Hearing" in paper</i> (budget notice)<br/>Per charter, 15 days prior to public hearing on 8/8</li> <li>* <i>"Notice of Public Hearing" on website</i> (budget notice)</li> <li>* Preliminary Proposed Budget is available for public view in City Secretary's office and on website.</li> </ul> |
| 7/29                               | <b>PUBLISH REQUIRED TAX NOTICE</b>                                                                                                                                                                                                                                                                                                                            |
|                                    | <ul style="list-style-type: none"> <li>* <i>"Notice of 2016 Tax Year Proposed Property Tax Rate for the City of Hewitt" (published by Tax Assessor)</i><br/>(only required to be published one time)</li> <li>* website <i>"Notice of 2016 Tax Year Proposed Property Tax Rate for the City of Hewitt"</i></li> </ul>                                         |
| 8/8                                | <b>SPECIAL MEETING ON BUDGET &amp; TAX RATE (1 of 2)</b>                                                                                                                                                                                                                                                                                                      |
|                                    | <ul style="list-style-type: none"> <li>* 1st Public Hearing on tax rate</li> <li>* The Public Hearing on the Budget.</li> <li>* Announce date for Council to vote on tax rate (8/22)</li> </ul>                                                                                                                                                               |
| 8/15                               | <b>REGULAR MEETING ON TAX RATE (2 of 2)</b>                                                                                                                                                                                                                                                                                                                   |
|                                    | <ul style="list-style-type: none"> <li>* 2nd Public Hearing on the tax rate.</li> <li>* Announce date of vote (8/22).</li> </ul>                                                                                                                                                                                                                              |
| 8/22                               | <b>SPECIAL MEETING-ADOPT TAX RATE &amp; BUDGET</b>                                                                                                                                                                                                                                                                                                            |
|                                    | <ul style="list-style-type: none"> <li>* Ordinance accepting &amp; approving Tax Roll</li> <li>* Ordinance Levying a tax rate; special wording on increase in M&amp;O tax revenue and \$\$ on \$100k home</li> <li>* Ordinance adopting and appropriating budgets</li> </ul>                                                                                  |
| 8/22                               | Council signs paperwork from Tax Assessor setting rates.                                                                                                                                                                                                                                                                                                      |
| 8/24                               | Web Publishing of Adopted Budget.                                                                                                                                                                                                                                                                                                                             |
| 10/1                               | Budget becomes effective.                                                                                                                                                                                                                                                                                                                                     |
| <b>ADOPTED BUDGET IS COMPLETE.</b> |                                                                                                                                                                                                                                                                                                                                                               |

| Calendar for July 2016 |     |     |     |     |     |     |
|------------------------|-----|-----|-----|-----|-----|-----|
| Sun                    | Mon | Tue | Wed | Thu | Fri | Sat |
|                        |     |     |     |     | 1   | 2   |
| 3                      | 4   | 5   | 6   | 7   | 8   | 9   |
| 10                     | 11  | 12  | 13  | 14  | 15  | 16  |
| 17                     | 18  | 19  | 20  | 21  | 22  | 23  |
| 24                     | 25  | 26  | 27  | 28  | 29  | 30  |
| 31                     |     |     |     |     |     |     |

| Calendar for August 2016 |     |     |     |     |     |     |
|--------------------------|-----|-----|-----|-----|-----|-----|
| Sun                      | Mon | Tue | Wed | Thu | Fri | Sat |
|                          | 1   | 2   | 3   | 4   | 5   | 6   |
| 7                        | 8   | 9   | 10  | 11  | 12  | 13  |
| 14                       | 15  | 16  | 17  | 18  | 19  | 20  |
| 21                       | 22  | 23  | 24  | 25  | 26  | 27  |
| 28                       | 29  | 30  | 31  |     |     |     |

|           |                                                                                              |
|-----------|----------------------------------------------------------------------------------------------|
| 6         | 6/20 - Budget Workshop discussion                                                            |
| 20        | 7/18 - Council takes Record Vote setting upper limit to tax rate & approving proposed budget |
| 25        | 7/25 - Receive CERTIFIED TAX ROLL                                                            |
| 22, 29    | 7/22, 7/29 - Deadlines for publication                                                       |
| 8, 15, 22 | 8/8, 8/15, 8/22 - Required Council meetings in August                                        |



**COUNCIL WORKSHOP AGENDA ITEM #2.g**

---

## 2016 Calendar of Events

| Event                                | Location         | Date                   | Time    |
|--------------------------------------|------------------|------------------------|---------|
| Nacho Daddy's Tex-Mex Fest & Fun Run | Warren Park      | Saturday, May 7th      | 10:00am |
| Household Hazardous Waste Day        | Waco Solid Waste | Saturday, May 7th      | 7:00am  |
| Lawn Maintenance Seminar (TSTC)      | Hewitt City Hall | Wednesday, May 25th    | 6:00pm  |
| Concert #1 - Holly Tucker            | Warren Park      | Thursday, June 2nd     | 7:00pm  |
| KXXV Movie Night #1                  | Warren Park      | Friday, June 10th      | 7:00pm  |
| Dog Days Kickoff Party & Concert     | Warren Park      | Friday, June 17th      | 7:30pm  |
| Dog Days of Summer                   | Hewitt Park      | Saturday, June 18th    | 9:00am  |
| Concert #2 - The Damn Torpedoes      | Warren Park      | Thursday, July 7th     | 7:00pm  |
| KXXV Movie Night #2                  | Warren Park      | Friday, July 8th       | 7:00pm  |
| Hewitt Hero Day                      | Hewitt Park      | Wednesday, July 20th   | 10:00am |
| National Night Out Kickoff Party     | Hewitt Park      | Thursday, July 28th    | 6:00pm  |
| KXXV Movie Night #3                  | Warren Park      | Friday, August 5th     | 7:00pm  |
| Concert #3 - Texas Flood             | Warren Park      | Thursday, August 18th  | 7:00pm  |
| Library Benefit Concert              | Warren Park      | Saturday, August 27th  | TBD     |
| KXXV Movie Night #4                  | Warren Park      | Friday, September 2nd  | 7:00pm  |
| Creekside Spooktacular               | Warren Park      | Saturday, October 29th | TBD     |
| Christmas Parade & Tree Lighting     | Hewitt Park      | TBD                    | TBD     |

# 2016 Library Calendar of Events

| Date      | Time               | Event                          | Location                  |
|-----------|--------------------|--------------------------------|---------------------------|
| 4/30/2016 | 2:00-4:00 pm       | Teen Anime Club                | Library 200 Patriot Court |
| 5/3/2016  | 9:30-10:15 am      | Toddler Time                   | Library 200 Patriot Court |
| 5/3/2016  | 10:30-11:15 am     | Storytime                      | Library 200 Patriot Court |
| 5/3/2016  | 4:00-5:00 pm       | Crafternoon                    | Library 200 Patriot Court |
| 5/4/2016  | 9:30-10:15 am      | Toddler Time                   | Library 200 Patriot Court |
| 5/4/2016  | 10:30-11:15 am     | Storytime                      | Library 200 Patriot Court |
| 5/5/2016  | 9:30-10:15 am      | Baby Time                      | Library 200 Patriot Court |
| 5/5/2016  | 5:00-7:00 PM       | Business after Hours           | Library 200 Patriot Court |
| 5/5/2016  | 6:30-7:30 pm       | Evening Storytime              | Library 200 Patriot Court |
| 5/7/2016  | 2:00-4:00 pm       | Teen Anime Club                | Library 200 Patriot Court |
| 5/9/2016  | 6:00-8:00 pm       | Teen Game Night                | Library 200 Patriot Court |
| 5/10/2016 | 9:30-10:15 am      | Toddler Time                   | Library 200 Patriot Court |
| 5/10/2016 | 10:30-11:15 am     | Storytime                      | Library 200 Patriot Court |
| 5/10/2016 | 4:00-5:00 pm       | Crafternoon                    | Library 200 Patriot Court |
| 5/11/2016 | 9:30-10:15 am      | Toddler Time                   | Library 200 Patriot Court |
| 5/11/2016 | 10:30-11:15 am     | Storytime                      | Library 200 Patriot Court |
| 5/11/2016 | 2:00-4:00 pm       | Linda's Book club              | Library 200 Patriot Court |
| 5/12/2016 | 9:30-10:15 am      | Baby Time                      | Library 200 Patriot Court |
| 5/12/2016 | 6:30-7:30 pm       | Evening Storytime              | Library 200 Patriot Court |
| 5/12/2016 | 6:30-8:30 pm       | Linda's Book club              | TBD                       |
| 5/13/2016 | 6:30-8:30 pm       | Friends Music in the Courtyard | Library 200 Patriot Court |
| 5/14/2016 | 2:00-4:00 pm       | Teen Anime Club                | Library 200 Patriot Court |
| 5/16/2016 | 10:30 am -12:30 pm | Mayham and Murder Book Club    | Library 200 Patriot Court |
| 5/17/2016 | 9:30-10:15 am      | Toddler Time                   | Library 200 Patriot Court |
| 5/17/2016 | 10:30-11:15 am     | Storytime                      | Library 200 Patriot Court |
| 5/17/2016 | 4:00-5:00 pm       | Crafternoon                    | Library 200 Patriot Court |
| 5/18/2016 | 9:30-10:15 am      | Toddler Time                   | Library 200 Patriot Court |
| 5/18/2016 | 10:30-11:15 am     | Storytime                      | Library 200 Patriot Court |
| 5/18/2016 | 1:00-3:00 pm       | Linda's Culinary Club          | TBD                       |
| 5/19/2016 | 9:30-10:15 am      | Baby Time                      | Library 200 Patriot Court |
| 5/19/2016 | 6:30-7:30 pm       | Evening Storytime              | Library 200 Patriot Court |
| 5/21/2016 | 2:00-4:00 pm       | Teen Anime Club                | Library 200 Patriot Court |
| 5/23/2016 | 5:30-7:30 pm       | Movie Monday                   | Library 200 Patriot Court |
| 5/24/2016 | 9:30-10:15 am      | Toddler Time                   | Library 200 Patriot Court |
| 5/24/2016 | 10:30-11:15 am     | Storytime                      | Library 200 Patriot Court |
| 5/24/2016 | 4:00-5:00 pm       | Crafternoon                    | Library 200 Patriot Court |
| 5/25/2016 | 9:30-10:15 am      | Toddler Time                   | Library 200 Patriot Court |
| 5/25/2016 | 10:30-11:15 am     | Storytime                      | Library 200 Patriot Court |
| 5/26/2016 | 9:30-10:15 am      | Baby Time                      | Library 200 Patriot Court |
| 5/26/2016 | 6:30-7:30 pm       | Evening Storytime              | Library 200 Patriot Court |
| 5/28/2016 | 2:00-4:00 pm       | Teen Anime Club                | Library 200 Patriot Court |
| 6/4/2016  | 2:00-4:00pm        | Teen Anime Club                | Library 200 Patriot Court |
| 6/8/2016  | 10:30 am -12:30 pm | Summer Reading Kick Off Party  | Hewitt Park               |
| 6/8/2016  | 2:00-4:00 pm       | Linda's Book club              | Library 200 Patriot Court |
| 6/9/2016  | 6:30-8:30 pm       | Linda's Book club              | TBD                       |
| 6/10/2016 | 10:00 am -12:00 pm | Friends Art Exhibit            | Library 200 Patriot Court |

## 2016 Library Calendar of Events

|           |                    |                               |                           |
|-----------|--------------------|-------------------------------|---------------------------|
| 6/11/2016 | 2:00-4:00 pm       | Teen Anime Club               | Library 200 Patriot Court |
| 6/13/2016 | 6:00-8:00 pm       | Teen Game Night               | Library 200 Patriot Court |
| 6/15/2016 | 1:00-3:00 pm       | Linda's Culinary Club         | TBD                       |
| 6/16/2016 | 10:30 am -12:30 pm | Kids Movie                    | Library 200 Patriot Court |
| 6/16/2016 | 5:30-7:30 pm       | Teen Movie                    | Library 200 Patriot Court |
| 6/17/2016 | 7:00-10:00 pm      | Dog Days Concert in the Park  | Warren Park               |
| 6/18/2016 | 9:00 am - 1:00 pm  | Dog Days of Summer            | Hewitt Park               |
| 6/20/2016 | 10:30 am -12:30 pm | Mayham and Murder Book Club   | Library 200 Patriot Court |
| 6/22/2016 | 10:30 am- 12:00 pm | Todd McKinney Magician Show   | Hewitt Park               |
| 6/23/2016 | 10:30 am -12:30 pm | Kids Movie                    | Library 200 Patriot Court |
| 6/23/2016 | 5:30-7:30 pm       | Teen Movie                    | Library 200 Patriot Court |
| 6/25/2016 | 2:00-4:00 pm       | Teen Anime Club               | Library 200 Patriot Court |
| 6/29/2016 | 10:30 am- 12:00 pm | Funny Farm Day                | Hewitt Park               |
| 7/2/2016  | 2:00-4:00 pm       | Teen Anime Club               | Library 200 Patriot Court |
| 7/6/2016  | 10:30 am- 12:00 pm | Margaret Clauder-Mother goose | Hewitt Park               |
| 7/7/2016  | 10:30 am -12:30 pm | Kids Movie                    | Library 200 Patriot Court |
| 7/7/2016  | 5:30-7:30 pm       | Teen Movie                    | Library 200 Patriot Court |
| 7/8/2016  | 6:30-7:30 pm       | Friends Travel Program        | Library 200 Patriot Court |
| 7/9/2016  | 2:00-4:00 pm       | Teen Anime Club               | Library 200 Patriot Court |
| 7/13/2016 | 10:30 am- 12:00 pm | Cool School with Ms. Maria    | Hewitt Park               |
| 7/13/2016 | 2:00-4:00 pm       | Linda's Book club             | Library 200 Patriot Court |
| 7/14/2016 | 6:30-8:30 pm       | Linda's Book club             | TBD                       |
| 7/16/2016 | 2:00-4:00 pm       | Teen Anime Club               | Library 200 Patriot Court |
| 7/18/2016 | 10:30 am -12:30 pm | Mayham and Murder Book Club   | Library 200 Patriot Court |
| 7/20/2016 | 10:30 am -12:30 pm | Hewitt Hero Day               | Hewitt Park               |
| 7/20/2016 | 1:00-3:00 pm       | Linda's Culinary Club         | TBD                       |
| 7/21/2016 | 10:30 am -12:30 pm | Kids Movie                    | Library 200 Patriot Court |
| 7/21/2016 | 5:30-7:30 pm       | Teen Movie                    | Library 200 Patriot Court |
| 7/23/2016 | 2:00-4:00 pm       | Teen Anime Club               | Library 200 Patriot Court |
| 7/27/2016 | 10:30 am -12:30 pm | Splash Party                  | Hewitt Park               |
| 7/30/2016 | 2:00-4:00 pm       | Teen Anime Club               | Library 200 Patriot Court |
| 8/2/2016  | 4:00-5:00 pm       | Crafternoon                   | Library 200 Patriot Court |
| 8/4/2016  | 6:30-7:30 pm       | Evening Storytime             | Library 200 Patriot Court |
| 8/6/2016  | 2:00-4:00 pm       | Teen Anime Club               | Library 200 Patriot Court |
| 8/8/2016  | 6:00-8:00 PM       | Teen Game Night               | Library 200 Patriot Court |
| 8/9/2016  | 4:00-5:00 pm       | Crafternoon                   | Library 200 Patriot Court |
| 8/10/2016 | 2:00-4:00 pm       | Linda's Book club             | Library 200 Patriot Court |
| 8/11/2016 | 6:30-7:30 pm       | Evening Storytime             | Library 200 Patriot Court |
| 8/11/2016 | 6:30-8:30 pm       | Linda's Book club             | TBD                       |
| 8/12/2016 | 11:30 am -12:30 pm | Friends Author Luncheon       | Library 200 Patriot Court |
| 8/13/2016 | 2:00-4:00 pm       | Teen Anime Club               | Library 200 Patriot Court |
| 8/15/2016 | 10:30 am -12:30 pm | Mayham and Murder Book Club   | Library 200 Patriot Court |
| 8/16/2016 | 4:00-5:00 pm       | Crafternoon                   | Library 200 Patriot Court |
| 8/17/2016 | 1:00-3:00 pm       | Linda's Culinary Club         | TBD                       |
| 8/20/2016 | 2:00-4:00 pm       | Teen Anime Club               | Library 200 Patriot Court |
| 8/22/2016 | 5:30-7:30 pm       | Movie Monday                  | Library 200 Patriot Court |
| 8/23/2016 | 4:00-5:00 pm       | Crafternoon                   | Library 200 Patriot Court |

## 2016 Library Calendar of Events

|           |                 |                                      |                           |
|-----------|-----------------|--------------------------------------|---------------------------|
| 8/27/2016 | 2:00-4:00 pm    | Teen Anime Club                      | Library 200 Patriot Court |
| 8/27/2016 | 7:00 - 10:00 pm | Concert in the Park w/ Beatlemania64 | Warren Park               |



## **COUNCIL AGENDA ITEM FORM**

---

**MEETING DATE:** May 2, 2016

**AGENDA ITEM #:** 3

**SUBMITTED BY:** Lydia Lopez, City Secretary

**ITEM DESCRIPTION:**

Special recognition of Venture Crew #152.

**STAFF RECOMMENDATION/ITEM SUMMARY:**

Venture Crew #152 volunteered to move boxes from the outside storage room into the new library to assist with moving into the new facility. Their assistance was important to preparing for the grand opening and ribbon cutting event. Leader Matthew Conk and a few of the members will be present to receive this recognition. The Mayor will present a Certificate of Appreciation.

**ATTACHMENTS:**

Certificate of Appreciation

# Certificate of Appreciation

*Presented to*

***Venture Crew #152***

*for volunteering time and effort in a service project  
for the Hewitt Public Library.*

*May 2, 2016*

**HEWITT**  
TEXAS

---

*Ed Passalugo, Mayor*



## **COUNCIL AGENDA ITEM FORM**

---

**MEETING DATE:** May 2, 2016

**AGENDA ITEM #:** 4

**SUBMITTED BY:** Lydia Lopez, City Secretary

**ITEM DESCRIPTION:**

Consider approval of minutes of the City Council Workshop/Regular Meeting of April 18, 2016.

**STAFF RECOMMENDATION/ITEM SUMMARY:**

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

**ATTACHMENTS:**

Draft minutes



**MINUTES OF A CITY COUNCIL  
WORKSHOP/MEETING  
HEWITT CITY HALL – 200 PATRIOT COURT  
April 18, 2016 - 5:30/7:00 PM**

**Members present:** Mayor Ed Passalugo (presiding), Mayor Pro Tem Travis Bailey, Council Members Wilbert “Walky” Wachtendorf, James Vidrine, Bill Fuller, Ronnie McNiel (arrived at 6:40 PM during the Executive Session), and Alex Snider (arrived at 5:47 PM during the Workshop)

**Staff present:** City Attorney Charlie Buenger, City Engineer Miles Whitney, City Manager Adam Miles, Assistant City Manager Jim Barton, Police Chief Jim Devlin, Assistant Police Chief Tuck Saunders, Finance Director Lee Garcia, Public Works Director James Black, Community Development Director Tracy Lankford, Special Projects Coordinator Katie Allgood, and City Secretary Lydia Lopez

**Staff absent:** Fire Chief Lance Bracco and Library Director Waynette Ditto

**Workshop – 5:30 PM**

1. Mayor Ed Passalugo called the meeting to order at 5:30 PM.
2. City Manager presented an update on municipal business:
  - a. Report from City Engineer including review and discussion of Capital Improvement Projects
  - b. Funding of Capital Improvements
  - c. Water Conservation
  - d. Briefing and discussion concerning upcoming events.
    - o Summer Concert Series
    - o Hewitt Dog Days of Summer – June 17-18, 2016
  - e. Briefing and discussion concerning Public Safety operations – Police & Fire.  
(Note: No report on Fire operations.)
3. The regular meeting agenda items were reviewed.
4. A motion was made by Council Member Bill Fuller and seconded by Council Member Alex Snider to convene the Executive Session at 6:37 PM pursuant to the Open Meetings Act, Chapter 551, Texas Government Code to discuss the following:
  - **Pursuant to §551.072 – Purchase, Exchange, Lease, or Value of Real Property.**
  - **Pursuant to §551.087 - Deliberation regarding Economic Development Negotiations.**

- **Pursuant to §551.074 - Personnel Matters.** (Council will meet in Executive Session to discuss the annual evaluation of the City Manager.)
- 5. Close Executive Session. *A motion was made by Council Member Bill Fuller and seconded by Mayor Pro Tem Travis Bailey to adjourn the Executive Session at 6:53 PM*
- 6. The Workshop meeting was adjourned.

### **REGULAR MEETING – 7:00 PM**

1. **CALL TO ORDER.** Mayor Passalugo called the meeting to order at 7:00 PM.
2. **PLEDGE OF ALLEGIANCE TO THE U.S. FLAG** – Mayor Passalugo asked Assistant City Manager Jim Barton to lead the Pledge of Allegiance.
3. **CONSIDER APPROVAL OF MINUTES OF THE CITY COUNCIL WORKSHOP/REGULAR MEETING OF APRIL 4, 2016.** *A motion was made by Council Member Alex Snider and seconded by Mayor Pro Tem Travis Bailey to approve the minutes as submitted but allow for corrections; all seven in favor, motion passed.*
4. **HEAR VISITORS ON MATTERS PERTAINING TO CITY BUSINESS.** *Under the Texas Open Meetings Act, the Council is prohibited from discussing, responding, or acting on any comments or items that have not been properly posted on the agenda. NONE*
5. **CONSIDER AWARD OF OLD DEPOT BUILDING ROOF REPAIR AND REPLACEMENT TO BELFOR PROPERTY RESTORATION IN THE AMOUNT OF \$16,074.63.** *A motion was made by Council Member Alex Snider and seconded by Mayor Pro Tem Travis Bailey to table for additional competitive bids; all seven in favor, motion to table passed.*
6. **CONSIDER AN RESOLUTION DIRECTING ONCOR ELECTRIC DELIVERY COMPANY, LLC TO FILE CERTAIN INFORMATION WITH THE CITY OF HEWITT; SETTING A PROCEDURAL SCHEDULE FOR THE GATHERING AND REVIEW OF NECESSARY INFORMATION IN CONNECTION THEREWITH; SETTING DATES FOR THE FILING OF THE CITY'S ANALYSIS OF THE COMPANY'S FILING AND THE COMPANY'S REBUTTAL TO SUCH ANALYSIS; RATIFYING THE HIRING OF LEGAL COUNSEL AND CONSULTANTS; RESERVING THE RIGHT TO REQUIRE THE REIMBURSEMENT OF THE CITY OF HEWITT'S RATE CASE EXPENSES; SETTING A PUBLIC HEARING FOR THE PURPOSES OF DETERMINING IF THE EXISTING RATES OF ONCOR ELECTRIC DELIVERY COMPANY ARE UNREASONABLE OR IN ANY WAY IN VIOLATION OF ANY PROVISION OF LAW AND THE DETERMINATION BY THE CITY OF HEWITT OF JUST AND REASONABLE RATES TO BE CHARGED BY ONCOR ELECTRIC DELIVERY COMPANY, LLC; NOTING COMPLIANCE WITH OPEN MEETINGS LAW; PROVIDING NOTICE OF PASSAGE.** *A motion was made by Council Member Bill Fuller and seconded by Mayor Pro Tem Travis Bailey to approve resolution; all seven in favor, motion passed.*

7. **CONSIDER AN ORDINANCE REGULATING THE RATE AND SPEED OF MOTOR VEHICLES ON A CERTAIN SECTION OF FM 1695; SETTING THE MAXIMUM SPEED LIMITS AS SPECIFIED HEREIN; PROVIDING PENALTY FOR VIOLATION AND DECLARING AN EMERGENCY.** *A motion was made by Mayor Pro Tem Travis Bailey and seconded by Council Member Wilbert “Walky” Wachtendorf to approve the ordinance; all seven in favor, motion passed.*
8. **ADJOURN.** *A motion was made by Mayor Pro Tem Travis Bailey and seconded by Council Member Bill Fuller to adjourn the meeting at 7:06 PM, all seven in favor, motion passed.*

Approved: May 2, 2016

---

Lydia Lopez, City Secretary

---

Ed Passalugo, Mayor



## ITEM #5 – HEARING OF VISITORS

---

### PROCEDURES FOR CITIZEN PARTICIPATION AT MEETINGS

1. Citizens are encouraged to discuss matters of concern with the staff and individual council members prior to placing items on the agenda. This will allow the matter to be properly investigated before it is presented to the entire council and will often expedite a resolution.

**NO CITIZEN OR STAFF MEMBER MAY SPEAK OR OTHERWISE INTERRUPT ANY MEETING UNTIL RECOGNIZED BY THE PRESIDING OFFICER.**

2. To maintain decorum at public hearings, the mayor will ask citizens in attendance if they wish to speak for or against the item on the agenda. If so, they will be given an opportunity to speak at the proper time and when recognized by the chair. If more than five citizens wish to address the council on any single agenda item, those citizens are advised to select a spokesperson to present their case.

Only under the agenda item “Hear Visitors” are citizens permitted to speak regarding matters that pertain to city business or address an item on the agenda. **The council is prohibited by law from discussing or acting on any item that has not been posted on the agenda.**

3. Individual citizens that discuss items not listed on the agenda shall be limited to **five minutes**. If five or more citizens wish to discuss a single item or topic that is not listed on the agenda, then the total presentation will be limited to a maximum of twenty-five minutes. City council members shall **not** enter into discussion on any subject that has not been properly placed on the agenda; however, council members may ask questions for clarification purposes.
4. As a general rule, citizens may not participate or address the council or staff during the workshop session.



## **COUNCIL AGENDA ITEM FORM**

---

**MEETING DATE:** May 2, 2016

**AGENDA ITEM #:** 6

**SUBMITTED BY:** Adam Miles, City Manager

**ITEM DESCRIPTION:**

Consider and take appropriate action to amend the City of Hewitt Policy for Administration of Boards, Commissions, and Committees to allow Board of Adjustment positions to be filled with members of the Library Board or Parks and Beautification Committee.

**STAFF RECOMMENDATION/ITEM SUMMARY:**

At the request of the City Council, staff prepared a proposed update to the aforementioned City Council Policy to allow Board of Adjustment vacancies to be filled with candidates that are currently serving on the Library Board or the Parks & Beautification Committee. Approval of this policy amendment would become effective immediately.

**ATTACHMENTS:**

Revised Draft Policy

**CITY OF HEWITT**

**POLICY FOR ADMINISTRATION**

**OF**

**BOARDS, COMMISSIONS AND COMMITTEES**

**Adopted: July 6, 1987**

**Amended: March 21, 1994**  
**April 7, 1997**  
**October 5, 1998**  
**August 20, 2001**  
**July 29, 2013**

**CITY OF HEWITT POLICY  
FOR ADMINISTRATION OF  
BOARDS, COMMISSIONS, AND COMMITTEES**

**APPLICABILITY:**

This policy shall be applicable to the following Boards, Commission, and Committees of the City of Hewitt.

Planning and Zoning Commission  
Parks and Beautification Committee

Board of Adjustment  
Library Board

**PURPOSE:**

It is the purpose of the City of Hewitt to provide the community with a viable force of interested citizens serving on various boards, commissions and committees as the basis for strong municipal government.

These boards, commissions and committees will continue to be composed of interested citizens throughout the community without regard to race, creed, ethnic background, and economic status.

It is the intent of the Hewitt City Council that the various boards, commissions, committees and authorities function as a group and actions and recommendations be the consensus of a majority of membership.

It is further the intent of the Hewitt City Council that no debts of any kind or character shall be made or incurred on behalf of the city by any board, commission, or committee or any member thereof.

Since the City Council is the body responsible for the governance of the city, all boards, committees, and commissions shall be responsible and answerable to the City Council, except as otherwise provided by State law.

All boards, commissions, and committees shall work in harmony with the City Council directives and policies.

**TALENT POOL:**

The City of Hewitt is constantly in search of new talent to serve on the various boards, commissions, and committees. In order to establish a talent pool of qualified individuals eligible for appointment, the City Council shall consider formal recommendations for appointments from a sitting chairperson of any board, committee, or commission.

The City Council may employ other methods as needed to gather names of interested individuals to consider for appointment.

To be eligible for appointment to the City of Hewitt boards, commissions, and committees, an individual shall be no less than 18 years of age, preferably be a resident of the City of Hewitt, a property owner, or business owner. Any person moving from the corporate limits, selling all real estate interest, or selling a business located in the City of Hewitt shall immediately be ineligible to serve.

#### **APPOINTMENT PROCEDURE:**

Names of persons to be considered for appointment to various boards, commissions, and committees shall be submitted on an official form provided by the City Secretary, setting forth vital information and legal requirement to serve the recommended position which will be filed for current action or future considerations.

Prior to appointment to the various boards, commissions, and committees, it is required that the candidate shall become familiar with the duties and responsibilities of the appointment being sought.

The Mayor shall present the names of interested persons to fill each appointive position for consideration by the city council. Unless otherwise prescribed by state statute, the appointment of all board, commission, and committee members is vested in the Hewitt City Council and each appointment must be confirmed, after an interview by the City Council, by a majority vote at a regular City Council meeting.

#### **ORGANIZATION:**

The City Manager shall designate one or more city employees to assist each board, commission, or committee with its meeting arrangements and logistics.

In order to facilitate communications with the various boards, commissions and committees, the Mayor may, upon request of any board, commission or committee, appoint one council member to be a council liaison to the respective body. No council member shall be appointed as liaison to more than one city council appointed body. The appointed council member must be willing and able to serve and shall convey the majority opinion of the council in all dealings with the board, commission or committee. Since all appointed bodies are to operate in an advisory capacity to the council, the liaison shall not seek to influence the body in its decisions, but shall act to clarify the council position on matters before the board, commission or committee.

#### **CHARGES & RESPONSIBILITIES:**

Each newly appointed representative shall be officially sworn in during the council meeting immediately following their appointment. Each appointee shall receive a certificate of appointment stating the board, commission, or committee to which they have been appointed, the

term of office, a copy of the ordinance creating the board, commission, or committee, and any bylaws of the committee. No representative shall be eligible to serve on their respective board, commission, or committee until they have received their certificate of appointment presented by the Mayor at a regular council meeting or as otherwise arranged.

All appointees shall complete the state required open government training within ninety (90) days of appointment. Any appointee failing to complete the required open government training may subject their appointment to be terminated pursuant to Council action.

No individual shall be appointed nor shall they serve at one time on more than one board, commission, or committee as a voting member, except that the City Council may appoint Library Board Members or Parks & Beautification Board members to serve on the Board of Adjustment.

#### **ATTENDANCE:**

Attendance of all regular, special and emergency board, commission, and committee meetings is important to the conduct of the business of the City of Hewitt. Lack of quorum is an inconvenience to the citizen appearing for action to be taken, as well as to the other board members who are present and unable to constitute a quorum. Each committee chairperson shall maintain accurate records of attendance for each member. Any representative failing to attend at least seventy-five (75) percent of the regular, special or emergency meetings legally called in the previous twelve (12) month period of time shall be disqualified for service and subject to replacement by council appointment.

#### **CONFLICT OF INTEREST:**

No person related within the first degree of affinity or consanguinity to any member of the City Council, the City Manager, Department Head, Planning and Zoning Commission or Board of Adjustment member may be appointed to serve on the Planning and Zoning Commission or Board of Adjustment.

Any appointee prohibited from voting by a conflict of interest as defined by state law, shall announce the same at the commencement of consideration of the matter and shall not enter into discussion or debate on said matter. In such case, the member shall file with the recording secretary the Affidavit Conflict of Interest form indicating the reason for abstaining. The member shall then announce their conflict to the board and leave the meeting room until discussion of and vote on the issue has been completed. Further, that member shall not discuss the matter with other members of the board at any time.

#### **TERM LIMITS:**

The limit for consecutive appointments shall not exceed six (6) years. However, the City Council may waive this requirement when the following conditions exist:

1. A reappointment to a board, committee, or commission due to the existence of an insufficient amount of applicants for the position to be filled; or

2. A reappointment to a board, committee, or commission whereupon fifty percent (50%) or more of its members are subject to term limits under their expiring terms. A priority on reappointment shall be given to those members having the least tenure of service on the respective board, committee, or commission.

**CONTINUED SERVICE:**

A board, committee, or commission member is immediately eligible for all other boards, committees, and commissions upon completion of term limits on a current board or commission. After a one-year break in service, a board member is eligible for appointment to a board, committee, or commission for which the limit of service was previously reached.

**REMOVAL FROM APPOINTMENT:**

The City Council may remove any appointee at any time, with or without cause.



## **COUNCIL AGENDA ITEM FORM**

---

**MEETING DATE:** May 2, 2016

**AGENDA ITEM #:** 7

**SUBMITTED BY:** Adam Miles, City Manager

**ITEM DESCRIPTION:**

Consider and take appropriate action concerning replacement of the roof at the Old Depot Building.

**STAFF RECOMMENDATION/ITEM SUMMARY:**

At the request of the City Council additional quotes for roof repair and replacement at the Old Depot Building were solicited. The Greater Hewitt Chamber of Commerce solicited additional quotes and met with bidders for the project. Uniform specifications were provided for the bidders. The project includes the cost to remove and dispose of the existing wood shingle roof and install a standing seam metal roof. The quotes include new plywood decking, roofing felt, trim material, as well as the actual metal roof in a green color (similar to the existing depot trim). New quotes are included in the backup material. City staff recommends award of the project to Premier Metal Works, LLC in an amount not to exceed \$9,968.00.

A summary of the quotes are as follows:

|                              |                                          |
|------------------------------|------------------------------------------|
| Belfor Property Restoration: | \$ 19,749.52 (Quote previously provided) |
| Johnson Roof Systems:        | \$ 19,338.00                             |
| Can-Tex Roof Systems:        | \$ 10,260.00                             |
| Premier Metal Works, LLC     | \$ 9,968.00                              |

**ATTACHMENTS:**

Bid Proposals



CUSTOMER: Greater Hewitt Chamber of Commerce  
ADDRESS: 101 3rd Street / P.O. Box 661  
SALESMAN: K.Brown

DATE: 04-28-2015  
PHONE: 254-666-1200

SCOPE OF WORK: Old Train DEPOT Station - 101 3<sup>rd</sup> St., Hewitt, TX.

- Tear off existing wood shake shingles down to the existing wood lathe boards.
- Clean up and haul away all roof debris. Dispose of all debris materials at an approved landfill facility.
- Install new 5/8" CDX plywood decking, mechanically attach with Nails, to wood rafters.
- Install new spacing clips on new CDX plywood decking.
- Install new #30 roof felt roof underlayment directly to wood deck.
- Install new 26 ga., Pre-finished, 15" Standing Seam metal roof system. Color selection by Owner.
- Install new 26 ga., Pre-finished, metal Eave trim, Hip & Ridge trim, and metal Rake/Gable trim.
- Paint (2) coats exterior paint at roof Soffit overhang. Color selection by owner.
- Johnson Roofing to provide employee OSHA Fall protection safety training program, harness equipment, and personal protective gear during roof construction operations.
- Johnson Roofing to provide Workers Compensation and General Liability insurance on all employees. No subcontractors used for roof demolition, roof installation, or roof warranty services.
- Provide (2) year limited Johnson Roofing workmanship warranty.
- Provide (45) year Manufacturer Paint finish warranty.

Bid Clarifications:

- Bid excludes any Mechanical, Electrical, Plumbing, or HVAC services, if required.
- Bid is based on Standard Johnson Roofing insurance coverage.
- Bond not included, available at .0175% additional.
- Bid is good for (120) days.
- Bid excludes sales tax, if applicable.

**THIS IS A CONTRACT:** The undersigned hereby accepts the terms listed on this Contract, intends to be legally bound to this Contract, and agrees that this writing shall be a binding Contract and shall constitute the entire agreement of the Parties. This Contract is subject only to the approval of Customer's credit by Johnson, which approval shall not be unreasonably withheld.

**CONTRACT SUM:** If this Contract is accepted by Customer, Customer shall pay the entire said sum as provided herein. This Contract is subject to revision or withdrawal by Johnson for any reason until Johnson's receipt of acceptance. This offer to Contract expires 10 days after the date stated above if not earlier accepted, revised, or withdrawn.

**SALES TAX:** Any applicable sales tax will be added to the Contract sum for which Customer will be responsible.

**NOTICE OF CANCELLATION:** YOU, THE CUSTOMER, MAY CANCEL THIS TRANSACTION AT ANY TIME PRIOR TO MIDNIGHT OF THE THIRD BUSINESS DAY AFTER THE DATE OF THIS TRANSACTION. SEE THE ATTACHED NOTICE OF CANCELLATION FORM FOR AN EXPLANATION OF THIS RIGHT. NOTICE: BY SIGNING THIS CONTRACT, I AGREE TO ABIDE BY THE TERMS ON THIS CONTRACT, INCLUDING THOSE ON THE REVERSE OF THIS PAGE. I FURTHER ACKNOWLEDGE THAT I HAVE READ AND UNDERSTAND THE TERMS ON THE FRONT AND REVERSE OF THIS PAGE.

DATE: \_\_\_\_\_ CUSTOMER x \_\_\_\_\_

AMOUNT: \$ 19,338. \_\_\_\_\_ plus tax \_\_\_\_\_ JOHNSON x Kelly Brown  
Contract Administrator/Authorized Agent

Johnson Roof Systems, Inc.  
P.O. Box 11368 - 574 Youngblood Road - Waco, Texas 76716

OFF: (254) 662-5571 TOLL FREE (800) 765-5571 FAX (254)-662-4807

Continued page (3)

Phones Answered 24 Hrs.

Locally owned and operated  
Since 1987

**CEN-TEX**  
  
**ROOF SYSTEMS**  
*Your Hometown Roofer*  
**254-751-7700**

TONY (254) 498-0683

Fax: (254) 751-7705

E-mail: centexrs@att.net  
Website: www.centexrs.com



Job Name HEWITT CHAMBER OFFICE

Date: 4-21-16

Address 101 3RD ST.

Phone (H) \_\_\_\_\_

City/State/Zip HEWITT, TX. 76643

Phone (W) (254) 666-1200

Terms: 50% when project begins. Balance due upon completion.  
Terms: Progress Payments

\$ 10,260.<sup>00</sup>

Commercial/Industrial/Repair

Construction Division

Scope of Work:

REMOVE WOOD SHINGLE ROOF.

INSTALL NEW 5/8" CDX PLYWOOD

DECKING.

INSTALL NEW 30# FELT.

INSTALL NEW 40 YR STANDING

SEAM COLORED (GREEN) 26 GA.

METAL ROOF WITH ALL NECESSARY

FLASHINGS AND TRIM.

PAINT UNDERSIDE OF OVERHANG

SIMILAR TO EXISTING.

DISPOSE OF ALL WASTE.

LABOR AND MATERIALS.

**Cen-Tex Roof Systems**  
4800 W. Waco Dr. Ste. 143  
Waco, TX 76710

ADAM MILES@CITYOFHEWITT.COM

ALISSA@HEWITTCHAMBER.COM

OWNER \_\_\_\_\_

ADDRESS \_\_\_\_\_

PHONE# \_\_\_\_\_

X \_\_\_\_\_

(Purchaser)

(Date)

X \_\_\_\_\_

TONY ADKINS

4-21-16

AUTHORIZED AGENT FOR CENTEX ROOF SYSTEMS

(Date)

**F**

F (254)848-8143

|                  |                            |        |                           |
|------------------|----------------------------|--------|---------------------------|
| Job Name:        | Hewitt Chamber of Commerce | Date:  | 4/21/16                   |
| Customer:        | City of Hewitt             | Phone: | (254)666-1200             |
| Job Address:     | 101 S. 3rd. St.            | Cell:  | (254)299-7520 Alissa Cady |
|                  | Hewitt, TX 76643           | Fax:   |                           |
| Billing Address: | PO Box 610                 | Other: |                           |
|                  | Hewitt, TX 76643           | Email: |                           |

[illegible]

**Terms:** 30% Down - Balance Net 10



## **COUNCIL AGENDA ITEM FORM**

---

**MEETING DATE:** May 2, 2016

**AGENDA ITEM #:** 8

**SUBMITTED BY:** Adam Miles, City Manager

**ITEM DESCRIPTION:**

Consider and take appropriate action concerning Change Order No. 2 to the contract with H&B Contractors for improvements at Warren Park in an amount not to exceed \$35,602.25.

**STAFF RECOMMENDATION/ITEM SUMMARY:**

City staff requested H&B to provide a quote for providing all weather driving surface and ADA sidewalks to the amphitheater from the existing parking lot. Additionally, staff requested concrete work for a sound and lighting technician pad in front of the amphitheater; this would include additional electrical line extension. The proposed change order lists all work that would be performed. Two alternatives were provided as follows:

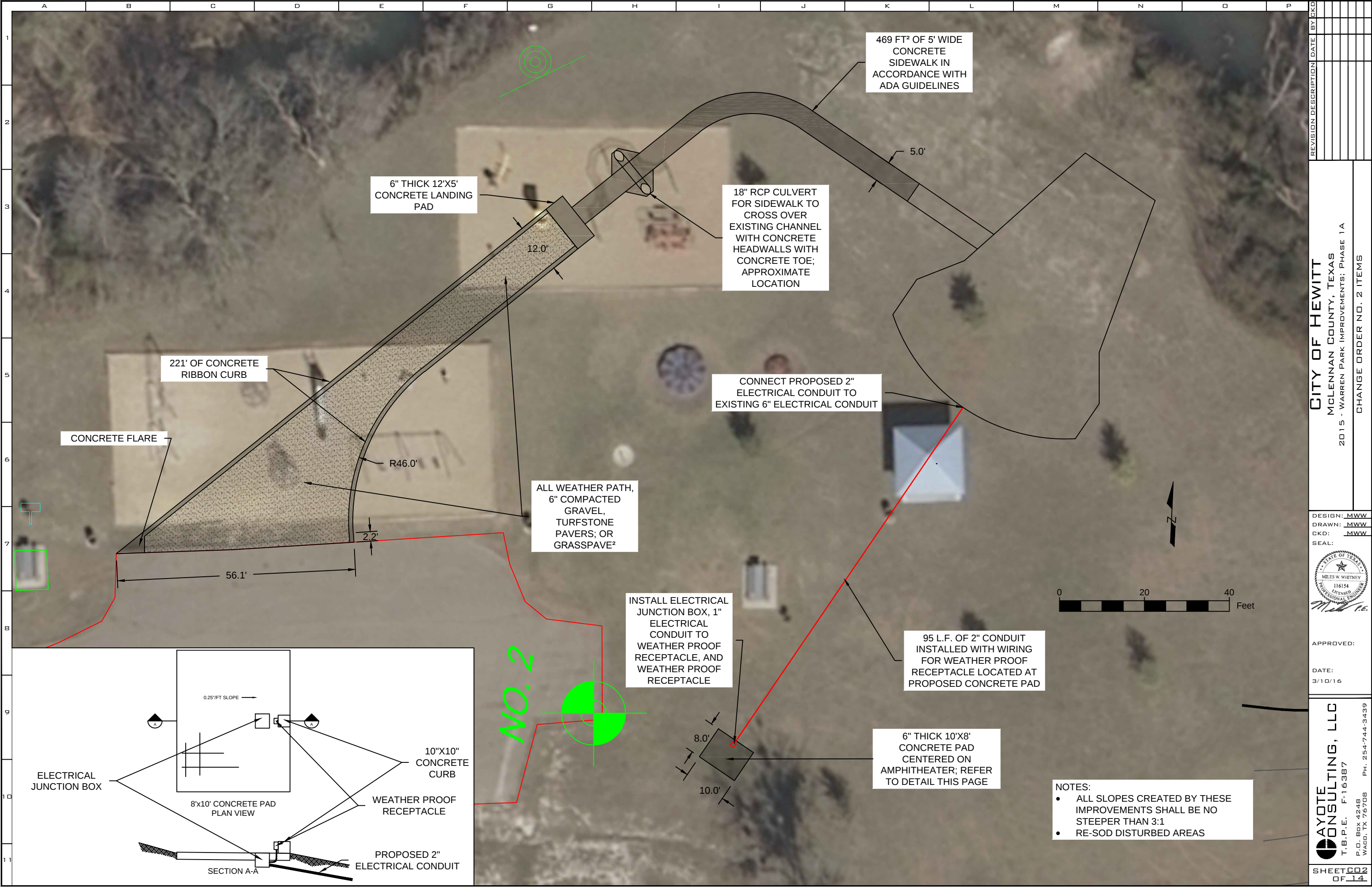
**Alternative A:**     \$35,602.25     This alternative includes an all-weather surface that would allow grass to grow in the drive path.

**Alternative B:**     \$32,456.40     This alternative includes all paving to be concrete.

Item back up material includes a diagram of the proposed improvements and itemized change order proposals.

**ATTACHMENTS:**

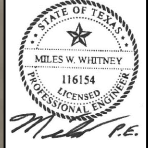
Diagram  
Change Order proposals



| REVISION | DESCRIPTION | DATE | BY | CHKD |
|----------|-------------|------|----|------|
|          |             |      |    |      |
|          |             |      |    |      |
|          |             |      |    |      |
|          |             |      |    |      |
|          |             |      |    |      |
|          |             |      |    |      |
|          |             |      |    |      |
|          |             |      |    |      |
|          |             |      |    |      |

**CITY OF HEWITT**  
MCLENNAN COUNTY, TEXAS  
2015 - WARREN PARK IMPROVEMENTS: PHASE 1A  
CHANGE ORDER NO. 2 ITEMS

DESIGN: MWW  
DRAWN: MWW  
CKD: MWW  
SEAL:



APPROVED:  
  
DATE:  
3/10/16

**AYOTE CONSULTING, LLC**  
T.B.P.E. F-16387  
P.O. Box 4248  
WACO, TX 76708  
PH. 254-744-3499

- NOTES:
- ALL SLOPES CREATED BY THESE IMPROVEMENTS SHALL BE NO STEEPER THAN 3:1
  - RE-SOD DISTURBED AREAS

# Alternate A

## CONTRACT CHANGE ORDER

ORDER NO.: Two (2)  
DATE: 3/10/2016

STATE: Texas  
COUNTY: McLennan

OWNER: City of Hewitt  
CONTRACT FOR: 2015 - Warren Park Improvements; Phase 1A  
TO: H&B Contractors, Inc.

You are hereby requested to comply with the following changes from the Contract Plans and Specifications:

| Description of Changes                                                                                                                                               | Quantity | Unit | Unit Price | DECREASE in Contract Price | INCREASE in Contract Price |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------|------|------------|----------------------------|----------------------------|
| 5' Typical Reinforced Concrete Sidewalk; Installed According to ADA rules and regulations.                                                                           | 469      | S.F. | \$5.50     |                            | \$2,579.50                 |
| 6" Thick Reinforced Concrete Pad with No. 3 Rebar on 12" Centers Each Way; Installed                                                                                 | 140      | S.F. | \$6.00     |                            | \$840.00                   |
| 1' Reinforced Concrete Ribbon Curb; Installed                                                                                                                        | 221      | L.F. | \$11.50    |                            | \$2,541.50                 |
| All Weather Drive; Installed as per manufacturers Recommendations; Installed                                                                                         | 1785     | S.F. | \$7.25     |                            | \$12,941.25                |
| 18" RCP Culvert for Sidewalk with Concrete Headwall; Installed                                                                                                       | 1        | L.S. | \$2,400.00 |                            | \$2,400.00                 |
| Unclassified Excavation and Fill; Installed                                                                                                                          | 1        | L.S. | \$8,200.00 |                            | \$8,200.00                 |
| 95 L.F. of 2" Electrical, Installed with Junction Box, Connection to Existing 6", Wiring, Weather Proof Receptacle, and Weather Proof Receptacle Mounted.; Installed | 1        | L.S. | \$2,600.00 |                            | \$2,600.00                 |
| Replace Half of the propsoed 20 Amp recepticals at the Amphthiter Panel with 30 Amp recepticals                                                                      | 1        | L.S. | \$0.00     |                            | \$0.00                     |
| Re-Sodding of Disturbed Areas                                                                                                                                        | 1        | L.S. | \$3,500.00 |                            | \$3,500.00                 |
| Totals:                                                                                                                                                              |          |      |            | \$0.00                     | \$35,602.25                |
| NET CHANGE IN CONTRACT PRICE:                                                                                                                                        |          |      |            |                            | \$35,602.25                |

### JUSTIFICATION:

At Owner's request; Install all weather drive and extend sidewalk to provide path to Amphitheater floor, as well as concrete pad centered on amphitheater for sound tech.

The amount of the Contract will be Increased:

\$35,602.25

The Contract Total including this and previous Change Orders will be:

The Contract Period Provided for Completion Will Be (~~Increased~~) (~~Decreased~~) (Unchanged):

This document will become a supplement to the Contract and all provisions will apply hereto.

# Alternate B

## CONTRACT CHANGE ORDER

ORDER NO.: Two (2)  
DATE: 3/10/2016

STATE: Texas  
COUNTY: McLennan

OWNER: City of Hewitt  
CONTRACT FOR: 2015 - Warren Park Improvements; Phase 1A  
TO: H&B Contractors, Inc.

You are hereby requested to comply with the following changes from the Contract Plans and Specifications:

| Description of Changes                                                                                                                                               | Quantity | Unit | Unit Price | DECREASE in Contract Price | INCREASE in Contract Price |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------|------|------------|----------------------------|----------------------------|
| 5' Typical Reinforced Concrete Sidewalk; Installed According to ADA rules and regulations.                                                                           | 469      | S.F. | \$5.50     |                            | \$2,579.50                 |
| 6" Thick Reinforced Concrete Pad with No. 3 Rebar on 12" Centers Each Way; Installed                                                                                 | 140      | S.F. | \$6.00     |                            | \$840.00                   |
| 1' Reinforced Concrete Ribbon Curb; Installed                                                                                                                        | 0        | L.F. | \$11.50    |                            | \$0.00                     |
| CONCRETE DRIVE; 6" Thick 3000 Psi with # 4 rebar at 18" O.C.                                                                                                         | 2006     | S.F. | \$6.15     |                            | \$12,336.90                |
| 18" RCP Culvert for Sidewalk with Concrete Headwall; Installed                                                                                                       | 1        | L.S. | \$2,400.00 |                            | \$2,400.00                 |
| Unclassified Excavation and Fill; Installed                                                                                                                          | 1        | L.S. | \$8,200.00 |                            | \$8,200.00                 |
| 95 L.F. of 2" Electrical, Installed with Junction Box, Connection to Existing 6", Wiring, Weather Proof Receptacle, and Weather Proof Receptacle Mounted.; Installed | 1        | L.S. | \$2,600.00 |                            | \$2,600.00                 |
| Replace Half of the propsoed 20 Amp recepticals at the Amphthither Panel with 30 Amp recepticals                                                                     | 1        | L.S. | \$0.00     |                            | \$0.00                     |
| Re-Sodding of Disturbed Areas                                                                                                                                        | 1        | L.S. | \$3,500.00 |                            | \$3,500.00                 |
| Totals:                                                                                                                                                              |          |      |            | \$0.00                     | \$32,456.40                |
| NET CHANGE IN CONTRACT PRICE:                                                                                                                                        |          |      |            |                            | \$32,456.40                |

### JUSTIFICATION:

At Owner's request; Install all weather drive and extend sidewalk to provide path to Amphitheater floor, as well as concrete pad centered on amphitheater for sound tech.

The amount of the Contract will be Increased:

\$32,456.40

The Contract Total including this and previous Change Orders will be:

The Contract Period Provided for Completion Will Be (~~Increased~~) (~~Decreased~~) (Unchanged):

This document will become a supplement to the Contract and all provisions will apply hereto.

**Cayote Consulting, LLC**  
**Texas Registered Firm # F-16387**

Page 1

Copy of CGORDER 2 H WPI P1A.xlsx



## **COUNCIL AGENDA ITEM FORM**

---

**MEETING DATE:** May 2, 2016

**AGENDA ITEM #:** 9

**SUBMITTED BY:** Adam Miles, City Manager

**ITEM DESCRIPTION:**

Consider and take appropriate action Consider and take appropriate action on an ordinance 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 2016 Rate Review Mechanism filings; 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.

**STAFF RECOMMENDATION/ITEM SUMMARY:**

Included as backup is a model staff report and ordinance that is recommended by the Atmos Cities Steering Committee (ACSC) and legal counsel. City Staff has reviewed the settlement agreement and ordinance and are in agreement with the recommendation for the Steering Committee and legal counsel.

**ATTACHMENTS:**

Model Staff Report  
Ordinance

April 28, 2016

## **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 originally adopted by ACSC member cities in 2007 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. The RRM Tariff has been modified several times, most recently in 2013.

The 2016 RRM filing is the fourth RRM filing under the renewed RRM Tariff. On March 1, 2016, Atmos made a filing requesting \$35.4 million additional revenues on a system-wide basis. Because the City of Dallas has a separate rate review process, exclusion of Dallas results in the Company requesting \$28.6 million from other municipalities.

Environs customers (ratepayers outside municipal limits) remain under the Railroad Commission’s exclusive original jurisdiction and have their rates set through the GRIP process. If the Company had used the GRIP process rather than the RRM process it would have received a \$41 million increase, or about \$11 million more than will be approved by the Ordinance. ACSC and the Company have reached an agreement, reflected in the Ordinance, to reduce the Company’s request by \$5.5 million, such that the Ordinance approving new rates reflects an increase of \$29.9 million on a system-wide basis, or \$21.9 million for Mid-Tex Cities, exclusive of the City of Dallas.

The tariffs attached to the Ordinance approve rates that will increase the Company’s revenues by \$29.9 million for the Mid-Tex Rate Division, effective for bills rendered on or after June 1, 2016. The monthly residential customer charge will be \$19.10. The consumption charge will be \$0.11378 per Ccf. The monthly bill impact for the typical residential customer consuming 46.8 Ccf will be an increase of \$1.26, or about 2.43%. The typical commercial customer will see an increase of \$3.81, or 1.43%. Attached to this Model Staff Report is a summary of the impact of new rates on the average bills of all customer classes.

The ACSC Executive Committee and its designated legal counsel and consultants recommend that all Cities adopt the Ordinance with its attachments approving the negotiated rate settlement resolving the 2016 RRM filing, and implementing the rate change.

### **Explanation of “Be It Ordained” Sections:**

1. This section approves all findings in the Ordinance.
2. This section finds the settled amount of \$29.9 million to be a comprehensive settlement of gas utility rate issues arising from Atmos Mid-Tex’s 2016 RRM filing, and that such settlement is in the public interest and is 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 \$29.9 million and adopts the attached new rate tariffs (Attachment A).

4. This section establishes the baseline for pensions and other post-employment benefits for future rate cases (Attachment C).
5. This section requires the Company to reimburse Cities for reasonable ratemaking costs associated with reviewing and processing the RRM filing.
6. This section repeals any resolution or ordinance that is inconsistent with this Ordinance.
7. This section finds that the meeting was conducted in compliance with the Texas Open Meetings Act, Texas Government Code, Chapter 551.
8. 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.
9. This section provides for an effective date upon passage which, according to the Cities' ordinance that adopted the RRM process, is June 1, 2016.
10. 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.

**ATMOS ENERGY CORP., MID-TEX DIVISION  
AVERAGE BILL COMPARISON - BASE RATES  
TEST YEAR ENDING DECEMBER 31, 2015**

|      |                      |       |             |   |              |             |           |        |  | June 1, 2016 |  |
|------|----------------------|-------|-------------|---|--------------|-------------|-----------|--------|--|--------------|--|
| Line | Rate R @ 46.8 Ccf    |       |             |   | CURRENT      |             | PROPOSED  | CHANGE |  |              |  |
| 2    | Customer charge      |       |             |   |              | \$ 18.60    |           |        |  |              |  |
| 3    | Consumption charge   | 46.8  | CCF         | X | \$ 0.09931 = | 4.65        |           |        |  |              |  |
| 4    | Rider GCR Part A     | 46.8  | CCF         | X | \$ 0.31375 = | 14.68       |           |        |  |              |  |
| 5    | Rider GCR Part B     | 46.8  | CCF         | X | \$ 0.21977 = | 10.29       |           |        |  |              |  |
| 6    | Subtotal             |       |             |   |              | \$ 48.22    |           |        |  |              |  |
| 7    | Rider FF & Rider TAX |       | \$ 48.22    | X | 0.07853 =    | 3.79        |           |        |  |              |  |
| 8    | Total                |       |             |   |              | \$ 52.01    |           |        |  |              |  |
| 9    |                      |       |             |   |              |             |           |        |  |              |  |
| 10   | Customer charge      |       |             |   |              |             | \$ 19.10  |        |  |              |  |
| 11   | Consumption charge   | 46.8  | CCF         | X | \$ 0.11378 = | 5.32        |           |        |  |              |  |
| 12   | Rider GCR Part A     | 46.8  | CCF         | X | \$ 0.31375 = | 14.68       |           |        |  |              |  |
| 13   | Rider GCR Part B     | 46.8  | CCF         | X | \$ 0.21977 = | 10.29       |           |        |  |              |  |
| 14   | Subtotal             |       |             |   |              | \$ 49.39    |           |        |  |              |  |
| 15   | Rider FF & Rider TAX |       | \$ 49.39    | X | 0.07853 =    | 3.88        |           |        |  |              |  |
| 16   | Total                |       |             |   |              | \$ 53.27    | \$ 1.26   |        |  |              |  |
| 17   |                      |       |             |   |              |             |           |        |  | 2.43%        |  |
| 18   |                      |       |             |   |              |             |           |        |  |              |  |
| 19   | Rate C @ 376.4 Ccf   |       |             |   | CURRENT      |             | PROPOSED  | CHANGE |  |              |  |
| 20   | Customer charge      |       |             |   |              | \$ 40.00    |           |        |  |              |  |
| 21   | Consumption charge   | 376.4 | CCF         | X | \$ 0.08020 = | 30.19       |           |        |  |              |  |
| 22   | Rider GCR Part A     | 376.4 | CCF         | X | \$ 0.31375 = | 118.10      |           |        |  |              |  |
| 23   | Rider GCR Part B     | 376.4 | CCF         | X | \$ 0.15789 = | 59.43       |           |        |  |              |  |
| 24   | Subtotal             |       |             |   |              | \$ 247.72   |           |        |  |              |  |
| 25   | Rider FF & Rider TAX |       | \$ 247.72   | X | 0.07853 =    | 19.45       |           |        |  |              |  |
| 26   | Total                |       |             |   |              | \$ 267.17   |           |        |  |              |  |
| 27   |                      |       |             |   |              |             |           |        |  |              |  |
| 28   | Customer charge      |       |             |   |              |             | \$ 41.75  |        |  |              |  |
| 29   | Consumption charge   | 376.4 | CCF         | X | \$ 0.08494 = | 31.97       |           |        |  |              |  |
| 30   | Rider GCR Part A     | 376.4 | CCF         | X | \$ 0.31375 = | 118.10      |           |        |  |              |  |
| 31   | Rider GCR Part B     | 376.4 | CCF         | X | \$ 0.15789 = | 59.43       |           |        |  |              |  |
| 32   | Subtotal             |       |             |   |              | \$ 251.25   |           |        |  |              |  |
| 33   | Rider FF & Rider TAX |       | \$ 251.25   | X | 0.07853 =    | 19.73       |           |        |  |              |  |
| 34   | Total                |       |             |   |              | \$ 270.98   | \$ 3.81   |        |  |              |  |
| 35   |                      |       |             |   |              |             |           |        |  | 1.43%        |  |
| 36   | Rate I @ 4379 MMBTU  |       |             |   | CURRENT      |             | PROPOSED  | CHANGE |  |              |  |
| 37   | Customer charge      |       |             |   |              | \$ 700.00   |           |        |  |              |  |
| 38   | Consumption charge   | 1,500 | MMBTU       | X | \$ 0.2937 =  | 440.55      |           |        |  |              |  |
| 39   | Consumption charge   | 2,879 | MMBTU       | X | \$ 0.2151 =  | 619.19      |           |        |  |              |  |
| 40   | Consumption charge   | 0     | MMBTU       | X | \$ 0.0461 =  | -           |           |        |  |              |  |
| 41   | Rider GCR Part A     | 4,379 | MMBTU       | X | \$ 0.3213 =  | 1,406.76    |           |        |  |              |  |
| 42   | Rider GCR Part B     | 4,379 | MMBTU       | X | \$ 0.3746 =  | 1,640.11    |           |        |  |              |  |
| 43   | Subtotal             |       |             |   |              | \$ 4,806.61 |           |        |  |              |  |
| 44   | Rider FF & Rider TAX |       | \$ 4,806.61 | X | 0.07853 =    | 377.44      |           |        |  |              |  |
| 45   | Total                |       |             |   |              | \$ 5,184.05 |           |        |  |              |  |
| 46   |                      |       |             |   |              |             |           |        |  |              |  |
| 47   | Customer charge      |       |             |   |              |             | \$ 738.00 |        |  |              |  |
| 48   | Consumption charge   | 1,500 | MMBTU       | X | \$ 0.3096 =  | 464.40      |           |        |  |              |  |
| 49   | Consumption charge   | 2,879 | MMBTU       | X | \$ 0.2267 =  | 652.58      |           |        |  |              |  |
| 50   | Consumption charge   | 0     | MMBTU       | X | \$ 0.0491 =  | -           |           |        |  |              |  |
| 51   | Rider GCR Part A     | 4,379 | MMBTU       | X | \$ 0.3213 =  | 1,406.76    |           |        |  |              |  |
| 52   | Rider GCR Part B     | 4,379 | MMBTU       | X | \$ 0.3746 =  | 1,640.11    |           |        |  |              |  |
| 53   | Subtotal             |       |             |   |              | \$ 4,901.85 |           |        |  |              |  |
| 54   | Rider FF & Rider TAX |       | \$ 4,901.85 | X | 0.07853 =    | 384.92      |           |        |  |              |  |
| 55   | Total                |       |             |   |              | \$ 5,286.77 | \$ 102.72 |        |  |              |  |
| 56   |                      |       |             |   |              |             |           |        |  | 1.98%        |  |
| 57   | Rate T @ 4379 MMBTU  |       |             |   | CURRENT      |             | PROPOSED  | CHANGE |  |              |  |
| 58   | Customer charge      |       |             |   |              | \$ 700.00   |           |        |  |              |  |
| 59   | Consumption charge   | 1,500 | MMBTU       | X | \$ 0.2937 =  | 440.55      |           |        |  |              |  |
| 60   | Consumption charge   | 2,879 | MMBTU       | X | \$ 0.2151 =  | 619.19      |           |        |  |              |  |
| 61   | Consumption charge   | 0     | MMBTU       | X | \$ 0.0461 =  | -           |           |        |  |              |  |
| 62   | Rider GCR Part B     | 4,379 | MMBTU       | X | \$ 0.3746 =  | 1,640.11    |           |        |  |              |  |
| 63   | Subtotal             |       |             |   |              | \$ 3,399.85 |           |        |  |              |  |
| 64   | Rider FF & Rider TAX |       | \$ 3,399.85 | X | 0.07853 =    | 266.97      |           |        |  |              |  |
| 65   | Total                |       |             |   |              | \$ 3,666.82 |           |        |  |              |  |
| 66   |                      |       |             |   |              |             |           |        |  |              |  |
| 67   | Customer charge      |       |             |   |              |             | \$ 738.00 |        |  |              |  |
| 68   | Consumption charge   | 1,500 | MMBTU       | X | \$ 0.3096 =  | 464.40      |           |        |  |              |  |
| 69   | Consumption charge   | 2,879 | MMBTU       | X | \$ 0.2267 =  | 652.58      |           |        |  |              |  |
| 70   | Consumption charge   | 0     | MMBTU       | X | \$ 0.0491 =  | -           |           |        |  |              |  |
| 71   | Rider GCR Part B     | 4,379 | MMBTU       | X | \$ 0.3746 =  | 1,640.11    |           |        |  |              |  |
| 72   | Subtotal             |       |             |   |              | \$ 3,495.09 |           |        |  |              |  |
| 73   | Rider FF & Rider TAX |       | \$ 3,495.09 | X | 0.07853 =    | 274.45      |           |        |  |              |  |
| 74   | Total                |       |             |   |              | \$ 3,769.54 | \$ 102.72 |        |  |              |  |
| 75   |                      |       |             |   |              |             |           |        |  | 2.80%        |  |

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

**AN ORDINANCE 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 2016 RATE REVIEW MECHANISM FILINGS; 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 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 and charges 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 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, on March 1, 2016, Atmos Mid-Tex filed its 2016 RRM rate request with ACSC Cities; and

WHEREAS, ACSC coordinated its review of the Atmos Mid-Tex 2016 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 \$29.9 million on a system-wide basis; and

WHEREAS, the attached tariffs 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 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 HEWITT, 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 settled amount of an increase in revenues of \$29.9 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 2016 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 the existing rates for natural gas service provided by Atmos Mid-Tex are unreasonable. The new tariffs attached hereto and incorporated herein as Attachment A, are just

and reasonable, and are designed to allow Atmos Mid-Tex to recover annually an additional \$29.9 million in revenue over the amount allowed under currently approved 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 Mid-Tex's next RRM filing shall be as set forth on Attachment C, attached hereto and incorporated herein.

**Section 5.** That Atmos Mid-Tex shall reimburse the reasonable ratemaking expenses of the ACSC in processing the Company's 2016 RRM filing.

**Section 6.** That to the extent any resolution or ordinance previously adopted by the Council is inconsistent with this Ordinance, it is hereby repealed.

**Section 7.** 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 8.** 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 9.** 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, 2016.

**Section 10.** 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 LJB 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 \_\_\_\_\_, 2016.

\_\_\_\_\_  
Mayor

ATTEST:

APPROVED AS TO FORM:

\_\_\_\_\_  
City Secretary

\_\_\_\_\_  
City Attorney

|                        |                                                                                                 |                 |
|------------------------|-------------------------------------------------------------------------------------------------|-----------------|
| <b>RATE SCHEDULE:</b>  | <b>R – RESIDENTIAL SALES</b>                                                                    |                 |
| <b>APPLICABLE TO:</b>  | <b>ALL CUSTOMERS IN THE MID-TEX DIVISION EXCEPT THE CITY OF DALLAS AND UNINCORPORATED AREAS</b> |                 |
| <b>EFFECTIVE DATE:</b> | <b>Bills Rendered on or after 06/01/2016</b>                                                    | <b>PAGE: 12</b> |

#### 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:

| <b>Charge</b>                     | <b>Amount</b>                  |
|-----------------------------------|--------------------------------|
| Customer Charge per Bill          | \$ 19.10 per month             |
| Rider CEE Surcharge               | \$ 0.02 per month <sup>1</sup> |
| <b>Total Customer Charge</b>      | <b>\$ 19.12 per month</b>      |
| Commodity Charge – All <u>Ccf</u> | \$0.11378 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.

<sup>1</sup>Reference Rider CEE - Conservation and Energy Efficiency as approved in GUD 10170. Surcharge billing effective July 1, 2015.

|                        |                                                                                                 |                 |
|------------------------|-------------------------------------------------------------------------------------------------|-----------------|
| <b>RATE SCHEDULE:</b>  | <b>C – COMMERCIAL SALES</b>                                                                     |                 |
| <b>APPLICABLE TO:</b>  | <b>ALL CUSTOMERS IN THE MID-TEX DIVISION EXCEPT THE CITY OF DALLAS AND UNINCORPORATED AREAS</b> |                 |
| <b>EFFECTIVE DATE:</b> | <b>Bills Rendered on or after 06/01/2016</b>                                                    | <b>PAGE: 13</b> |

### 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:

| <b>Charge</b>                | <b>Amount</b>                  |
|------------------------------|--------------------------------|
| Customer Charge per Bill     | \$ 41.75 per month             |
| Rider CEE Surcharge          | \$ 0.02 per month <sup>1</sup> |
| <b>Total Customer Charge</b> | <b>\$ 41.77 per month</b>      |
| Commodity Charge – All Ccf   | \$ 0.08494 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.

---

<sup>1</sup> Reference Rider CEE - Conservation and Energy Efficiency as approved in GUD 10170. Surcharge billing effective July 1, 2015.

|                        |                                                                                                 |                 |
|------------------------|-------------------------------------------------------------------------------------------------|-----------------|
| <b>RATE SCHEDULE:</b>  | <b>I – INDUSTRIAL SALES</b>                                                                     |                 |
| <b>APPLICABLE TO:</b>  | <b>ALL CUSTOMERS IN THE MID-TEX DIVISION EXCEPT THE CITY OF DALLAS AND UNINCORPORATED AREAS</b> |                 |
| <b>EFFECTIVE DATE:</b> | <b>Bills Rendered on or after 06/01/2016</b>                                                    | <b>PAGE: 14</b> |

### 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:

| <b>Charge</b>                | <b>Amount</b>       |
|------------------------------|---------------------|
| Customer Charge per Meter    | \$ 738.00 per month |
| First 0 MMBtu to 1,500 MMBtu | \$ 0.3096 per MMBtu |
| Next 3,500 MMBtu             | \$ 0.2267 per MMBtu |
| All MMBtu over 5,000 MMBtu   | \$ 0.0486 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.

|                        |                                                                                                 |                 |
|------------------------|-------------------------------------------------------------------------------------------------|-----------------|
| <b>RATE SCHEDULE:</b>  | <b>I – INDUSTRIAL SALES</b>                                                                     |                 |
| <b>APPLICABLE TO:</b>  | <b>ALL CUSTOMERS IN THE MID-TEX DIVISION EXCEPT THE CITY OF DALLAS AND UNINCORPORATED AREAS</b> |                 |
| <b>EFFECTIVE DATE:</b> | <b>Bills Rendered on or after 06/01/2016</b>                                                    | <b>PAGE: 15</b> |

**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.

|                        |                                                                                                 |                 |
|------------------------|-------------------------------------------------------------------------------------------------|-----------------|
| <b>RATE SCHEDULE:</b>  | <b>T – TRANSPORTATION</b>                                                                       |                 |
| <b>APPLICABLE TO:</b>  | <b>ALL CUSTOMERS IN THE MID-TEX DIVISION EXCEPT THE CITY OF DALLAS AND UNINCORPORATED AREAS</b> |                 |
| <b>EFFECTIVE DATE:</b> | <b>Bills Rendered on or after 06/01/2016</b>                                                    | <b>PAGE: 16</b> |

#### 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:

| <b>Charge</b>                | <b>Amount</b>       |
|------------------------------|---------------------|
| Customer Charge per Meter    | \$ 738.00 per month |
| First 0 MMBtu to 1,500 MMBtu | \$ 0.3096 per MMBtu |
| Next 3,500 MMBtu             | \$ 0.2267 per MMBtu |
| All MMBtu over 5,000 MMBtu   | \$ 0.0486 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.

|                        |                                                                                                 |                 |
|------------------------|-------------------------------------------------------------------------------------------------|-----------------|
| <b>RATE SCHEDULE:</b>  | <b>T – TRANSPORTATION</b>                                                                       |                 |
| <b>APPLICABLE TO:</b>  | <b>ALL CUSTOMERS IN THE MID-TEX DIVISION EXCEPT THE CITY OF DALLAS AND UNINCORPORATED AREAS</b> |                 |
| <b>EFFECTIVE DATE:</b> | <b>Bills Rendered on or after 06/01/2016</b>                                                    | <b>PAGE: 17</b> |

**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**

|                        |                                                                                                 |                 |
|------------------------|-------------------------------------------------------------------------------------------------|-----------------|
| <b>RIDER:</b>          | <b>WNA – WEATHER NORMALIZATION ADJUSTMENT</b>                                                   |                 |
| <b>APPLICABLE TO:</b>  | <b>ALL CUSTOMERS IN THE MID-TEX DIVISION EXCEPT THE CITY OF DALLAS AND UNINCORPORATED AREAS</b> |                 |
| <b>EFFECTIVE DATE:</b> | <b>Bills Rendered on or after 11/01/2016</b>                                                    | <b>PAGE: 41</b> |

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**

|                        |                                                                                                 |                 |
|------------------------|-------------------------------------------------------------------------------------------------|-----------------|
| <b>RIDER:</b>          | <b>WNA – WEATHER NORMALIZATION ADJUSTMENT</b>                                                   |                 |
| <b>APPLICABLE TO:</b>  | <b>ALL CUSTOMERS IN THE MID-TEX DIVISION EXCEPT THE CITY OF DALLAS AND UNINCORPORATED AREAS</b> |                 |
| <b>EFFECTIVE DATE:</b> | <b>Bills Rendered on or after 11/01/2016</b>                                                    | <b>PAGE: 42</b> |

Base Use/Heat Use Factors

| Weather Station | <u>Residential</u>     |                            | <u>Commercial</u>      |                            |
|-----------------|------------------------|----------------------------|------------------------|----------------------------|
|                 | Base use<br><u>Ccf</u> | Heat use<br><u>Ccf/HDD</u> | Base use<br><u>Ccf</u> | Heat use<br><u>Ccf/HDD</u> |
| Abilene         | 10.09                  | 0.1392                     | 98.01                  | 0.6440                     |
| Austin          | 11.21                  | 0.1551                     | 203.36                 | 0.8564                     |
| Dallas          | 13.72                  | 0.2048                     | 189.83                 | 0.9984                     |
| Waco            | 9.89                   | 0.1411                     | 129.75                 | 0.6695                     |
| Wichita Falls   | 11.49                  | 0.1506                     | 122.35                 | 0.5967                     |

Weather Normalization Adjustment (WNA) Report

On or before June 1 of each year, the company posts on its website at [atmosenergy.com/mtx-wna](http://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.

|    | (a)                                                     | (b)                   | (c)           | (d)         | (e)                                | (f)                       | (g) | (h) | (i) | (j) | (k) |
|----|---------------------------------------------------------|-----------------------|---------------|-------------|------------------------------------|---------------------------|-----|-----|-----|-----|-----|
| 1  | Proposed Change In Rates:                               |                       | \$ 29,603,205 |             | Schedule A                         |                           |     |     |     |     |     |
| 2  | Proposed Change In Rates without Revenue Related Taxes: |                       | \$ 27,447,850 |             | Ln 1 divided by factor on WP_F-5.1 |                           |     |     |     |     |     |
| 3  |                                                         |                       |               |             |                                    |                           |     |     |     |     |     |
| 4  |                                                         |                       |               |             |                                    |                           |     |     |     |     |     |
| 5  |                                                         |                       |               |             |                                    |                           |     |     |     |     |     |
| 6  |                                                         | Revenue Requirements  |               | Allocations |                                    |                           |     |     |     |     |     |
| 7  | Residential                                             | \$ 338,431,486        |               | 77.95%      |                                    | Per GUD 10170 Final Order |     |     |     |     |     |
| 8  | Commercial                                              | 84,223,622            |               | 19.40%      |                                    | Per GUD 10170 Final Order |     |     |     |     |     |
| 9  | Industrial and Transportation                           | 11,490,316            |               | 2.65%       |                                    | Per GUD 10170 Final Order |     |     |     |     |     |
| 10 | Net Revenue Requirements GUD No. 10170                  | <u>\$ 434,145,424</u> |               |             |                                    |                           |     |     |     |     |     |

|    |                                                                                                    |    |         |             |                      |
|----|----------------------------------------------------------------------------------------------------|----|---------|-------------|----------------------|
| 16 | With Proportional Increase all classes but Residential and a 40% residential base charge increase: |    |         |             |                      |
| 17 |                                                                                                    |    |         |             |                      |
| 18 |                                                                                                    |    | Current | Prospective | Revenues             |
| 19 |                                                                                                    |    |         |             |                      |
| 20 | Residential Base Charge                                                                            | \$ | 18.56   | \$ 0.48     | \$ 8,558,622         |
| 21 | Residential Consumption Charge                                                                     | \$ | 0.09931 | \$ 0.01540  | 12,837,933           |
| 22 | Commercial Base Charge                                                                             | \$ | 39.87   | \$ 1.81     | 2,662,423            |
| 23 | Commercial Consumption Charge                                                                      | \$ | 0.08020 | \$ 0.00480  | 2,662,423            |
| 24 | I&T Base Charge                                                                                    | \$ | 697.35  | \$ 38.03    | 363,224              |
| 25 | I&T Consumption Charge Tier 1 MMBTU                                                                | \$ | 0.2937  | \$ 0.0166   | 172,167              |
| 26 | I&T Consumption Charge Tier 2 MMBTU                                                                | \$ | 0.2151  | \$ 0.0121   | 139,070              |
| 27 | I&T Consumption Charge Tier 3 MMBTU                                                                | \$ | 0.0461  | \$ 0.0026   | 51,988               |
| 28 |                                                                                                    |    |         |             | <u>\$ 27,447,850</u> |
| 29 |                                                                                                    |    |         |             |                      |

| With Customer Charges Rounded Off and residential base charge increase for 2015 limited to \$0.50 per RRM tariff: |                 |                             |                |                       |
|-------------------------------------------------------------------------------------------------------------------|-----------------|-----------------------------|----------------|-----------------------|
|                                                                                                                   | Proposed Change | Proposed Change In Revenues | Proposed Rates | Proposed Revenues     |
| Residential Base Charge                                                                                           | \$ 0.52         | \$ 9,335,278                | \$ 19.08       | \$ 339,813,673        |
| Residential Consumption Charge                                                                                    | \$ 0.01447      | 12,061,297                  | \$ 0.11378     | 94,839,970            |
| Commercial Base Charge                                                                                            | \$ 1.83         | 2,697,162                   | \$ 41.70       | 61,390,268            |
| Commercial Consumption Charge                                                                                     | \$ 0.00474      | 2,626,475                   | \$ 0.08494     | 47,065,984            |
| I&T Base Charge                                                                                                   | \$ 39.65        | 378,728                     | \$ 737.00      | 7,039,815             |
| I&T Consumption Charge Tier 1 MMBTU                                                                               | \$ 0.0159       | 165,150                     | \$ 0.3096      | 3,215,747             |
| I&T Consumption Charge Tier 2 MMBTU                                                                               | \$ 0.0116       | 132,888                     | \$ 0.2267      | 2,597,042             |
| I&T Consumption Charge Tier 3 MMBTU                                                                               | \$ 0.0025       | 49,955                      | \$ 0.0486      | 971,117               |
|                                                                                                                   |                 | <u>\$ 27,446,933</u>        |                | <u>\$ 556,933,616</u> |

File Date: March 1, 2016

**ATMOS ENERGY CORP., MID-TEX DIVISION  
PENSIONS AND RETIREE MEDICAL BENEFITS ADJUSTMENT  
TEST YEAR ENDING DECEMBER 31, 2015**

| Line No. | Description                                                                                            | Shared Services              |                                          | Mid-Tex Direct               |                                              |                                          | Adjustment Total      |
|----------|--------------------------------------------------------------------------------------------------------|------------------------------|------------------------------------------|------------------------------|----------------------------------------------|------------------------------------------|-----------------------|
|          |                                                                                                        | Pension Account Plan ("PAP") | Post-Retirement Medical Plan ("FAS 106") | Pension Account Plan ("PAP") | Supplemental Executive Benefit Plan ("SERP") | Post-Retirement Medical Plan ("FAS 106") |                       |
|          | (a)                                                                                                    | (b)                          | (c)                                      | (d)                          | (e)                                          | (f)                                      | (g)                   |
| 1        | Fiscal Year 2016 Towers Watson Report as adjusted (1), (3)                                             | \$ 5,101,680                 | \$ 2,896,450                             | \$ 7,840,683                 | \$ 150,433                                   | \$ 4,466,430                             |                       |
| 2        | O&M Expense Factor (2)                                                                                 | 96.41%                       | 96.41%                                   | 37.42%                       | 20.77%                                       | 37.42%                                   |                       |
| 3        | Fiscal Year 2016 Actuarially Determined O&M Benefits (Ln 1 x Ln 2)                                     | \$ 4,918,540                 | \$ 2,792,473                             | \$ 2,933,599                 | \$ 31,249                                    | \$ 1,671,119                             |                       |
| 4        | Allocation to Mid-Tex (2)                                                                              | 40.56%                       | 40.56%                                   | 71.52%                       | 100.00%                                      | 71.52%                                   |                       |
| 5        | <b>Mid-Tex Benefits Expense Included in Rates - Proposed (Ln 3 x Ln 4)</b>                             | <b>\$ 1,995,016</b>          | <b>\$ 1,132,659</b>                      | <b>\$ 2,098,222</b>          | <b>\$ 31,249</b>                             | <b>\$ 1,195,248</b>                      | <b>\$ 6,452,393</b>   |
| 6        |                                                                                                        |                              |                                          |                              |                                              |                                          |                       |
| 7        | <b>Mid-Tex Benefits Expense per GUD 10359 and RRM Test Year Ending December 31, 2014 Benchmark (4)</b> | <b>\$ 2,831,859</b>          | <b>\$ 2,013,260</b>                      | <b>\$ 2,925,600</b>          | <b>\$ 34,809</b>                             | <b>\$ 2,695,721</b>                      | <b>\$ 10,501,250</b>  |
| 8        |                                                                                                        |                              |                                          |                              |                                              |                                          |                       |
| 9        | <b>Test Year Adjustment (Line 5 minus Line 7)</b>                                                      | <b>\$ (836,844)</b>          | <b>\$ (880,601)</b>                      | <b>\$ (827,379)</b>          | <b>\$ (3,561)</b>                            | <b>\$ (1,500,472)</b>                    | <b>\$ (4,048,856)</b> |
| 10       |                                                                                                        |                              |                                          |                              |                                              |                                          |                       |
| 11       | Adjustment Summary:                                                                                    |                              |                                          |                              |                                              |                                          |                       |
| 12       | Account 922                                                                                            | \$ (836,844)                 | \$ (880,601)                             | \$ -                         | \$ -                                         | \$ -                                     | \$ (1,717,445)        |
| 13       | Account 926                                                                                            | -                            | -                                        | (827,379)                    | (3,561)                                      | (1,500,472)                              | (2,331,412)           |
| 14       | Total (Ln 12 plus Ln 13)                                                                               | <b>\$ (836,844)</b>          | <b>\$ (880,601)</b>                      | <b>\$ (827,379)</b>          | <b>\$ (3,561)</b>                            | <b>\$ (1,500,472)</b>                    | <b>\$ (4,048,856)</b> |

## Notes:

1. Studies not applicable to Mid-Tex or Shared Services are omitted.
2. The factors on Lines 2 and 4 are based on the factors in 2016 RRM (Test Year Ending December 31, 2015).
3. SSU amounts exclude cost centers which do not allocate to Mid-Tex for rate making purposes.
4. GUD No. 10359 is the benchmark for January-May which is the same benchmark as used in the RRM TYE December 31, 2014 for June-December.

**ATMOS ENERGY CORP., MID-TEX DIVISION**  
**PENSIONS AND RETIREE MEDICAL BENEFITS FOR CITIES APPROVAL**  
**TEST YEAR ENDING DECEMBER 31, 2015**

| Line No. | Description                                                                                      | Shared Services              |                                          | Mid-Tex Direct               |                                              |                                          | Adjustment Total |
|----------|--------------------------------------------------------------------------------------------------|------------------------------|------------------------------------------|------------------------------|----------------------------------------------|------------------------------------------|------------------|
|          |                                                                                                  | Pension Account Plan ("PAP") | Post-Retirement Medical Plan ("FAS 106") | Pension Account Plan ("PAP") | Supplemental Executive Benefit Plan ("SERP") | Post-Retirement Medical Plan ("FAS 106") |                  |
|          | (a)                                                                                              | (b)                          | (c)                                      | (d)                          | (e)                                          | (f)                                      | (g)              |
| 1        | Fiscal Year 2016 Towers Watson Report (excluding Removed Cost Centers)                           | \$ 5,101,680                 | \$ 2,896,450                             | \$ 7,840,683                 | \$ 150,433                                   | \$ 4,466,430                             |                  |
| 2        | Allocation to Mid-Tex                                                                            | 40.56%                       | 40.56%                                   | 71.52%                       | 100.00%                                      | 71.52%                                   |                  |
| 3        | FY16 Towers Watson Benefit Costs (excluding Removed Cost Centers) Allocated to MTX (Ln 1 x Ln 2) | \$ 2,069,299                 | \$ 1,174,833                             | \$ 5,607,955                 | \$ 150,433                                   | \$ 3,194,561                             |                  |
| 4        | O&M and Capital Allocation Factor                                                                | 100.00%                      | 100.00%                                  | 100.00%                      | 100.00%                                      | 100.00%                                  |                  |
| 5        | FY16 Towers Watson Benefit Costs To Approve (excluding Removed Cost Centers) (Ln 3 x Ln 4)       | \$ 2,069,299                 | \$ 1,174,833                             | \$ 5,607,955                 | \$ 150,433                                   | \$ 3,194,561                             | \$ 12,197,081    |
| 6        |                                                                                                  |                              |                                          |                              |                                              |                                          |                  |
| 7        |                                                                                                  |                              |                                          |                              |                                              |                                          |                  |
| 8        | <b>Summary of Costs to Approve:</b>                                                              |                              |                                          |                              |                                              |                                          |                  |
| 9        |                                                                                                  |                              |                                          |                              |                                              |                                          |                  |
| 10       | Total Pension Account Plan ("PAP")                                                               | \$ 2,069,299                 |                                          | \$ 5,607,955                 |                                              |                                          | \$ 7,677,254     |
| 11       | Total Post-Retirement Medical Plan ("FAS 106")                                                   |                              | \$ 1,174,833                             |                              |                                              | \$ 3,194,561                             | 4,369,394        |
| 12       | Total Supplemental Executive Retirement Plan ("SERP")                                            |                              |                                          |                              | \$ 150,433                                   |                                          | 150,433          |
| 13       | Total (Ln 10 + Ln 11 + Ln 12)                                                                    | \$ 2,069,299                 | \$ 1,174,833                             | \$ 5,607,955                 | \$ 150,433                                   | \$ 3,194,561                             | \$ 12,197,081    |
| 14       |                                                                                                  |                              |                                          |                              |                                              |                                          |                  |
| 15       |                                                                                                  |                              |                                          |                              |                                              |                                          |                  |
| 16       | O&M Expense Factor                                                                               | 96.41%                       | 96.41%                                   | 37.42%                       | 20.77%                                       | 37.42%                                   |                  |
| 17       |                                                                                                  |                              |                                          |                              |                                              |                                          |                  |
| 18       | Expense Portion (Ln 13 x Ln 16)                                                                  | \$ 1,995,016                 | \$ 1,132,659                             | \$ 2,098,222                 | \$ 31,249                                    | \$ 1,195,248                             | \$ 6,452,393     |
| 19       |                                                                                                  |                              |                                          |                              |                                              |                                          |                  |
| 20       | Capital Factor                                                                                   | 3.59%                        | 3.59%                                    | 62.58%                       | 79.23%                                       | 62.58%                                   |                  |
| 21       |                                                                                                  |                              |                                          |                              |                                              |                                          |                  |
| 22       | Capital Portion (Ln 13 x Ln 20)                                                                  | \$ 74,283                    | \$ 42,174                                | \$ 3,509,733                 | \$ 119,184                                   | \$ 1,999,313                             | \$ 5,744,687     |
| 23       |                                                                                                  |                              |                                          |                              |                                              |                                          |                  |
| 24       | Total (Ln 18 + Ln 22)                                                                            | \$ 2,069,299                 | \$ 1,174,833                             | \$ 5,607,955                 | \$ 150,433                                   | \$ 3,194,561                             | \$ 12,197,081    |



## **COUNCIL AGENDA ITEM FORM**

---

**MEETING DATE:** May 2, 2016

**AGENDA ITEM #:** 10

**SUBMITTED BY:** Adam Miles, City Manager

**ITEM DESCRIPTION:**

Consider and take appropriate action concerning the agreement with the City Manager.

**STAFF RECOMMENDATION/ITEM SUMMARY:**

The City Council may take action concerning the agreement with the City Manager.

**ATTACHMENTS:**

None