Work Session Room at City Hall
Tuesday, September 3, 2024
5:30 p.m.

William E. Dollar Municipal Building
200 N. Fifth St.
Garland, Texas

GARLAND

CITY OF GARLAND
WORK SESSION OF THE CITY COUNCIL

The Garland City Council extends to all visitors a sincere welcome. We value your interest in our community and your participation in the meetings of this governing body. Visit GarlandTX.gov/Council for a full list of meeting dates.

The Work Session Room at Garland City Hall is wheelchair accessible, and ADA parking is available on the street as well as in the public parking garage. Persons with disabilities who may need auxiliary aids or services must contact the City Secretary's Office at 972-205-2404 at least two working days prior to the meeting so that appropriate arrangements can be made. Braille is not available.

NOTICE: *Pursuant to Section 551.127 of the Texas Government Code, one or more members of the City Council may attend this meeting by internet/video remote means. A quorum of the City Council, as well as the presiding officer, will be physically present at the above identified location. Members of the public that desire to make a public comment must attend the meeting in person.*

PUBLIC COMMENTS ON WORK SESSION ITEMS

Members of the audience may address the City Council on any Work Session item at the beginning of the meeting. Speakers are allowed three minutes each, grouped by agenda item and called in the order of the agenda. Anyone wishing to speak must fill out a speaker card (located at the entrance to the Council Chambers and on the visitor's side of the Work Session Room) and give it to the City Secretary before the Mayor calls the meeting to order. Speakers are limited to addressing items on the Work Session agenda only. Items on a Regular Meeting agenda should be addressed at the respective Regular Meeting. Items not currently on an agenda may be addressed during the citizen comments portion of any Regular Meeting.

CONSIDER THE CONSENT AGENDA

Council may ask for discussion or further information on any item posted in the consent agenda of the next Regular Meeting. Council may also ask that an item on the consent agenda be pulled and considered for a vote separate from the consent agenda at the next Regular Meeting. All discussions or deliberations are limited to posted agenda items and may not include new or unposted subject matter.

WRITTEN BRIEFINGS

Council may ask for discussion, further information, or give direction to staff on an item posted as a written briefing.

1. **Interlocal Agreement for the Sale of Tax-Foreclosed Properties**

   Council is requested to consider a Resolution to approve the terms and conditions of an Interlocal Agreement by and between the City of Garland, Dallas County, Garland Independent School District, Dallas College, and the Dallas County Hospital District for waiving the judgment amount on qualifying tax foreclosed properties.

2. **Employee Health Clinic Facility Rental**

   Council is requested to consider to enter into a Lease Agreement to relocate the Employee Health Clinic.

3. **Employee Health Clinic Onsite Services Agreement**

   Council is requested to consider to enter into an Onsite Service Agreement with Care ATC for oversight of *the CityCare Clinic.*

4. **Term Contract for Major Medical Services**

   Council is requested to consider to enter into term contracts with each of the respondents identified. In anticipation of acceptance, proposed rates, credits, and allowances are reflected in the FY 2024-25 Proposed Budget.

5. **Atmos Settlement Agreement**

   Council is requested to consider the approval of a Settlement Agreement with Atmos Energy and the resulting rate change under the Rate Review Mechanism (RRM) tariff.

6. **Household Hazardous Waste Interlocal Agreement Renewal**

   Council is requested to consider authorizing the City Manager to execute the ILA between Dallas County and the City of Garland.

VERBAL BRIEFINGS

Council may ask for discussion, further information, or give direction to staff on an item posted as a verbal briefing.

7. **2025 Bond Study Committee Report**

   City Council will receive an update from staff and the Bond Study Committee Chair regarding discussions and progress of the 2025 Bond Study Committee.

8. **FY 2024-25 Budget Discussions - Final Direction from Council**

   Hear a presentation prepared by Allyson Steadman, Budget Director, and receive Council direction regarding the FY 2024-25 Annual Operating Budget. Unless otherwise directed, this item will be scheduled for formal consideration at the September 3, 2024 Regular Meeting.

CONSIDER APPOINTMENTS TO BOARDS AND COMMISSIONS

Terms are usually staggered whereby at least half of the membership has previous experience. Members are appointed based on qualifications.

9. **Mayor Pro Tem Ed Moore**

   - Xavier Price-Garland Youth Council

ANNOUNCE FUTURE AGENDA ITEMS

A Councilmember, with a second by another member or the Mayor alone, may ask that an item be placed on a future agenda of the City Council or of a committee of the City Council. No substantive discussion of that item will take place at this time.

ADJOURN

All Work Sessions of the Garland City Council are broadcast live on CGTV, Time Warner Cable Channel 16 and Frontier FIOS TV 44. Meetings are rebroadcast at 9 a.m. and 7 p.m. Tuesdays - Sundays. Live streaming and on-demand videos of the meetings are also available online at GarlandTX.tv. Copies of the meetings can be purchased through the City Secretary's Office (audio CDs are $1 each and DVDs are $3 each).

NOTICE*: The City Council may recess from the open session and convene in a closed executive session if the discussion of any of the listed agenda items concerns one or more of the following matters:*

1. *Pending/contemplated litigation, settlement offer(s), and matters concerning privileged and unprivileged client information deemed confidential by Rule 1.05 of the Texas Disciplinary Rules of Professional Conduct. Sec.*

551.071, Tex. Gov't Code.

2. *The purchase, exchange, lease or value of real property, if the deliberation in an open meeting would have a detrimental effect on the position of the City in negotiations with a third person. Sec. 551.072, Tex. Gov't Code.*
3. *A contract for a prospective gift or donation to the City, if the deliberation in an open meeting would have a detrimental effect on the position of the City in negotiations with a third person. Sec. 551.073, Tex. Gov't Code.*
4. *Personnel matters involving the appointment, employment, evaluation, reassignment, duties, discipline or dismissalof a public officer or employee or to hear a complaint against an officer or employee. Sec. 551.074, Tex. Gov't Code.*
5. *The deployment, or specific occasions for implementation of security personnel or devices. Sec. 551.076,Tex. Gov't Code.*
6. *Discussions or deliberations regarding commercial or financial information that the City has received from a business prospect that the City seeks to have to locate, stay, or expand in or near the territory of the City and with which the City is conducting economic development negotiations; or to deliberate the offer of a financial or other incentive to a business prospect of the sort described in this provision. Sec. 551.087, Tex. Gov't Code.*
7. *Discussions, deliberations, votes, or other final action on matters related to the City's competitive activity, including information that would, if disclosed, give advantage to competitors or prospective competitors and is reasonably related to one or more of the following categories of information:*

   - *generation unit specific and portfolio fixed and variable costs, including forecasts of those costs, capital improvement plans for generation units, and generation unit operating characteristics and outage scheduling;*
   - *bidding and pricing information for purchased power, generation, and fuel, and Electric Reliability Council of Texas bids, prices, offers, and related services and strategies;*
   - *effective fuel and purchased power agreements and fuel transportation arrangements and contracts;*
   - *risk management information, contracts, and strategies, including fuel hedging and storage;*
   - *plans, studies, proposals, and analyses for system improvements, additions, or sales, other than transmission and distribution system improvements inside the service area for which the public power utility is the sole certificated retail provider; and*
   - *customer billing, contract, and usage information, electric power pricing information, system load characteristics, and electric power marketing analyses and strategies. Sec. 551.086; Tex. Gov't Code; Sec. 552.133, Tex. Gov't Code]*

Each year, the City Council reviews and updates its goals for the Garland community and City operations. City management uses these goals to guide operational priorities, decision-making and resource allocation.

GARLAND

CITY COUNCIL STAFF REPORT

City Council Work Session 1.

Meeting Date: 09/03/2024

Title: Interlocal Agreement for the Sale of Tax Foreclosed Properties

Submitted By: Mona Woodard, Neighborhood Services Administrator

Strategic Focus Area: Vibrant Neighborhoods and Commercial Centers

Issue/Summary

Council is requested to consider the terms and conditions of an Interlocal Agreement (ILA) for the Sale of Tax-Foreclosed Properties with Dallas County and other affected taxing jurisdictions. This agreement aims to facilitate intergovernmental collaboration in converting tax-delinquent, non-productive properties into productive assets that generate tax revenue, aligning with the City's urban redevelopment plan or affordable housing policy.

Background

The Interlocal Agreement (ILA) was initiated at the request of Dallas County and establishes a mutual understanding and process for reselling certain tax-foreclosed properties at below-market value or for less than the total judgment amount, as specified in the foreclosure judgment, to create an efficient mechanism for returning deteriorated or unproductive properties to the tax rolls. The ILA aligns with the Garland 2020-2024 Consolidated Plan, approved by the City Council on August 4, 2020, and the 2023 Annual Action Plan, approved by the City Council on July 11, 2023. These plans set the City's goals to increase the supply and quality of housing affordable to low- and moderate-income families, provide decent and safe housing, enhance the tax base, and stimulate revitalization, redevelopment, and economic growth.

The ILA applies to properties where the City holds title as a trustee taxing unit, the property is either vacant or distressed, and has a tax delinquency of six years or more. The Agreement requires the City to submit a list of properties intended for inclusion under the agreement's terms. All involved jurisdictions will have 60 days to approve or disapprove of properties on the list. Approved properties, under the City's established terms and conditions, may then be sold to a qualified nonprofit housing developer or a qualified community development housing organization for the development and construction of affordable housing. The agreement will take effect upon execution by all parties to the agreement.

Unless Council objects, staff will bring this item back for formal approval at the September 17, 2024 Regular Council meeting.

Consideration / Recommendation

Staff recommends approval of the Interlocal Agreement for execution by the City Manager. Unless directed otherwise by Council, the Resolution will be scheduled for consideration on the September 17, 2024 Regular Meeting.

Attachments

Interlocal Agreement for the Sale of Tax Foreclosed Property

Resolution to Execute an Interlocal Agreement with Dallas County

STATE OF TEXAS	§	**INTERLOCAL AGREEMENT FOR SALE OF**
	§	**TAX-FORECLOSED PROPERTIES**
COUNTY OF DALLAS	§	

This Interlocal Agreement for Sale of Tax-Foreclosed Properties ("Agreement") is entered into this ____ day of ________________, 2024, between the City of Garland, Texas (the "City"), a home-rule municipal corporation of the State of Texas, principally situated in Dallas County, Texas; the County of Dallas, a political subdivision of the State of Texas, on its own behalf and on behalf of other political subdivisions, Dallas County Hospital District, Dallas County School Equalization Fund, and Dallas College (hereinafter "County"), whose taxes are collected by the Dallas County Tax Assessor - Collector; and the Garland Independent School District ("GISD") an independent district and political subdivision organized under the laws of the State of Texas. Each party may be referred to individually as "Party" or jointly as "Parties."

RECITALS

WHEREAS, Texas Government Code Chapter 791 (Interlocal Cooperation Act) authorizes local governments to contract with one another to perform governmental functions under the terms of the act in order to increase their efficiency and effectiveness; and

WHEREAS, the Parties seek to work together in intergovernmental cooperation to return tax delinquent unproductive properties back to productive use and back to producing tax revenue; and

WHEREAS, Texas Tax Code Chapter 34 permits the foreclosure of a tax lien and sale of real property in order to collect delinquent taxes; and

WHEREAS, following the tax-foreclosure sale, certain properties remain unsold and Texas Tax Code §34.01(j)-(k) allows them to be struck off to the City on its behalf and/or on behalf of one or more of the other Parties to this Agreement; and

WHEREAS, such property has been struck off to the City, the City acts as Trustee for the other Parties having established a tax lien against the respective property; and

WHEREAS, Texas Tax Code §34.051 specifically authorizes the City to enter into an interlocal agreement with other taxing units to obtain consent to the terms and conditions governing the City's resale of certain tax-foreclosed properties for less than the market value specified in the judgment of foreclosure or less than the total amount of judgment against the property for the purpose stated herein; and

WHEREAS, pursuant to the Garland 2020-2024 Consolidated Plan, approved by minute action of the City Council on August 4, 2020, and the 2023 Annual Action Plan, approved by minute action of the City Council on July 11, 2023, the City's goals to increase the supply and condition of housing affordable to families of low and moderate income; provide decent, safe housing, to increase the tax base; and to stimulate revitalization, redevelopment, and economic growth can be advanced by entering into an interlocal agreement pursuant to Texas Tax Code §34.051; and

WHEREAS, the Parties desire to enter into this Agreement for the purpose of compliance with Texas Tax Code §34.051 that authorizes the Parties to enter into an in interlocal agreement governing the resale of certain tax-foreclosed properties; and

WHEREAS, the principal goal of this Agreement, pursuant to subsection (b)(4) of Texas Tax Code §34.051(the "Statute"), is to provide an efficient mechanism for returning deteriorated or unproductive properties to the tax rolls enhancing the value of ownership to surrounding properties and improving safety and quality of life in deteriorating neighborhoods; and

WHEREAS, the properties that are subject to this Agreement will be used for a purpose consistent with the City's urban redevelopment plan or affordable housing policy, as applicable, that is primarily aimed at housing for families of low or moderate income.

NOW THEREFORE, this Agreement for the sale of tax-foreclosed properties is hereby made and entered into by the Parties for the mutual promises and covenants contained herein:

1. <u>Purpose and Incorporation of Recitals.</u> The purpose of this Agreement is to use tax-delinquent properties to increase to volume of affordable housing within the City of Garland, Dallas County, Texas, in compliance with Texas Tax Code §34.051 for the reasons set forth above. The Parties agree that the recitals above are true and correct and are hereby incorporated into the body of this Agreement as set forth fully herein.

2. <u>Tax-Foreclosed Property or Properties.</u> The Parties agree that the tax-foreclosed property or properties, ("Property" or "Properties," as appropriate), as used in this Agreement, means only those real properties where the City takes title as trustee taxing unit to the Property, and the Property is either vacant or distressed and has a tax delinquency of six years or more. The City shall submit to the Parties a proposed list of the Properties that the City intends to be subject to the terms of this Agreement. The Parties may review such list and reply in writing to approve or disapprove the list or any Property thereon within 60 days of the Parties' receipt of the proposed list. Unless any one of the Parties notifies the City of its disapproval of the list or of any listed Property, the City will proceed to implement this Agreement with regard to the listed tax-foreclosed properties.

3. <u>Conveyance of Tax-Foreclosed Properties.</u> By execution of this Agreement, the Parties hereby consent to the sale of Properties at less than the market value specified in the judgment of the foreclosure or less than the total amount of the judgment(s) against the Property in accordance with the Statute and this Agreement and authorize the City to convey the Property to the purchaser selected by the City as set forth in Paragraph 4 below. The deed by the City

pursuant to such consent conveys all right, title, and interest acquired by each such taxing units, subject to any right of redemption, and shall restrict the Property to be used by the purchaser in a manner consistent with the City's urban redevelopment plan or affordable .

4. Mechanism. The City shall select the tax-foreclosed properties that will be conveyed in accordance with the Statute and this Agreement and notify the other Parties of its Interlocal Agreement for Sale of Tax-Foreclosed Properties and the intent to sell each Property pursuant to this Agreement. Upon consent of the Parties, the City or its designee shall sell the Properties under the terms and conditions established by the City to a qualified non-profit or for-profit housing developer or to a qualified community development housing organization for development and construction of affordable houses on the selected Properties in accordance with the Statute and this Agreement. The Parties agree that any proceeds from the sale of each Property subject to this Agreement by the City shall be first paid to the City to reimburse its costs, if any, pursuant to Texas Tax Code §34.06(c). After retaining the amounts authorized by this subsection, the proceeds of the sale, if any, shall be distributed pursuant to Texas Tax Code §34.06(d) and (e).

5. Period/Term and Termination. This Agreement shall become effective on the final date of execution, as indicated below, and shall be in effect for a period of five (5) years, and shall remain in effect until terminated by mutual consent of the Parties or by any Party for any reason with an effective written thirty (30) day notice to the other Parties. Upon termination, the City agrees to sell any Property that has not yet been sold by the City pursuant to this Agreement in compliance with Texas Tax Code §34.05.

6. Notice. Any notice required or permitted between the Parties under this Agreement must be in writing, addressed to the attention of each respective designated representative, and shall be delivered in person or sent by certified mail, return receipt requested, to the address set below for each Party.

To Garland:

Mona Woodard
Community Development Department
City of Garland
800 Main Street
Garland, Texas 75040

To Dallas County:

Dallas County Judge
Dallas County Records Building
500 Elm Street, Suite #7000
Dallas, Texas 75202

Director of Public Works
Dallas County Records Building
500 Elm Street, Suite 5300
Dallas, Texas 75202

To Garland Independent School District:

Superintendent
Garland ISD
501 S. Jupiter Road
Garland, TX 75042

To Dallas County Hospital District:

General Counsel, Legal Affairs
Parkland Health & Hospital System
5201 Harry Hines Boulevard
Dallas, Texas 75235

To Dallas County Commissioners Court:

Dallas County Judge
Dallas County Records Building
500 Elm Street, Suite #7000
Dallas, Texas 75202

To Dallas College:

Chief Financial Officer, Business Affairs
Dallas County College
4343 IH 30
Mesquite, Texas 75150

7. Indemnification. County and City agree that each shall be responsible for its own negligent acts or omissions or other tortious conduct in the course of performance of this Agreement, without waiving any governmental immunity available to County or City or their respective officials, officers, employees, or agents under Texas or other law and without waiving any available defenses under Texas or other law. Nothing in this paragraph shall be construed to create or grant any rights, contractual, or otherwise, in or to any third persons or entities.

8. Written Amendment. This Agreement may be amended only by the mutual written agreement of the Parties.

9. Severability. If any part of or provision contained in this Agreement is held to be invalid for any reason, such part shall be deemed severable and the remaining parts shall remain binding to their full force and effect as if the invalid provision was never included in the Agreement.

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

11. <u>No Waiver of Immunity.</u> No Party waives or relinquishes any immunity or defense on behalf of itself, its officers, employees, and/or agents as a result of its execution of this Agreement and performance of the terms contained herein.

12. <u>Entire Agreement.</u> This Agreement constitutes the entire agreement between the parties under Texas Tax Code §34.051, and any other prior understandings, or agreements, whether written or oral, between them are merged into this Agreement.

13. <u>Governing Law and Venue.</u> This Agreement and all of the rights and obligations of the Parties hereto and all of the terms and conditions hereof shall be construed, interpreted, and applied in accordance with and governed by and enforced under the laws of the State of Texas, and the Parties hereto agree that venue shall be in Dallas County, Texas.

14. NEITHER THIS AGREEMENT, NOR ANY PART THEREOF, NOR ANY DISPUTE ARISING HEREINUNDER, IS SUBJECT TO ARBITRATION.

15. <u>Headings.</u> The headings of any section of this Agreement have be included for convenience only and are not to be used in the interpretation of any provision to enlarge or limit the terms thereof.

16. <u>No Third-Party Beneficiaries.</u> The terms and provisions of this Agreement are for the benefit of the Parties hereto and not for the benefit of any third party. It is the express intention of City, County, and GISD that any entity other than City, County, and GISD receiving services or benefits under this Agreement shall be deemed an incidental beneficiary only. This Agreement is intended only to set forth the contractual right and responsibilities of the parties hereto.

17. <u>Assignment.</u> This Agreement may not be assigned or transferred by the Parties without prior written consent of the other Parties.

18. <u>Binding Agreement; Parties Bound.</u> Upon execution by the Parties, this Agreement shall constitute a legal valid, and binding obligation of the Parties, their successors, and permitted assigns.

19. <u>Authority.</u> The undersigned represent that they have authority to sign this Agreement on behalf of their entity and that such binding authority has been granted by proper order, resolution, ordinance, or other authorization of the governing body of each Party.

20. <u>Counterparts.</u> This Agreement may be executed in counterparts, each taken together to represent the full and valid agreement of the Parties.

21. <u>Effective Date.</u> The Agreement shall commence on the Effective Date. The Effective Date of this Agreement shall be the date it is executed by the last of the parties. Reference to the date of execution shall mean the Effective Date.

22. <u>No Joint Enterprise/Venture.</u> The Parties agree that no Party is an agent, servant, or employee of the other Parties. The Parties, including their agents, servants, or employees, are independent contractors, and not an agent, servant, joint enterprise/venture, or employee of any other party, and are responsible for their own acts, forbearance, negligence, and deeds, and for

those of their agents, servants, or employees in conjunction with this Agreement. No joint enterprise/venture exists between the Parties.

[Signatures on following page.]

STATE OF TEXAS	**§**	**INTERLOCAL AGREEMENT FOR SALE OF**
	§	**TAX-FORECLOSED PROPERTIES**
COUNTY OF DALLAS	**§**	

Executed this _____ day of _________________, 2024, by the **City of Garland**, signing by and through its City Manager, duly authorized to execute same by City Resolution No. __________ on ______________, 2024.

CITY OF GARLAND:

By: _________________________
Judson Rex, City Manager

APPROVED AS TO FORM:

By: _________________________
Legal Counsel

ATTESTED:

By: _________________________
City Secretary

STATE OF TEXAS § INTERLOCAL AGREEMENT FOR SALE OF
§ TAX-FORECLOSED PROPERTIES
COUNTY OF DALLAS §

Executed this _____ day of _________________, 2024, by the **County of Dallas**, signing by and through its County Judge, duly authorized to execute same by Commissioners Court Order No. _________________ on ___________________, 2024.

COUNTY OF DALLAS:

By: _________________________

Clay Lewis Jenkins
Dallas County Judge

***APPROVED AS TO FORM:**

JOHN CREUZOT
DISTRICT ATTORNEY

By: _________________________
Cortney Parker
Assistant District Attorney

*By law, the District Attorney's Office may only advise or approve contracts or legal documents on behalf of its clients. It may not advise or approve a contract or legal document on behalf of other parties. Our review of this document was conducted solely from the legal perspective of our client. Our approval of this document was offered solely for the benefit of our client. Other parties should not rely on this approval, and should seek review and approval by their own respective attorney(s).

STATE OF TEXAS	**§**	**INTERLOCAL AGREEMENT FOR SALE OF**
	§	**TAX-FORECLOSED PROPERTIES**
COUNTY OF DALLAS	**§**	

Executed this _____ day of _________________, 2024, by **Garland Independent School District**, signing by and through its Board President, duly authorized to execute same by Board Resolution No. __________ on ______________, 2024.

GARLAND INDEPENDENT SCHOOL DISTRICT:	**APPROVED AS TO FORM:**
By: _________________________ Dr. Ricardo Lopez, Superintendent	By: _________________________ Legal Counsel
	ATTESTED:
	By: _________________________ Secretary of the Board

STATE OF TEXAS	**§**	**INTERLOCAL AGREEMENT FOR SALE OF**
	§	**TAX-FORECLOSED PROPERTIES**
COUNTY OF DALLAS	**§**	

Executed this _____ day of _________________, 2024, by **Dallas County Hospital District**, signing by and through its Executive Vice President and Chief Financial Officer, duly authorized to execute same by Dallas County Hospital District Manager's Resolution No. __________ on ______________, 2024.

DALLAS COUNTY HOSPITAL DISTRICT: **APPROVED AS TO FORM:**

By: _________________________
Executive Vice-President & CFO

By: _________________________
Legal Counsel

STATE OF TEXAS	**§**	**INTERLOCAL AGREEMENT FOR SALE OF**
	§	**TAX-FORECLOSED PROPERTIES**
COUNTY OF DALLAS	**§**	

Executed this _____ day of _________________, 2024, by **Dallas College**, signing by and through its Chief Financial Officer, duly authorized to execute same by vote of the Board on _____________________, 2024.

DALLAS COLLEGE:

By: _________________________
Chief Financial Officer

APPROVED AS TO FORM:

By: _________________________
Legal Counsel

STATE OF TEXAS	§	**INTERLOCAL AGREEMENT FOR SALE OF**
	§	**TAX-FORECLOSED PROPERTIES**
COUNTY OF DALLAS	§	

Executed this _____ day of _________________, 2024, by **Dallas County Commissioners Court, on behalf of the Dallas County School Equalization Fund,** signing by and through its County Judge, duly authorized to execute same by Commissioner's Court Order No. __________ on ______________, 2024.

COMMISSIONERS COURT OF DALLAS COUNTY:

By: ___________________________
Clay Lewis Jenkins
Dallas County Judge

***APPROVED AS TO FORM:**

JOHN CREUZOT
DISTRICT ATTORNEY

By: ___________________________
Cortney Parker
Assistant District Attorney

*By law, the District Attorney's Office may only advise or approve contracts or legal documents on behalf of its clients. It may not advise or approve a contract or legal document on behalf of other parties. Our review of this document was conducted solely from the legal perspective of our client. Our approval of this document was offered solely for the benefit of our client. Other parties should not rely on this approval, and should seek review and approval by their own respective attorney(s).

RESOLUTION NO. _____________

A RESOLUTION AUTHORIZING THE CITY MANAGER TO EXECUTE AN INTERLOCAL AGREEMENT WITH DALLAS COUNTY AND GARLAND INDEPENDENT SCHOOL DISTRICT FOR THE SALE OF TAX-FORECLOSED PROPERTIES; AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, the Interlocal Cooperation Act, Government Code Chapter 791, authorizes any local government to contract with one or more local governments to perform governmental functions and services;

WHEREAS, Texas Tax Code Chapter 34 permits the foreclosure of a tax lien and sale of real property;

WHEREAS, following the tax-foreclosure sale, certain properties remain unsold and Texas Tax Code § 34.01(j)-(k) allows them to be struck off to the City on its behalf and/or on behalf of one or more of the other taxing entities;

WHEREAS, Texas Tax Code § 34.051 specifically authorizes the City to enter into an interlocal agreement with other taxing units to obtain consent to terms and conditions governing the City's resale of certain tax-foreclosed properties for less than the market value specified in the judgment of foreclosure or less than the total amount of judgment against the property for the purpose stated herein;

WHEREAS, the City, the County of Dallas, a political subdivision of the State of Texas, on its own behalf and on behalf of the other political subdivisions of Dallas County Hospital District, Dallas County School Equalization Fund, and Dallas College (collectively "Dallas County"), and the Garland Independent School District ("GISD") desire to enter into an interlocal agreement for the purpose of compliance with Texas Tax Code § 34.051;

WHEREAS, the principal goal of the agreement, pursuant to subsection (b)(4) of Texas Tax Code § 34.051 is to provide an efficient mechanism for returning deteriorated or unproductive properties to the tax rolls, enhancing the value of ownership to surrounding properties and improving safety and quality of life in deteriorating neighborhoods; and

WHEREAS, the City Council finds this interlocal agreement to be consistent with the City's 2020-2024 Consolidated Plan and the 2023 Annual Action plan and is in the public interest;

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

Section 1

That the City Manager is hereby authorized to execute an Interlocal Agreement for Sale of Tax-Foreclosed Properties with Dallas County and GISD, in accordance with the Interlocal Cooperation Act and Texas Tax Code Chapter 34, which is attached hereto as Exhibit "A" and incorporated herein by reference.

Section 2

That this Resolution shall be and become effective immediately upon and after its adoption and approval.

PASSED AND APPROVED this the ____ day of ______________, 2024.

CITY OF GARLAND, TEXAS

____
Mayor

ATTEST:

____
Deputy City Secretary

GARLAND

CITY COUNCIL STAFF REPORT

City Council Work Session 2.

Meeting Date: 09/03/2024

Title: Employee Health Clinic Facility Rental

Submitted By: Kristen Smith, Managing Director

Strategic Focus Area: Well-Maintained City Infrastructure
Future-Focused City Organization

Issue/Summary

Funded through Group Health, the CCC is operated through contributions from various city departments, employee, and retiree medical premiums. Current budgeted expenses include primarily personnel, operational supplies, and service agreements.

The relocation of services will result in the following anticipated annual leasing costs, representing a six-year total of $983,210.

Annual Lease Calculation

Year	1	2	3	4	5	6
Base Rent PSF	$19.50	$20.09	$20.69	$21.31	$21.95	$22.61
Opex PSF	$10.87	$11.20	$11.53	$11.88	$12.23	$12.60
Total PSF	$30.37	$31.28	$32.22	$33.19	$34.18	$35.21
Annual Rent	**$152,001.85**	**$156,561.91**	**$161,258.76**	**$166,096.53**	**$171,079.42**	**$176,211.80**

Due to the complexities of re-locating a medical practice and required property modifications, a longer lease term is recommended initially. Although not confirmed, it is anticipated that the vacated CCC space will be utilized to reduce or offset leasing costs of another city department.

Regardless of short-term usage, a multi-year plan will be developed to address facility deficiencies and determine the feasibility of the CCC returning to their former or a comparable city-owned alternative at a future date.

Background

The current employee health clinic, CityCare Clinic (CCC), is located at 1720 Commerce St. The city-owned location is shared by the Health Department, Warehouse Services, and various frontline service units. Following a recent assessment, the facility was found to be insufficient in several areas, including HVAC, air quality controls, lighting, etc.

- Most pertinent of the findings were deficiencies related to minimum standards for ventilation in a medical office setting.
- In addition, the current facility layout limits provider-patient confidentiality, with various patients and staff receiving or providing services within earshot.
- Lastly, CCC patient volume exceeds available parking options, especially during peak hours designated for employee acute care. As a result, sick patients are forced to park away from the facility and walk to receive services.

As a result of the assessment, exploration began to address facility concerns and potential non-medical use cases for the vacated space.

A CCC location has been identified in the Valoris Healthpark, located at 530 Clara Barton Rd., Ste. 250. The named location is a former medical office space, requiring minimal improvements to meet the current and projected future needs of the CCC.

Consideration / Recommendation

Staff is requesting approval to enter into a multi-year lease agreement for the property located at 530 Clara Barton Rd., Ste. 250 as defined above. Occupancy and lease initiation is expected in Q4 FY 23-24, and will be renewable for six (6) consecutive years.

Unless otherwise directed by Council, this item will be scheduled for formal consideration at the September 3, 2024 Regular Session.

Attachments

Employee Health Clinic Facility Rental

GARLAND

City Council Work Session Agenda

Meeting Date:	Monday, September 3, 2024
Item Title:	Employee Health Clinic Facility Rental
Submitted By:	Kristen Smith, Managing Director

BACKGROUND

The current employee health clinic, CityCare Clinic (CCC), is located at 1720 Commerce St. The city-owned location is shared by the Health Department, Warehouse Services, and various frontline service units. Following a recent assessment, the facility was found to be insufficient in several areas, including HVAC, air quality controls, lighting, etc.

- Most pertinent of the findings were deficiencies related to minimum standards for ventilation in a medical office setting.
- In addition, current facility layout limits provider-patient confidentiality, with various patients and staff receiving or providing services within earshot.
- Lastly, CCC patient volume exceeds available parking options, especially during peak hours designated for employee acute care. As a result, sick patients are forced to park away from the facility and walk to receive services.

As a result of the assessment, exploration began to address facility concerns and potential non-medical use cases for the vacated space.

A CCC location has been identified in the Valoris Healthpark, located at 530 Clara Barton Rd., Ste. 250. The named location is a former medical office space, requiring minimal improvements to meet the current and projected future needs of the CCC.

IMPACT

Funded through Group Health, the CCC is operated through contributions from various city departments, employee, and retiree medical premiums. Current budgeted expenses include primarily personnel, operational supplies, and service agreements.

The relocation of services will result in the following anticipated annual leasing costs, representing a six-year total of $983,210.

Annual Lease Calculation

Year	1	2	3	4	5	6
Base Rent PSF	$19.50	$20.09	$20.69	$21.31	$21.95	$22.61
Opex PSF	$10.87	$11.20	$11.53	$11.88	$12.23	$12.60
Total PSF	$30.37	$31.28	$32.22	$33.19	$34.18	$35.21
Annual Rent	**$152,001.85**	**$156,561.91**	**$161,258.76**	**$166,096.53**	**$171,079.42**	**$176,211.80**

Due to the complexities of re-locating a medical practice and required property modifications, a longer lease term is recommended initially. Although not confirmed, it is anticipated that the vacated CCC space will be utilized to reduce or offset leasing costs of another city department.

Regardless of short-term usage, a multi-year plan will be developed to address facility deficiencies and determine the feasibility of the CCC returning to their former or a comparable city-owned alternative at a future date.

RECOMMENDATION

Staff is requesting approval to enter into a multi-year lease agreement for the property located at 530 Clara Barton Rd., Ste. 250 as defined above. Occupancy and lease initiation is expected in Q4 FY 23-24, and will be renewable for six (6) consecutive years.

Unless otherwise directed by Council, this item will be scheduled for formal consideration at the September 3, 2024 Regular Session.

GARLAND

CITY COUNCIL STAFF REPORT

City Council Work Session 3.

Meeting Date: 09/03/2024

Title: Employee Health Clinic Onsite Services Agreement

Submitted By: Kristen Smith, Managing Director

Strategic Focus Area: Future-Focused City Organization

Issue/Summary

With realignment of staffing and operational expenses, the financial impact of the transition is expected to be cost-neutral.

- One-time fees are expected to be incurred at launch. However, most are related to replacement of existing CCC equipment that is outdated or no longer functional.
- Additional one-time fees are related to outfitting the new Clinic location to meet requirements for medical accreditation and other standards.

	Projected FY 24-25 CityCare Budget	**CareATC Year 1 Estimate***
Salaries and Wages	$1,062,240	1,117,387.79
Benefits	$218,740	$184,962
Dues & Memberships	$8,192	$4,000
Liability Insurance	$10,500	$5,000
Other Services	$77,235	$164,659
Professional Development	$24,700	$9,000
Supplies and Materials	$134,800	$34,588
	$1,536,407	**$1,519,597**

**Excludes one-time fees*

Background

The current employee health clinic, CityCare Clinic (CCC), is a full-service medical practice, providing services to employees, pre-65 retirees, and dependents covered on city health plans. In addition, the CCC provides pre-employment screening, physicals, services related to regulatory drug and alcohol testing, and workplace injuries/illnesses. All services are provided at no cost to patients and access represents claims cost-avoidance by the City.

Operated autonomously since its inception, the CCC is currently staffed with two full-time medical providers (Physician's Assistant and Nurse Practitioner) and a part-time, remote Supervising Physician. Additional staff include full-time medical and administrative personnel. All operating costs are funded through the Group Health Fund.

While the CCC has been, and remains, a valuable health benefit, exploration has been completed to enhance the following…

- Medical Oversight
- Cost-containment
- Clinical Best Practices
- Risk Reduction
- Patient Engagement
- Quantifiable Metrics on ROI
- Service Expansion, including Behavioral Health

As a result, the city reviewed options to identify an external partner for management of clinic services. Through this process, CareATC, a trusted leader supporting over 120 employee clinics nationwide has been identified. Most notably, CareATC is the current onsite management partner for the City of Carrollton, City of Dallas, and City of Arlington. Their service model closely mirrors current CCC operations, resulting in minimal to no impact to current and future patients.

In addition to identifying a new onsite management partner, the CityCare Clinic will be relocated due to insufficiencies in the current facility. A separate item entitled, Employee Health Clinic Facility Rental, has been presented for City Council consideration on September 3, 2024.

Consideration / Recommendation

Staff is requesting approval to enter into an Onsite Service Agreement with Care ATC for oversight of the CityCare Clinic. Pursuant to Chapter 791 of the Texas Government Code, the agreement meets the terms and conditions of existing Interlocal Agreement with the Collin County Governmental Purchaser's Forum.

Unless otherwise directed by Council, this item will be scheduled for formal consideration at the September 3, 2024 Regular Session.

Attachments

Employee Health Clinic Onsite Services Agreement

City Council Work Session Agenda

Meeting Date:	Monday, September 3, 2024
Item Title:	Employee Health Clinic Onsite Services Agreement
Submitted By:	Kristen Smith, Managing Director

BACKGROUND

The current employee health clinic, CityCare Clinic (CCC), is a full-service medical practice, providing services to employees, pre-65 retirees, and dependents covered on city health plans. In addition, the CCC provides pre-employment screening, physicals, services related to regulatory drug and alcohol testing, and workplace injuries/illnesses. All services are provided at no cost to patients and access represents claims cost-avoidance by the City.

Operated autonomously since its inception, the CCC is currently staffed with two full-time medical providers (Physician's Assistant and Nurse Practitioner) and a part-time, remote Supervising Physician. Additional staff include full-time medical and administrative personnel. All operating costs are funded through the Group Health Fund.

While the CCC has been, and remains, a valuable health benefit, exploration has been completed to enhance the following…

- Medical Oversight
- Cost-containment
- Clinical Best Practices
- Risk Reduction
- Patient Engagement
- Quantifiable Metrics on ROI
- Service Expansion, including Behavioral Health

As a result, the city reviewed options to identify an external partner for management of clinic services. Through this process, CareATC, a trusted leader supporting over 120 employee clinics nationwide has been identified. Most notably, CareATC is the current onsite management partner for the City of Carrollton, City of Dallas, and City of Arlington. Their service model closely mirrors current CCC operations, resulting in minimal to no impact to current and future patients.

In addition to identifying a new onsite management partner, the CityCare Clinic will be relocated due to insufficiencies in the current facility. A separate item entitled, Employee Health Clinic Facility Rental, has been presented for City Council consideration on September 3, 2024.

IMPACT

With realignment of staffing and operational expenses, the financial impact of the transition is expected to cost-neutral.

- One-time fees are expected to be incurred at launch, however, most are related to replacement of existing CCC equipment that is outdated or no longer functional.

- Additional one-time fees are related to outfitting the new Clinic location to meet requirements for medical accreditation and other standards.

	Projected FY 24-25 CityCare Budget	**CareATC Year 1 Estimate***
Salaries and Wages	$1,062,240	1,117,387.79
Benefits	$218,740	$184,962
Dues & Memberships	$8,192	$4,000
Liability Insurance	$10,500	$5,000
Other Services	$77,235	$164,659
Professional Development	$24,700	$9,000
Supplies and Materials	$134,800	$34,588
	$1,536,407	**$1,519,597**

**Excludes one-time fees*

RECOMMENDATION

Staff is requesting approval to enter into an Onsite Service Agreement with Care ATC for oversight of the CityCare Clinic. Pursuant to Chapter 791 of the Texas Government Code, the agreement meets the terms and conditions of existing Interlocal Agreement with the Collin County Governmental Purchaser's Forum.

Unless otherwise directed by Council, this item will be scheduled for formal consideration at the September 3, 2024 Regular Session.

GARLAND

CITY COUNCIL STAFF REPORT

City Council Work Session 4.

Meeting Date: 09/03/2024

Title: Term Contract for Major Medical Services

Submitted By: Kristen Smith, Managing Director

Strategic Focus Area: Sound Governance and Finances
Future-Focused City Organization

Issue/Summary

Based on evaluation, the following respondents received the highest overall rating.

- **Medical Third-party Administration, Pharmacy Services**

Blue Cross Blue Shield of Texas/Prime Therapeutics (Incumbent)

Estimated Premium Credit (w/ rebates): $5,964,545

  - $225,000 Wellness Allowance
  - $50,000 Communication Allowance
  - $25,000 External Audit Allowance

- **Stop Loss Coverage**

Blue Cross Blue Shield of Texas (Incumbent)

Estimated Premium: $3,567,494

  - One-time $100K credit
  - No new laser contract for existing participants
  - 50% rate cap in 2026

- **Dental Services**

Blue Cross Blue Shield of Texas (new awardee)

Estimated Premium: $86,770

  - One-time $25K Credit

- **Employee Vision**

MetLife (Incumbent)

Estimated Premium: $264,645

- **Retiree Vision**

VSP (Incumbent)

Estimated Premium: $79,511

Background

As part of a multi-year Benefit Strategic Plan, the city conducted a competitive bidding process for major medical services. In conjunction with the city's benefits broker, HUB International, request for proposals (0711-24) were requested for Medical Third-party Administration, Pharmacy Services, Stop Loss, Dental and Vision Insurance. City health plans support over 5,000 members, which include participating employees, pre-65 retirees, and dependents.

Proposal responses were reviewed based on the following areas:

- Demonstrated superior member service and claims processing
- Ability to proactively meet the City's service needs
- Willingness, experience, and capability to effectively administer the programs
- Ability for bundling various coverage options for savings
- Support during the implementation process
- Minimal impact to provider networks

Consideration / Recommendation

Staff is requesting approval to enter into term contracts with each of the respondents identified above. In anticipation of acceptance, proposed rates, credits, and allowances are reflected in the FY 24-25 Proposed Budget.

Unless otherwise directed by Council, this item will be scheduled for formal consideration at the September 17, 2024 Regular Session.

Attachments

Term Contract for Major Medical Services

City Council Work Session Agenda

Meeting Date:	Monday, September 3, 2024
Item Title:	Term Contract for Major Medical Services
Submitted By:	Kristen Smith, Managing Director

BACKGROUND

As part of a multi-year Benefit Strategic Plan, the city conducted a competitive bidding process for major medical services. In conjunction with the city's benefits broker, HUB International, request for proposals (0711-24) were requested for Medical Third-party Administration, Pharmacy Services, Stop Loss, Dental and Vision Insurance. City health plans support over 5,000 members, which include participating employees, pre-65 retirees, and dependents.

Proposal responses were reviewed based on the following areas:

- Demonstrated superior member service and claims processing
- Ability to proactively meet the City's service needs
- Willingness, experience, and capability to effectively administer the programs
- Ability for bundling various coverage options for savings
- Support during the implementation process
- Minimal impact to provider networks

IMPACT

Based on evaluation, the following respondents received the highest overall rating.

- **Medical Third-party Administration, Pharmacy Services**
  Blue Cross Blue Shield of Texas/Prime Therapeutics (Incumbent)

  <u>Estimated Premium Credit (w/ rebates): $5,964,545</u>
  - $225,000 Wellness Allowance
  - $50,000 Communication Allowance
  - $25,000 External Audit Allowance

- **Stop Loss Coverage**
  Blue Cross Blue Shield of Texas (Incumbent)

Estimated Premium: $3,567,494

- One-time $100K credit
- No new laser contract for existing participants
- 50% rate cap in 2026

- **Dental Services**
  Blue Cross Blue Shield of Texas (new awardee)

  Estimated Premium: $86,770
  - One-time $25K Credit

- **Employee Vision**
  MetLife (Incumbent)

  Estimated Premium: $264,645

- **Retiree Vision**
  VSP (Incumbent)

  Estimated Premium: $79,511

RECOMMENDATION

Staff is requesting approval to enter into term contracts with each of the respondents identified above. In anticipation of acceptance, proposed rates, credits, and allowances are reflected in the FY 24-25 Proposed Budget.

Unless otherwise directed by Council, this item will be scheduled for formal consideration at the September 3, 2024 Regular Session.

GARLAND

CITY COUNCIL STAFF REPORT

City Council Work Session 5.

Meeting Date:	09/03/2024
Title:	Atmos Settlement Agreement
Submitted By:	Matt Watson, Chief Financial Officer
Strategic Focus Area:	Sound Governance and Finances

Issue/Summary

Council is requested to consider approval of the Settlement Agreement with Atmos Energy Mid-Tex Division ("Atmos") and the resulting rate change under the Rate Review Mechanism (RRM) tariff.

Background

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

Since 2007, there have been several modifications to the original RRM Tariff. The most recent iteration of an RRM Tariff was reflected in an ordinance adopted by ACSC members in 2018. On or about April 1, 2024, Atmos filed a rate request pursuant to the RRM Tariff adopted by ACSC members. The Company claimed that its cost-of-service in a test year ending December 31, 2023, entitled it to additional system-wide revenues of $196.8 million. Application of the standards set forth in ACSC's RRM Tariff reduces Atmos request to $182.5 million, $132.6 million of which would be applicable to ACSC members. ACSC's consultants concluded that the system-wide deficiency under the RRM regime should be $149.6 million instead of the claimed $182.5 million.

After Atmos reviewed ACSC's consultants' report, ACSC's Executive Committee and Atmos negotiated a settlement whereby Atmos would receive an increase of $164.7 million. This is a reduction of $32.1 million to Atmos initial request. The effective date for new rates is October 1, 2024. The impact of the settlement on average residential rates is an increase of $5.52 on a monthly basis or 6.84%. The increase for average commercial usage will be $13.39 or 3.44%.

Consideration / Recommendation

The ACSC Executive Committee consisting of city employees of 18 ACSC members urges all City's to pass the resolution before September 30, 2024. Unless otherwise directed by Council, the attached resolution will be formally presented at the September 17, 2024 Regular Council Meeting.

Attachments

Draft Resolution
Average Bill Impact

RESOLUTION NO. ___________

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ________________________, TEXAS, APPROVING A NEGOTIATED SETTLEMENT BETWEEN THE ATMOS CITIES STEERING COMMITTEE ("ACSC") AND ATMOS ENERGY CORP., MID-TEX DIVISION REGARDING THE COMPANY'S 2024 RATE REVIEW MECHANISM FILING; DECLARING EXISTING RATES TO BE UNREASONABLE; ADOPTING TARIFFS THAT REFLECT RATE ADJUSTMENTS CONSISTENT WITH THE NEGOTIATED SETTLEMENT; FINDING THE RATES TO BE SET BY THE ATTACHED SETTLEMENT TARIFFS TO BE JUST AND REASONABLE AND IN THE PUBLIC INTEREST; APPROVING AN ATTACHMENT ESTABLISHING A BENCHMARK FOR PENSIONS AND RETIREE MEDICAL BENEFITS; REQUIRING THE COMPANY TO REIMBURSE ACSC'S REASONABLE RATEMAKING EXPENSES; DETERMINING THAT THIS RESOLUTION WAS PASSED IN ACCORDANCE WITH THE REQUIREMENTS OF THE TEXAS OPEN MEETINGS ACT; ADOPTING A SAVINGS CLAUSE; DECLARING AN EFFECTIVE DATE; AND REQUIRING DELIVERY OF THIS RESOLUTION TO THE COMPANY AND THE ACSC'S LEGAL COUNSEL.

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

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

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

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

WHEREAS, the current RRM tariff was adopted by the City in a rate ordinance in 2018; and

WHEREAS, on about April 1, 2024, Atmos Mid-Tex filed its 2024 RRM rate request with ACSC Cities based on a test year ending December 31, 2023; and

WHEREAS, ACSC coordinated its review of the Atmos Mid-Tex 2024 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 $164.7 million on a system-wide basis with an Effective Date of October 1, 2024; and

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

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

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

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

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

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

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

Section 2. That, without prejudice to future litigation of any issue identified by ACSC, the City Council finds that the settled amount of an increase in revenues of $164.7 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 2024 RRM filing, is in the public interest, and is consistent with the City's authority under Section 103.001 of the Texas Utilities Code.

Section 3. That despite finding Atmos Mid-Tex's plant-in-service to be reasonable, ACSC is not foreclosed in future cases from evaluating the reasonableness of costs associated with incidents involving leaks of natural gas.

Section 4. That the existing rates for natural gas service provided by Atmos Mid-Tex are unreasonable. The new tariffs attached hereto and incorporated herein as Attachment 1, are just and reasonable, and are designed to allow Atmos Mid-Tex to recover annually an additional $164.7 million on a system-wide basis, over the amount allowed under currently approved rates. Such tariffs are hereby adopted.

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

Section 6. That Atmos Mid-Tex shall reimburse the reasonable ratemaking expenses of the ACSC in processing the Company's 2024 RRM filing.

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

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

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

Section 10. That consistent with the City Ordinance that established the RRM process, this Resolution shall become effective from and after its passage with rates authorized by attached tariffs to be effective for bills rendered on or after October 1, 2024.

Section 11. That a copy of this Resolution shall be sent to Atmos Mid-Tex, care of Chris Felan, Vice President of Rates and Regulatory Affairs Mid-Tex Division, Atmos Energy Corporation, 5420 LBJ Freeway, Suite 1862, Dallas, Texas 75240, and to Thomas Brocato, General Counsel to ACSC, at Lloyd Gosselink Rochelle & Townsend, P.C., 816 Congress Avenue, Suite 1900, Austin, Texas 78701.

DULY PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF ____________________, TEXAS, BY A VOTE OF ____ TO ____, ON THIS THE __________ DAY OF ______________________, 2024.

____
Mayor

ATTEST:

____
City Secretary

APPROVED AS TO FORM:

____
City Attorney

ATMOS ENERGY CORP., MID-TEX DIVISION
MID-TEX RATE REVIEW MECHANISM
AVERAGE BILL COMPARISON - BASE RATES
TEST YEAR ENDING DECEMBER 31, 2023

Line No.	Description (a)							Current (b)	Proposed (c)	Change Amount (d)	Change Percent (e)
1	**Rate R @ 42.8 Ccf**										
2	Customer charge							$ 22.25			
3	Consumption charge	42.8		CCF	X	$ 0.48567	=	20.79			
4	Rider GCR Part A	42.8		CCF	X	$ 0.27958	=	11.97			
5	Rider GCR Part B	42.8		CCF	X	$ 0.47494	=	20.33			
6	Subtotal							$ 75.34			
7	Rider FF & Rider TAX		$ 75.34		X	0.07196	=	5.42			
8	Total							$ 80.76			
9											
10	Customer charge								$ 22.95		
11	Consumption charge	42.8		CCF	X	$ 0.58974	=		25.24		
12	Rider GCR Part A	42.8		CCF	X	$ 0.27958	=		11.97		
13	Rider GCR Part B	42.8		CCF	X	$ 0.47494	=		20.33		
14	Subtotal								$ 80.49		
15	Rider FF & Rider TAX		$ 80.49		X	0.07196	=		5.79		
16	Total								$ 86.28	$ 5.52	6.84%
17											

ATMOS ENERGY CORP., MID-TEX DIVISION
MID-TEX RATE REVIEW MECHANISM
AVERAGE BILL COMPARISON - BASE RATES
TEST YEAR ENDING DECEMBER 31, 2023

Line No.	Description								Current	Proposed	Change Amount	Change Percent
	(a)								(b)	(c)	(d)	(e)
18	**Rate C @ 363.6 Ccf**											
19	Customer charge								$ 72.00			
20	Consumption charge	363.6		CCF	X	$	0.18280	=	66.47			
21	Rider GCR Part A	363.6		CCF	X	$	0.27958	=	101.67			
22	Rider GCR Part B	363.6		CCF	X	$	0.33806	=	122.93			
23	Subtotal								$ 363.07			
24	Rider FF & Rider TAX		$	363.07	X		0.07196	=	26.13			
25	Total								$ 389.20			
26												
27	Customer charge									$ 81.75		
28	Consumption charge	363.6		CCF	X	$	0.19033	=		69.21		
29	Rider GCR Part A	363.6		CCF	X	$	0.27958	=		101.67		
30	Rider GCR Part B	363.6		CCF	X	$	0.33806	=		122.93		
31	Subtotal									$ 375.56		
32	Rider FF & Rider TAX		$	375.56	X		0.07196	=		27.03		
33	Total									$ 402.59	$ 13.39	3.44%
34												

ATMOS ENERGY CORP., MID-TEX DIVISION
MID-TEX RATE REVIEW MECHANISM
AVERAGE BILL COMPARISON - BASE RATES
TEST YEAR ENDING DECEMBER 31, 2023

Line No.	Description							Current	Proposed	Change Amount	Change Percent
	(a)							(b)	(c)	(d)	(e)
35	**Rate I @ 1335 MMBTU**										
36	Customer charge							$ 1,382.00			
37	Consumption charge	1,335	MMBTU	X	$	0.7484	=	998.94			
38	Consumption charge	0	MMBTU	X	$	0.5963	=	-			
39	Consumption charge	0	MMBTU	X	$	0.2693	=	-			
40	Rider GCR Part A	1,335	MMBTU	X	$	2.7303	=	3,644.33			
41	Rider GCR Part B	1,335	MMBTU	X	$	0.7337	=	979.37			
42	Subtotal							$ 7,004.64			
43	Rider FF & Rider TAX		$ 7,004.64	X		0.07196	=	504.08			
44	Total							$ 7,508.72			
45											
46	Customer charge								$ 1,587.75		
47	Consumption charge	1,335	MMBTU	X	$	0.6553	=		874.67		
48	Consumption charge	0	MMBTU	X	$	0.4799	=		-		
49	Consumption charge	0	MMBTU	X	$	0.1029	=		-		
50	Rider GCR Part A	1,335	MMBTU	X	$	2.7303	=		3,644.33		
51	Rider GCR Part B	1,335	MMBTU	X	$	0.7337	=		979.37		
52	Subtotal								$ 7,086.12		
53	Rider FF & Rider TAX		$ 7,086.12	X		0.07196	=		509.94		
54	Total								$ 7,596.06	$ 87.34	1.16%
55											

ATMOS ENERGY CORP., MID-TEX DIVISION
MID-TEX RATE REVIEW MECHANISM
AVERAGE BILL COMPARISON - BASE RATES
TEST YEAR ENDING DECEMBER 31, 2023

Line No.	Description							Current	Proposed	Change Amount	Change Percent
	(a)							(b)	(c)	(d)	(e)
56	**Rate T @ 4645 MMBTU**										
57	Customer charge							$ 1,382.00			
58	Consumption charge	1,500	MMBTU	X	$	0.5684	=	852.60			
59	Consumption charge	3,145	MMBTU	X	$	0.4163	=	1,309.08			
60	Consumption charge	0	MMBTU	X	$	0.0893	=	-			
61	Rider GCR Part B	4,645	MMBTU	X	$	0.7337	=	3,407.90			
62	Subtotal							$ 6,951.58			
63	Rider FF & Rider TAX		$ 6,951.58	X		0.07196	=	500.26			
64	Total							$ 7,451.84			
65											
66	Customer charge								$ 1,587.75		
67	Consumption charge	1,500	MMBTU	X	$	0.6553	=		982.95		
68	Consumption charge	3,145	MMBTU	X	$	0.4799	=		1,509.08		
69	Consumption charge	0	MMBTU	X	$	0.1029	=		-		
70	Rider GCR Part B	4,645	MMBTU	X	$	0.7337	=		3,407.90		
71	Subtotal								$ 7,487.68		
72	Rider FF & Rider TAX		$ 7,487.68	X		0.07196	=		538.84		
73	Total								$ 8,026.52	$ 574.68	7.71%

GARLAND

CITY COUNCIL STAFF REPORT

City Council Work Session 6.

Meeting Date: 09/03/2024
Title: Household Hazardous Waste Interlocal Agreement
Submitted By: Mandy Pippen, Director
Strategic Focus Area: Safe Community

Issue/Summary

Garland's Storm Water Management Plan, approved by the Texas Commission on Environmental Quality (TCEQ), requires that Garland provide a Household Hazardous Waste (HHW) Management Program for HHW disposal. For over 25 years, Garland has contracted with Dallas County to allow Garland citizens to participate in the Dallas Area Household Hazardous Waste (HHW) Network, which operates at a fixed disposal facility (the Dallas County Home Chemical Collection Center) near Garland located at 11234 Plano Road, Dallas,Texas. The current contract expires September 30, 2024 and must be renewed to allow continued citizen participation.

Background

Garland's original Municipal Separate Storm Sewer System (MS4) permit, issued by the United States EPA in February, 1997 required the City to provide a Household Hazardous Waste Management Program. The replacement MS4 permit, issued by the State of Texas, has the same requirement for a Household Hazardous Waste Management Program. In late 1997, the City of Garland entered into a four-year interlocal agreement with Dallas County to participate in the Dallas Area HHW Network. The original contract expired in December, 2001. Council has approved several subsequent agreements, the most recent of which will expire on September 30, 2024. Household Hazardous Waste generally consists of unwanted home chemicals including insecticides, herbicides, antifreeze, latex and oil-based paints, etc. Currently, there are fifteen Dallas County cities that participate in this program and pay for their citizens' waste disposal and a proportional share of the operating expenses. In FY2022, Garland's single family homes represented 12.71% of the total HHW Network. The HHW Network's permanent collection facility at 11234 Plano Rd. (just south of Forest Lane near the Dallas/Garland boundary) is convenient to Garland residents. The facility is open three days per week and the second and fourth Saturday of each month. Due to hazards posed by the mixing of chemicals in Sanitation's collection trucks and the disposal of such wastes in Garland's landfill, HHW is not allowed to be placed in the automated trash cans.

Consideration / Recommendation

Staff recommend the City Council authorize the City Manager or designee to execute the ILA between Dallas County and the City of Garland which defines the terms and conditions to participate in the Dallas Area HHW Network. Unless otherwise directed by Council, this item will be scheduled for formal consideration at the September 3, 2024 Regular Meeting.

Attachments

2025 HHW ILA
Exhibit C2024

STATE OF TEXAS §
§
COUNTY OF DALLAS §

AMENDMENT NO. 2
TO THE HOUSEHOLD HAZARDOUS WASTE INTERLOCAL AGREEMENT
(The “Agreement”)
BETWEEN
DALLAS COUNTY
AND
CITY OF GARLAND
(The “City”)
A MEMBER CITY OF
THE DALLAS AREA HOUSEHOLD HAZARDOUS WASTE NETWORK

WHEREAS, on, August 6, 2024, the Dallas County Commissioners Court was briefed on a request from the cities of the Dallas Area Household Hazardous Waste Network to renew and revise the effective term and specify new fiscal year budgets for the Household Hazardous Waste Program Interlocal Agreement (“Agreement”) that permits four additional one-year renewals for a five-year total contract term and was authorized by Court Order 2022-0661; and

WHEREAS, the proposed Amendment No.2, along with the attachment C2025, will serve to continue the Household Hazardous Waste Program through fiscal year 2025, while updating overall program budget amounts and individual city budget limits for the new fiscal year; and

WHEREAS, proposed Amendment No. 2 contains no other changes in the basic terms and conditions of the Agreement and incurs no cost to Dallas County.

NOW THEREFORE, by execution of this Amendment No. 2, the Agreement is amended hereby with respect to the items and features described in the Articles below.

I.
PURPOSE

The purpose of this Amendment is to amend the effective term and fiscal year budget of the Agreement without change to the basic terms and provisions. No other sections, provisions, clauses or conditions of the Agreement are waived, deleted or changed hereby, and they shall remain in full force and effect throughout the term of the Agreement and any duly authorized amendments.

II.
AMENDED PROVISIONS

A. The new term of the Agreement shall be October 1, 2024, through September 30, 2025.

B. The language contained in Paragraph 1, *Section IV. City Responsibilities* shall be deleted in its entirety and replaced with the following language:

1. "A sum not to exceed________________for disposal, setup, operational, capital, and transportation costs for HHW collection for residents of the City during the period from October 1, 2024 through September 30, 2025. This figure is based on the program's annual budget contained in **Exhibit C2025** which is incorporated herein for all purposes.
   a. Collection, setup, and disposal costs will be paid after-the-fact, based on actual usage by the City at events and at the collection center.
   b. Operational and capital costs shall be paid quarterly in advance.
   c. In the event of early withdrawal, the operational and capital costs will not be pro-rated for partial quarter participation, but will become immediately due and payable in full."

C. Exhibit C2024 of the Agreement entitled *FY2024 HHW Program Budget Summary* shall be deleted and replaced with the attached Exhibit C2025 entitled *FY2025 HHW Program Budget Summary*.

IN WITNESS WHEREOF, by their signatures below, the duly authorized representatives of Dallas County and City of Garland, a member city of the Dallas Area Household Hazardous Waste Network, do hereby agree and append this Amendment No. 2 to the Agreement.

EXECUTED THIS the __________day of ____________________, 2024.

DALLAS COUNTY:

____

BY: Clay Lewis Jenkins
County Judge

APPROVED AS TO FORM:*
John Creuzot
District Attorney

____

BY: **Lacey B. Lucas**

CITY OF GARLAND:

____

BY:

ATTESTED TO:

BY: ________________________

APPROVED AS TO FORM:

BY: ________________________

* By law, the Dallas County District Attorney's Office may only advise or approve contracts or legal documents on behalf of its clients. It may not advise or approve a contract or legal document on behalf of other parties. Our review of this document was conducted solely from the legal perspective of our client. Our approval of this document was offered solely for the benefit of our client. Other parties should not rely on this approval, and should seek review and approval by their own respective attorney(s).

Exhibit C2025

FY2025 HHW PROGRAM BUDGET SUMMARY

This exhibit summarizes the total program funding for FY2025 as approved by the Dallas Area Household Hazardous Waste Network at its regular meeting on May 8, 2024, and replaces the language contained in Exhibit C2024 of the Household Hazardous Waste Program Interlocal Agreement that was authorized by Court Order 2022-0661.

- Fixed Costs include personnel expense, operating costs, and capital budget, which are shared by the Network cities based on single-family household projections published by North Central Texas Council of Governments.
- Personnel Expense includes all HHW staff salaries and fringe.
- Operating Expense includes supplies, equipment, advertising, public education, volunteer support, staff development, printing, postage, facility maintenance, utilities, and all other direct programming costs.
- Capital Expense includes building repairs, equipment repair or replacement, mechanical upgrades, and expansion projects.
- Variable costs include estimated direct costs for collection and disposal of hazardous household wastes, which vary according to actual usage and are indicated in the budget summary for planning purposes only. ***Funding for actual collection, contract labor, and disposal costs will be collected from the cities after the fact, on an as-used basis.***
- Collection/Mobilization/Disposal Budget includes estimated costs for staging of events, recycling services, waste containers, waste transportation, and disposal.
- Contract Labor Expense is for part-time, seasonal labor provided by the disposal vendor.

Budget adjustments made to the Operational Budget during the term of the Agreement shall not result in a City Funding amount that exceeds the approved budget total shown herein. The County may make line item transfers within the operating budget when these transfers do not exceed $5,000. Budget adjustments in excess of $5,000 must be approved by the HHW Network.

BUDGET SECTION	**CITY FUNDING**
FIXED COSTS (OPERATIONAL BUDGET)	
Personnel Costs	$ 758,878
Operating Costs	$ 269,075
Capital Expense	$ 100,000
Sub-Total	$ 1,1127,953
ESTIMATED VARIABLE COSTS (COLLECTION / LABOR / DISPOSAL BUDGET)	$ 1,474,000
TOTAL PROGRAM BUDGET	**$2,601,953**

Exhibit C2024

FY2022 HHW PROGRAM BUDGET SUMMARY

This exhibit summarizes the total program funding for FY2024 as approved by the Dallas Area Household Hazardous Waste Network at its regular meeting on March 23, 2023, and replaces the language contained in Exhibit C2022 of the Household Hazardous Waste Program Interlocal Agreement that was authorized by Court Order 2022-0661.

- Fixed Costs include personnel expense, operating costs, and capital budget, which are shared by the Network cities based on single-family household projections published by North Central Texas Council of Governments.
- Personnel Expense includes all HHW staff salaries and fringe.
- Operating Expense includes supplies, equipment, advertising, public education, volunteer support, staff development, printing, postage, facility maintenance, utilities, and all other direct programming costs.
- Capital Expense includes building repairs, equipment repair or replacement, mechanical upgrades, and expansion projects.
- Variable costs include estimated direct costs for collection and disposal of hazardous household wastes, which vary according to actual usage and are indicated in the budget summary for planning purposes only. ***Funding for actual collection, contract labor, and disposal costs will be collected from the cities after the fact, on an as-used basis.***
- Collection/Mobilization/Disposal Budget includes estimated costs for staging of events, recycling services, waste containers, waste transportation, and disposal.
- Contract Labor Expense is for part-time, seasonal labor provided by the disposal vendor.

Budget adjustments made to the Operational Budget during the term of the Agreement shall not result in a City Funding amount that exceeds the approved budget total shown herein. The County may make line item transfers within the operating budget when these transfers do not exceed $5,000. Budget adjustments in excess of $5,000 must be approved by the HHW Network.

BUDGET SECTION	CITY FUNDING
FIXED COSTS (OPERATIONAL BUDGET)	
Personnel Costs	$ 592,626
Operating Costs	$ 238,625
Capital Expense	$ 100,000
Sub-Total	$ 931,251
ESTIMATED VARIABLE COSTS (COLLECTION / LABOR / DISPOSAL BUDGET)	$ 1,404,000
TOTAL PROGRAM BUDGET	**$2,335,251**

GARLAND

CITY COUNCIL STAFF REPORT

City Council Work Session 7.

Meeting Date:	09/03/2024
Title:	2025 Bond Study Committee Report
Submitted By:	Jennifer Stubbs, City Secretary
Strategic Focus Area:	Sound Governance and Finances Future-Focused City Organization

Issue/Summary
2025 Bond Study Committee Report.

Background
This is a discussion item only.

Consideration / Recommendation
This item is for discussion only and to hear updates regarding the Bond Committee.

GARLAND

CITY COUNCIL STAFF REPORT

City Council Work Session 8.

Meeting Date: 09/03/2024

Title: FY 2024-25 Budget Discussions - Final Direction from Council

Submitted By: Allyson Bell Steadman, Budget Director

Strategic Focus Area: Sound Governance and Finances

Issue/Summary

1. Staff will present changes previously discussed to the FY 2024-25 Proposed Budget.
2. Council will give final direction to staff regarding the FY 2024-25 Annual Operating Budget.

Background

The Proposed Budget for 2024-25 has been available for public inspection in the City libraries, in the City Secretary's Office, and on the City's website since August 6, 2024. Public Hearings on the Proposed Budget will be held on August 20, 2024, and September 3, 2024. The Proposed Budget and Proposed Tax Rate are scheduled for adoption on Tuesday, September 3, 2024.

Consideration / Recommendation

Council discussion. The FY 2024-25 Annual Operating Budget is scheduled for adoption tonight, September 3, 2024.

GARLAND

CITY COUNCIL STAFF REPORT

City Council Work Session 9.

Meeting Date: 09/03/2024

Title: Boards and Commissions Garland Youth Council Appointment

Submitted By: Jennifer Stubbs, City Secretary

Issue/Summary

Mayor Pro Tem Ed Moore: Xavier Price.

Background

A Council appointment is ready for discussion and consideration as presented.

Consideration / Recommendation

Council Discussion.