



GARLAND

AGENDA

CITY COUNCIL WORK SESSION

**City of Garland
Duckworth Building, Goldie Locke Room
217 North Fifth Street
Garland, Texas
May 16, 2016
6:00 p.m.**

DEFINITIONS:

Written Briefing: Items that generally do not require a presentation or discussion by the staff or Council. On these items the staff is seeking direction from the Council or providing information in a written format.

Verbal Briefing: These items do not require written background information or are an update on items previously discussed by the Council.

Regular Item: These items generally require discussion between the Council and staff, boards, commissions, or consultants. These items are often accompanied by a formal presentation followed by discussion.

**[Public comment will not be accepted during Work Session
unless Council determines otherwise.]**

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 dismissal of 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 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]

1. Written Briefings:

a. National Historic Registry Application Process

Council will be briefed on the application process for nominating the Downtown Garland commercial district for acceptance on the National Register of Historic Places.

b. Image Promotion Strategy Partner

Council is requested to enter into a contract with Tucker & Associates Public Relations for the amount of \$158,980 to conduct market research of Garland's image, to develop a comprehensive image and promotion strategy, and to provide media management services. Unless otherwise directed by Council, this item will be scheduled for formal consideration at the May 17, 2016.

c. City Council District Boundaries

Council is requested to consider an ordinance confirming the existing City Council District Boundaries. Unless otherwise directed by Council, this item will be scheduled for formal consideration at the June 7, 2016 Regular Meeting.

d. Consider an ordinance amending the International Residential Code relating to the display of addresses on the rear of residential properties.

Council is requested to consider amending the International Residential Code relating to the display of addresses on the rear of residential properties. Unless otherwise directed by Council, this item will be scheduled for formal consideration at the May 17, 2016 Regular Meeting.

e. Atmos Settlement Agreement

The City, along with other similarly situated cities served by Atmos Energy Corp., Mid-Tex Division ("Atmos"), is a member of the Atmos Cities Steering Committee ("ACSC"). On March 1, 2016, Atmos made a filing requesting \$35.4 million additional revenue on a system-wide basis.

ACSC and Atmos have reached an agreement to reduce the Atmos's revenue increase from \$35.4 million to increase of \$29.9 million on a system basis. For Atmos bills rendered on or after June 1, 2016 the monthly residential customer charge will be \$19.10 and 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%. Unless otherwise directed by Council, this item will be scheduled for formal consideration at the June 7, 2016 Regular Meeting.

f. Garland Municipal Court Dismissal Purge Policy

Council is requested to consider a Dismissal/Purge Policy intended to remove dormant case files from the Court case management system. Unless otherwise directed by Council, this item will be scheduled for formal consideration at the June 7, 2016 Regular Meeting.

g. Sale of City Property - 505 Kaiser Street

Council is requested to consider whether to sell the struck off property known as 505 Kaiser Street to the Kaiser Street Baptist Church. Unless otherwise directed by Council, this item will be scheduled for formal consideration at the June 7, 2016 Regular Meeting.

2. Verbal Briefings:

a. Tornado Recovery Update Related to Code Compliance and Building Inspections

Staff will provide a tornado recovery update related to Code Compliance and Building Inspections.

b. Discuss Appointee Process for Texas Municipal Power Agency and Dallas Area Rapid Transit

At the request of Mayor Douglas Athas, Council is asked to discuss the appointee process for the Texas Municipal Power Agency (TMPA) and Dallas Area Rapid Transit (DART).

c. Interview for Appointment to the North Texas Municipal Water District Board

The North Texas Municipal Water District (NTMWD) notified the City that Jack May's term of office as a NTMWD Board Member expires on May 31, 2016. Information was posted on the City's website for 14 days regarding the qualifications of the NTMWD Board Member in order to provide an opportunity for citizens to apply for the position. A letter of interest was received from Jack May. Council is scheduled to formally appoint a representative to the NTMWD Board of Directors at the May 17, 2016 Regular Meeting.

3. Announce Future Agenda Items

A member of the City Council, 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 a committee of the City Council. No substantive discussion of that item will take place at this time.

4. Adjourn



GARLAND POLICY REPORT

City Council Work Session Agenda

Work Session Item 1. a.

Meeting Date: May 16, 2016

Item Title: National Historic Registry Application Process

Submitted By: Becky King, Managing Director

Council Goal: Sustainable Quality Development and Redevelopment
Financially Stable Government with Tax Base that Supports Community Needs

ISSUE

City Council will be briefed on the application process for nominating the Downtown Garland commercial district for acceptance on the National Register of Historic Places.

OPTIONS

No action is needed at this time.

RECOMMENDATION

This is for information only; no recommendations are being presented for consideration at this time.

BACKGROUND

In Fall 2015, the City engaged Quimby McCoy Preservation Architecture to update their 2009 Historic Resource Study of Downtown Garland with expanded boundaries. The 2015 area of study extends to the original city limits established when the City of Garland was incorporated in 1891, with an additional extension westward along Main Street -- a street once known as The Bankhead Highway. The contract with Quimby McCoy includes an evaluation of the Downtown commercial district's eligibility for listing in the National Register of Historic Places, as well as facilitation of focus groups, advisory committees, and other public meetings to assess public interest in applying for this honorary designation.

Following numerous focus group meetings with several Downtown property owners, the possibility for application to the National Park Service for a National Registry listing was taken to the Garland Downtown Business Association (GDBA) Board, which unanimously supported application and held a special meeting to update their full membership on the subject in February. City Council was also updated in February about support for the application. An Historic Downtown Advisory Committee comprised of Downtown property and business owners, as well as representatives from the Garland Landmark Society and from Preservation Garland, was formed to guide the nomination process.

Since that time, Quimby McCoy has been working with the Garland Landmark Society and

other local historians to identify the appropriate boundaries for the proposed National Historic District and to conduct additional research to develop the nomination. After hearing the results of Quimby McCoy's research, the advisory committee recommended the following boundaries for the proposed National Historic District: bounded by State Street (or its alley where applicable) on the north, by Third Street on the east, by Avenue A on the south, and by Tenth Street on the west. (See attached map for identification of the boundaries, as well as the buildings believed to be of Contributing Status to a historic district application). As the application process progresses, boundary lines are subject to change based on additional research into building integrity and resulting Contributing status.

It is important to note that designation on the National Register of Historic Places (NRHP) does not carry restrictions on the use of, or maintenance of, buildings listed in the National Historic District; it also carries no protective power against demolition or alterations to buildings located within the district. The designation does allow property owners of Contributing properties located within the district the option of applying for Federal and State tax credits for qualifying expenses associated with property upkeep and restoration. In addition, numerous promotional opportunities are available to properties or districts listed on the NRHP, including the right to use the NRHP designation on local promotional materials, listing in the NPS searchable database, and listing on the State of Texas' heritage tourism websites. Small grant opportunities may also be available to those buildings or districts listed on the NRHP.

Next Steps

On or about May 13, Quimby McCoy will submit a Determination of Eligibility Report to the Texas Historic Commission (THC) to obtain initial feedback as to the nomination's potential merit for listing in the National Registry of Historic Places. This is the first formal step to initiating the nomination process. The following approximate timeline is estimated for completing this process:

THC Review of Determination of Eligibility Report	June 15, 2016
Draft Nomination submitted to THC	July 15, 2016
THC Review and Comment on Draft	August 15, 2016
THC Public Meeting held in Garland	September 30, 2016
Submit Final Nomination to THC	October 15, 2016
THC Schedules Nomination for State Board Review	TBD
THC Revisions / Submittal to National Park Service	TBD
National Park Service Decision	TBD (early to mid-2017)

Following favorable review by the THC, City staff and members of the Historic Downtown Advisory Committee will meet individually with the owner of each property located in the proposed National Historic District to inform them of the application process and details of the National Registry designation.

CONSIDERATION

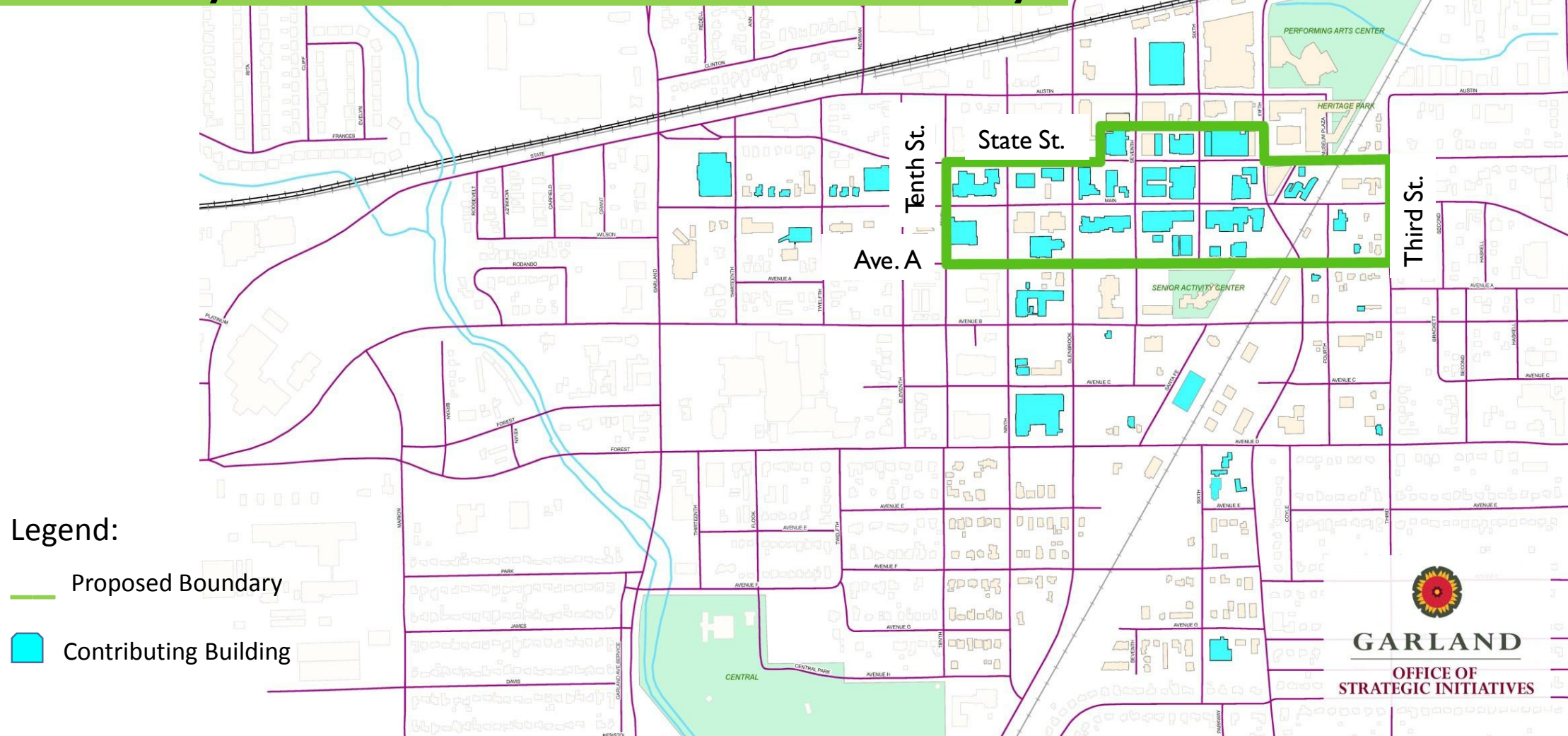
Letters or a resolution of endorsement may bolster the nomination. At an appropriate time in the future, Council may be asked to consider such an endorsement.

Proposed NHR Boundary

City Manager Approval:
Bryan L. Bradford

Approval Date:
05/12/2016

Proposed National Registry District Boundary Based on Initial Resource Survey





GARLAND POLICY REPORT

City Council Work Session Agenda

Work Session Item 1. b.

Meeting Date: May 16, 2016

Item Title: Image Promotion Strategy Partner

Submitted By: Becky King, Managing Director

Council Goal: Financially Stable Government with Tax Base that Supports Community Needs

ISSUE

Staff seeks approval to enter into a contract with Tucker & Associates Public Relations for the amount of \$158,980 to conduct market research of Garland's image, to develop a comprehensive image and promotion strategy, and to provide media management services.

OPTIONS

1. Proceed with approval authorizing the City Manager to execute a contract with Tucker & Associates in the amount of \$158,980.
2. Direct staff to cancel the existing Request for Qualifications (RFQ).

RECOMMENDATION

Staff recommends City Council authorize the City Manager to execute a contract with Tucker & Associates Public Relations. Unless otherwise directed by Council, this item is scheduled for formal consideration at the May 17, 2016 City Council Meeting.

BACKGROUND

In the Fiscal Year 2015/16 Operating Budget, Council approved a request to fund development of an image and promotion strategy. The purpose of this engagement is to support the strategic initiative to Grow the Economic Base by improving the general image of Garland. In recent years, staff have reported numerous accounts of how unfounded negative perceptions of Garland are: hindering economic development efforts to recruit new investment, depressing residential property values and new homebuyer interest, hurting staff recruitment efforts for many Garland institutions, limiting bookings of conventions and meetings, and thwarting expansion of tourism opportunities.

Administration formed a multi-department strategic initiative team (the Image Management Team) to guide this effort. Team members include:

- Priscilla Wilson, HR and Communications (*Executive Champion*);
- Lucia Arrant, Convention and Visitors Bureau;
- Beth Dattomo, City Administration;
- David Gwin, Economic Development;
- Dorothy White, Public and Media Relations;

- Becky King, Office of Strategic Initiatives (*Facilitator*); and
- Natalie Graveney, Office of Strategic Initiatives (*Coordinator*).

A marketing consultant is needed to conduct a thorough assessment of Garland's current image among key influencers and high value targets, to craft a common community message that tells Garland's story and identifies our competitive advantages, and to develop an effective image management plan and promotion strategy for guiding City efforts and programs. City Council and other community leaders will be engaged by the consultant in the assessment and strategic planning efforts.

After a competitive bidding process, the Image Management Team has identified a qualified partnership to undertake this engagement. Tucker & Associates, along with their key partner Development Counsellors International (DCI), meet the qualifications, experience, and service offerings required to successfully deliver this scope of work; in addition, they come highly recommended from recent clients.

CONSIDERATION

1. A competitive bidding process was used to identify the most qualified, best-value partners for the desired scope of work.
2. This item is scheduled for formal consideration by minute action at the May 17, 2016 City Council meeting.

City Manager Approval:
Bryan L. Bradford

Approval Date:
05/12/2016



GARLAND POLICY REPORT

City Council Work Session Agenda

Work Session Item 1. c.

Meeting Date: May 16, 2016

Item Title: City Council District Boundaries

Submitted By: Will Guerin, Planning Director

Council Goal: Fully Informed and Engaged Citizenry

ISSUE

City Council district boundaries

OPTIONS

Approve the attached ordinance ratifying the existing boundaries

Direct staff to evaluate modifications to the boundaries

RECOMMENDATION

Adopt an ordinance confirming and ratifying the existing City Council Boundaries. There does not appear to be any necessity to modify the current boundaries. Unless otherwise directed by Council, this item will be scheduled for formal consideration at the June 7, 2016 Regular Meeting.

BACKGROUND

Article III of the City Charter stipulates that "Commencing in the year 1991, prior to the calling of the regular City election, and every fifth year thereafter at said times, the City Council shall redivide and readjust by ordinance the boundaries of the eight (8) Council districts for the purpose of keeping such districts as nearly equal in population as is practical." Being midway between the 2010 and 2020 U.S. Census releases, with the release of the population information from the 2014 American Community Survey (ACS) as well as population estimates from 2015, the data is available to consider what, if any, modifications are needed to the existing Council district boundaries.

CONSIDERATION

1. According to the 2014 American Community Survey, Garland's total population was 233,209. Additionally, population estimates have been calculated by staff based on residential permits, occupancy ratios, and demolition permits, bringing the population estimate to 234,054. Thus, the population for each of the eight Council districts would be 29,257 if it were distributed equally among the districts. According to Department of Justice guidelines, in drawing the district boundary lines the population can vary by up to 10% above or 10% below the mean. Consequently, the population for each district must be between 26,331 (10% below the mean) and 32,182 (10% above the mean). Both numbers are rounded to the nearest one.
2. The following information is in regard to the total population of each Council district utilizing the current boundaries. As can be seen from this data, all eight districts have a population which falls well within the guidelines above. The chart also shows the percentage of deviation from the mean.

District Population Deviation

1	28,663	-2.0%
2	30,626	4.7%
3	29,018	-0.8%
4	28,785	-1.6%
5	28,461	-2.7%
6	28,998	-0.9%
7	29,564	1.0%
8	29,939	2.3%

3. Also attached is demographic information illustrating the racial makeup of each of the Council districts, again using existing boundaries. This data is per the 2014 American Community Survey (ACS) and is the most recent data available.
4. After reviewing this information with the City Attorney, staff does not see a necessity to modify the current district boundaries. However, because the City Charter contemplates a five-year cycle of redistricting, regardless whether the boundaries of the districts will remain the same, the City Council should adopt an ordinance confirming and ratifying the existing boundaries in order to stay in compliance with the City Charter. The City Attorney has prepared the necessary ordinance, a copy of which is attached.

Attachments

Redistricting Attachments

City Manager Approval:
Bryan L. Bradford

Approval Date:
05/12/2016

Racial and Ethnicity Breakdown by Council District based on 2010 US Census Data and 2014 ACS (American Community Survey) 5-Year Estimates

Council District 1					
	2010	2014	2010-2014 Percent Change	2010	2014
Total Population	28,419	28,329	-0.32%	% of Total Population	
Non-Hispanic	22,308	21,301	-4.52%	78.50%	75.19%
White	14,165	11,966	-15.52%	49.84%	42.24%
Black	3,553	3,082	-13.25%	12.50%	10.88%
Asian	4,006	4,980	24.32%	14.10%	14.14%
Other *	584	1,272	117.80%	2.05%	4.49%
Hispanic	6,111	7,028	15.01%	21.50%	24.81%

Council District 2					
	2010	2014	2010-2014 Percent Change	2010	2014
Total Population	29,705	30,456	2.53%	% of Total Population	
Non-Hispanic	10,719	10,571	-1.38%	36.08%	34.71%
White	5,463	4,687	-14.20%	18.39%	15.39%
Black	4,065	3,691	-9.19%	13.68%	12.12%
Asian	844	1,212	43.62%	2.84%	3.98%
Other *	347	981	182.62%	1.17%	3.22%
Hispanic	18,986	19,885	4.73%	63.92%	65.29%

Council District 3					
	2010	2014	2010-2014 Percent Change	2010	2014
Total Population	27,381	28,740	4.96%	% of Total Population	
Non-Hispanic	22,363	23,314	4.25%	81.67%	81.12%
White	13,930	13,071	-6.17%	50.87%	45.48%
Black	5,308	5,909	11.32%	19.39%	20.56%
Asian	2,475	3,440	39.00%	9.04%	11.97%
Other *	650	894	37.51%	2.37%	3.11%
Hispanic	5,018	5,426	8.13%	18.33%	18.88%

Council District 4					
	2010	2014	2010-2014 Percent Change	2010	2014
Total Population	27,993	28,604	2.18%	% of Total Population	
Non-Hispanic	18,200	18,035	-0.91%	65.02%	63.05%
White	10,102	9,239	-8.54%	36.09%	32.30%
Black	6,593	6,753	2.43%	23.55%	23.61%
Asian	932	1,021	9.57%	3.33%	3.57%
Other *	573	1,018	77.71%	2.05%	3.56%
Hispanic	9,793	10,569	7.93%	34.98%	36.95%

Council District 5					
	2010	2014	2010-2014 Percent Change	2010	2014
Total Population	27,803	28,307	1.81%	% of Total Population	
Non-Hispanic	12,574	12,452	-0.97%	45.23%	43.99%
White	9,608	8,962	-6.72%	34.56%	31.66%
Black	2,232	2,015	-9.70%	8.03%	7.12%
Asian	283	249	-11.98%	1.02%	0.88%
Other *	451	1,226	171.77%	1.62%	4.33%
Hispanic	15,229	15,855	4.11%	54.77%	56.01%

Council District 6					
	2010	2014	2010-2014 Percent Change	2010	2014
Total Population	27,836	28,995	4.16%	% of Total Population	
Non-Hispanic	12,449	13,025	4.62%	44.72%	44.92%
White	5,515	5,263	-4.58%	19.81%	18.15%
Black	2,801	2,682	-4.25%	10.06%	9.25%
Asian	3,675	3,903	6.20%	13.20%	13.46%
Other *	458	1,177	157.03%	1.65%	4.06%
Hispanic	15,387	15,970	3.79%	55.28%	55.08%

Council District 7					
	2010	2014	2010-2014 Percent Change	2010	2014
Total Population	29,402	29,458	0.19%	% of Total Population	
Non-Hispanic	22,807	22,524	-1.24%	77.57%	76.46%
White	11,973	11,067	-7.56%	40.72%	37.57%
Black	4,575	3,296	-27.95%	15.56%	11.19%
Asian	5,469	6,257	14.41%	18.60%	21.24%
Other *	790	1,903	140.88%	2.69%	6.46%
Hispanic	6,595	6,934	5.15%	22.43%	23.54%

Council District 8					
	2010	2014	2010-2014 Percent Chenge	2010	2014
Total Population	28,312	29,416	3.90%	% of Total Population	
Non-Hispanic	19,647	18,641	-5.12%	69.39%	63.37%
White	12,485	10,631	-14.85%	44.10%	36.14%
Black	3,036	2,350	-22.58%	10.72%	7.99%
Asian	3,473	3,971	14.34%	12.27%	13.50%
Other	653	1,688	158.57%	2.31%	5.74%
Hispanic	8,665	10,775	24.35%	30.61%	36.63%

* Other category includes the following Non-Hispanic Racial Groups: American Indian and Alaska Native, Native Hawaiian and Other Pacific Islander, Some Other Race and Two or More Races



GARLAND POLICY REPORT

City Council Work Session Agenda

Work Session Item 1. d.

Meeting Date: May 16, 2016

Item Title: Consider an ordinance amending the International Residential Code relating to the display of addresses on the rear of residential properties

Submitted By: Brad Neighbor, City Attorney

Council Goal: Sustainable Quality Development and Redevelopment
Consistent Delivery of Reliable City Services
Safe, Family-Friendly Neighborhoods

ISSUE

Consider an ordinance amending the international residential code relating to the addressing of residential properties.

OPTIONS

Approve or disapprove the attached ordinance.

RECOMMENDATION

Approve the proposed ordinance. Note: This issue applies only to residential properties. Addressing for commercial properties will be covered separately in the code amendments that will be brought to the City Council for consideration in the near future. Unless otherwise directed by Council, this item will be scheduled for formal consideration at the May 17, 2016 Regular Meeting.

BACKGROUND

The City adopts by reference a number of technical codes such as the International Building Code, the National Fire Code, along with Electric, Mechanical, and Plumbing codes, among others. Those codes are updated on a regular basis. By ordinance, all such codes are first reviewed by the applicable board (such as the Building and Fire Codes Board) for a recommendation. Those boards have reviewed the proposed updates and the latest updates will be brought to the City Council for approval shortly. The City Council is being asked to consider the attached ordinance on a stand-alone basis and in advance of a general consideration of the building and fires codes because of the importance of the issue of proper addressing of residential properties and past controversies as to providing addresses on the rear of residential properties. Some citizens object to a general requirement that addresses be provided on the rear of a residential property when there is no meaningful access to the rear of the property. If there is no real need for a rear address and, indeed, no good way to access the rear of the property in order to install address numbers, there should be no rule requiring the

display of an address at that location. The countervailing consideration is that, if the owner is responsible for maintaining the area behind the residence, there should be an address posted so that proper identification of the residence can be made to insure that the responsible owner is notified if maintenance needs to be performed. In such cases, the owner must have access to the area to perform the owner's maintenance responsibilities, therefore there is no reason not to display an address at that location.

CONSIDERATION

The proposed ordinance achieves a balance by replacing the categorical rule that all residential properties must display an address at the rear of the property with a rule that a rear address is required only where the owner has maintenance responsibility or where fire safety considerations make the presence of a rear address imperative.

Attachments

addressing amendments 2016

City Manager Approval:
Bryan L. Bradford

Approval Date:
05/12/2016

ORDINANCE NO.

AN ORDINANCE AMENDING CHAPTER 30, "BUILDING INSPECTION", OF THE CODE OF ORDINANCES OF THE CITY OF GARLAND, TEXAS; PROVIDING A PENALTY UNDER THE PROVISIONS OF SEC. 10.05 OF THE CODE OF ORDINANCES OF THE CITY OF GARLAND, TEXAS; PROVIDING A SAVINGS CLAUSE AND A SEVERABILITY CLAUSE; AND PROVIDING AN EFFECTIVE DATE.

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF GARLAND, TEXAS:

Section 1

That Chapter 30.226 of Chapter 30, "Building Inspection", of the Code of Ordinances of the City of Garland, Texas, is hereby amended by amending the reference to Section R519 of the International Residential Code to read as follows:

"R319.1 Address identification. (A) Address numbers representing the actual, current, and accurate street address of the premises shall be placed and continuously displayed on any building that constitutes a residential premises.

(B) Address numbers shall:

(1) Be placed and continuously displayed in a position on the building that is readily visible from the street fronting the property;

(2) Be and remain legible;

(3) Contrast with the background on which they are placed;

(4) Consist solely of Arabic numbers or alphabetical letters, as appropriate to accurately reflect the address;

(5) Be not less than 4 inches in height with a stroke width of not less than 0.5 inches; and

(6) Be pre-manufactured or professionally lettered.

(C) Additional address numbering shall be placed and continuously displayed in compliance with subsection (B):

(1) Where required by the fire code official at additional approved locations to facilitate emergency response. Where access is by means of a private road and the building address cannot be viewed from a street, a monument, pole or other sign or means may be required to identify the premises; and

(2) At the rear of the premises if the owner of the premises has maintenance responsibility for the area behind the premises, for example (but not in limitation) if the premises is served by an alley, common area, or easement. A requirement provided by other law or a deed restriction that a premises must have a gate or other access to the adjoining area of responsibility is prima facie evidence that addressing on the rear of the premises is required under this subsection."

Section 2

That a violation of any provision of this Ordinance shall be a misdemeanor punishable in accordance with Sec. 10.05 of the Code of Ordinances of the City of Garland, Texas.

Section 3

That Chapter 30, "Building Inspection", of the Code of Ordinances of the City of Garland, Texas, as amended, shall be and remain in full force and effect save and except as amended by this Ordinance.

Section 4

That the terms and provisions of this Ordinance are severable and are governed by Sec. 10.06 of the Code of Ordinances of the City of Garland, Texas.

Section 5

That this Ordinance shall be and become effective immediately upon and after its passage and approval.

PASSED AND APPROVED this the ____ day of _____, 2016.

CITY OF GARLAND, TEXAS

Mayor

ATTEST:

City Secretary



**GARLAND
CITY COUNCIL ITEM SUMMARY SHEET**

City Council Work Session Agenda

Work Session Item 1. e.

Meeting Date: May 16, 2016

Item Title: Atmos Settlement Agreement

Submitted By: David Schuler, Chief Financial Officer

Summary of Request/Problem

The City, along with other similarly situated cities served by Atmos Energy Corp., Mid-Tex Division ("Atmos"), is a member of the Atmos Cities Steering Committee ("ACSC"). On March 1, 2016, Atmos made a filing requesting \$35.4 million additional revenue on a system-wide basis.

ACSC and Atmos have reached an agreement to reduce the Atmos's revenue increase from \$35.4 million to an increase of \$29.9 million on a system wide basis. For Atmos bills rendered on or after June 1, 2016 the monthly residential customer charge will be \$19.10 and 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%.

The ACSC Executive Committee and its designated legal counsel and consultants recommend that all Cities adopt the attached Ordinance.

Recommendation/Action Requested and Justification

Staff requests the approval of the Atmos Settlement Agreement. Unless otherwise directed by Council, this item will be scheduled for formal consideration at the June 7, 2016 Regular Meeting.

Attachments

Ordinance

Attachments to Ordinance

City Manager Approval:
Bryan L. Bradford

Approval Date:
05/12/2016

ORDINANCE NO. _____

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF GARLAND, 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 Garland, 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 GARLAND, 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 May, 2016.

CITY OF GARLAND, TEXAS

Mayor

ATTEST:

City Secretary

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

Application

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

Type of Service

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

Monthly Rate

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

Charge	Amount
Customer Charge per Bill	\$ 19.10 per month
Rider CEE Surcharge	\$ 0.02 per month ¹
Total Customer Charge	\$ 19.12 per month
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.

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

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

Application

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

Type of Service

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

Monthly Rate

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

Charge	Amount
Customer Charge per Bill	\$ 41.75 per month
Rider CEE Surcharge	\$ 0.02 per month ¹
Total Customer Charge	\$ 41.77 per month
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.

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

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

Application

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

Type of Service

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

Monthly Rate

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

Charge	Amount
Customer Charge per Meter	\$ 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.

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

Agreement

An Agreement for Gas Service may be required.

Notice

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

Special Conditions

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

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

Application

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

Type of Service

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

Monthly Rate

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

Charge	Amount
Customer Charge per Meter	\$ 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.

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

Curtailment Overpull Fee

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

Replacement Index

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

Agreement

A transportation agreement is required.

Notice

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

Special Conditions

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

**MID-TEX DIVISION
ATMOS ENERGY CORPORATION**

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

Provisions for Adjustment

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

Computation of Weather Normalization Adjustment

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

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

Where

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

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

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

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

**MID-TEX DIVISION
ATMOS ENERGY CORPORATION**

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

Base Use/Heat Use Factors

Weather Station	<u>Residential</u>		<u>Commercial</u>	
	Base use <u>Ccf</u>	Heat use <u>Ccf/HDD</u>	Base use <u>Ccf</u>	Heat use <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, in Excel format, a *Weather Normalization Adjustment (WNA) Report* to show how the company calculated its WNAs factor during the preceding winter season. Additionally, on or before June 1 of each year, the company files one hard copy and an Excel version of the *WNA Report* with the Railroad Commission of Texas' Gas Services Division, addressed to the Director of that Division.

ATMOS ENERGY CORP., MID-TEX DIVISION
 PROPOSED TARIFF STRUCTURE (BEFORE RATE CASE EXPENSE RECOVERY)
 TEST YEAR ENDING DECEMBER 31, 2015

	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)
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>						
11								
12								
13								
14								
15								

16 With Proportional Increase all classes but Residential and a 40% residential base charge increase:

		Current	Prospective	Revenues
18				
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>

16 With Customer Charges Rounded Off and residential base charge increase:

		Proposed Change
18		
19		
20	Residential Base Charge	\$ 0.52
21	Residential Consumption Charge	\$ 0.01447
22	Commercial Base Charge	\$ 1.83
23	Commercial Consumption Charge	\$ 0.00474
24	I&T Base Charge	\$ 39.65
25	I&T Consumption Charge Tier 1 MMBTU	\$ 0.0159
26	I&T Consumption Charge Tier 2 MMBTU	\$ 0.0116
27	I&T Consumption Charge Tier 3 MMBTU	\$ 0.0025
28		<u>\$</u>

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		F
		Pension Account Plan ("PAP")	Post-Retirement Medical Plan ("FAS 106")	Pension Account Plan ("PAP")	Supplemental Executive Benefit Plan ("SERP")	
	(a)	(b)	(c)	(d)	(e)	(f)
1	Fiscal Year 2016 Towers Watson Report as adjusted (1), (3)	\$ 5,101,680	\$ 2,896,450	\$ 7,840,683	\$ 150,433	\$
2	O&M Expense Factor (2)	96.41%	96.41%	37.42%	20.77%	
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	\$
4	Allocation to Mid-Tex (2)	40.56%	40.56%	71.52%	100.00%	
5	Mid-Tex Benefits Expense Included in Rates - Proposed (Ln 3 x Ln 4)	\$ 1,995,016	\$ 1,132,659	\$ 2,098,222	\$ 31,249	\$
6						
7	Mid-Tex Benefits Expense per GUD 10359 and RRM Test Year Ending December 31, 2014 Benchmark (4)	\$ 2,831,859	\$ 2,013,260	\$ 2,925,600	\$ 34,809	\$
8						
9	Test Year Adjustment (Line 5 minus Line 7)	\$ (836,844)	\$ (880,601)	\$ (827,379)	\$ (3,561)	\$
10						
11	Adjustment Summary:					
12	Account 922	\$ (836,844)	\$ (880,601)	\$ -	\$ -	\$
13	Account 926	-	-	(827,379)	(3,561)	
14	Total (Ln 12 plus Ln 13)	\$ (836,844)	\$ (880,601)	\$ (827,379)	\$ (3,561)	\$

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	
		Pension Account Plan ("PAP")	Post-Retirement Medical Plan ("FAS 106")	Pension Account Plan ("PAP")	Supplemental Executive Benefit Plan ("SERP")
	(a)	(b)	(c)	(d)	(e)
	Fiscal Year 2016 Towers Watson Report (excluding Removed Cost Centers)				
1	Centers)	\$ 5,101,680	\$ 2,896,450	\$ 7,840,683	\$ 150,430
2	Allocation to Mid-Tex	40.56%	40.56%	71.52%	100.00%
	FY16 Towers Watson Benefit Costs (excluding Removed Cost Centers) Allocated to MTX (Ln 1 x Ln 2)				
3	Centers)	\$ 2,069,299	\$ 1,174,833	\$ 5,607,955	\$ 150,430
4	O&M and Capital Allocation Factor	100.00%	100.00%	100.00%	100.00%
	FY16 Towers Watson Benefit Costs To Approve (excluding Removed Cost Centers) (Ln 3 x Ln 4)				
5		\$ 2,069,299	\$ 1,174,833	\$ 5,607,955	\$ 150,430
6					
7					
8	Summary of Costs to Approve:				
9					
10	Total Pension Account Plan ("PAP")	\$ 2,069,299		\$ 5,607,955	
11	Total Post-Retirement Medical Plan ("FAS 106")		\$ 1,174,833		
12	Total Supplemental Executive Retirement Plan ("SERP")				\$ 150,430
13	Total (Ln 10 + Ln 11 + Ln 12)	\$ 2,069,299	\$ 1,174,833	\$ 5,607,955	\$ 150,430
14					
15					
16	O&M Expense Factor	96.41%	96.41%	37.42%	20.77%
17					
18	Expense Portion (Ln 13 x Ln 16)	\$ 1,995,016	\$ 1,132,659	\$ 2,098,222	\$ 31,208
19					
20	Capital Factor	3.59%	3.59%	62.58%	79.23%
21					
22	Capital Portion (Ln 13 x Ln 20)	\$ 74,283	\$ 42,174	\$ 3,509,733	\$ 119,180
23					
24	Total (Ln 18 + Ln 22)	\$ 2,069,299	\$ 1,174,833	\$ 5,607,955	\$ 150,430



GARLAND POLICY REPORT

City Council Work Session Agenda

Work Session Item 1. f.

Meeting Date: May 16, 2016

Item Title: Garland Municipal Court Dismissal Purge Policy

Submitted By: Paige Bobbitt, Municipal Court Director

Council Goal: Fully Informed and Engaged Citizenry

ISSUE

Municipal Court is proposing a Dismissal/Purge Policy intended to remove dormant case files from the Court case management system.

OPTIONS

Approve the Policy and Ordinance revision.

Do not Approve the Policy and Ordinance revision.

RECOMMENDATION

Council is requested to approve the policy and ordinance revision. Unless otherwise directed by Council, this item will be scheduled for formal consideration at the June 7, 2016 Regular Meeting.

BACKGROUND

- Historically, Municipal Court has not had a Purge policy to deal with dormant cases with outstanding balances.
- The Court Computer system currently contains indisposed cases dating back as far as 1979.
- Currently, dormant cases remain in the Court system indefinitely; as long as the case has an outstanding balance; although the likelihood of collecting the outstanding fines decreases annually.
- Repeated attempts to notify the defendants of their outstanding obligations; resulted in returned mail and wasted postage; defendant mobility increases after many years.
- In 2003, City Council approved an inactive status ordinance which temporarily serves as a mechanism to distinguish current active cases from dormant cases 3 years or older; until a formal purge policy could be adopted.
- The Court proposed a Purge policy in 2008, the decision at that time was to table the policy.

Attachments

Purge & Dismissal Policy

City Manager Approval:
Bryan L. Bradford

Approval Date:
05/12/2016

MUNICIPAL COURT DISMISSAL/PURGE POLICY

COUNCIL WRITTEN BRIEFING

BACKGROUND

- The Court has never purged cases
- Court system contains open cases from the 1970's
- Without a policy, these cases remain open indefinitely
- Open Cases include: juveniles, partial payments, warrants, unadjudicated/adjudicated cases
- Repeated attempts to notify defendants on old cases, results in returned mail, wasted postage, increased staff time.
- In 2003 City Council approved an interim INACTIVE STATUS ORDINANCE 24.07
- The Court proposed a policy in 2008, the decision at that time was to table the policy.

IMPACT/PROBLEMS

- Taxing on the Court system, slower response time
- Inability to prosecute old cases based on Ordinance 24.07
- File data storage problems causes frequent IT issues and problems
- Dormant cases gives the illusion of collectible fines
- Uncollected cases are a perceived inefficiency of the Court
- Old cases contain outdated codes no longer used, confusing staff
- Dual processing.. Manual vs. Paperless; staff functioning in a dual environment increases errors.
- Waste of time when the Court transfers obsolete data between systems

METROPLEX COURT PURGE POLICIES

- **ARLINGTON** - 5 YR Purge policy; letter from state to close >5 yr.
- **PLANO** - 5 YR Purge from disposition date - capias/bench 5yr from citation issue date; juveniles, 5 yrs from disposition date
- **DALLAS** - 5 YR from offense date
- **IRVING** - 5 YR from date of disposition
- **RICHARDSON** - 3 YRS FOR unadjudicated cases, 6 yrs capias/collection

CURRENT 24.07

- Sec. 24.07 Disposition of certain cases
- (A) Definitions. In this section:
- (1) Case shall mean an individual judicial action, criminal or otherwise, filed in the Municipal Court system.
- (2) Adjudicated case shall mean
- (a) A criminal case in which a plea of guilty or no contest has been entered, or in which a verdict has been rendered after trial; or
- (b) A noncriminal case where the court has entered an order determining the merits of the case.
- (3) Unadjudicated case shall mean a case which is not an adjudicated case.
- (B) Unadjudicated cases. Except as provided in subsection (D), all unadjudicated cases which have been on file in the Municipal Court system for more than three years without having been finally dismissed shall be designated as “inactive” without the necessity of a written motion or approval by the prosecutor, judge, or court clerk.
- (C) Inactive status. A case designated as “inactive” shall be removed from all court dockets and proceedings and shall not be scheduled for future proceedings. The court may accept a plea of guilty or no contest and receive monies submitted by a defendant in satisfaction of a fine and/or court costs for an “inactive” case; for all other purposes, including document retention and calculation of unpaid fines and court costs, an “inactive” case shall be treated in the same manner as a case in which an order of dismissal has been entered.
- (D) Adjudicated cases still pending. The City Manager or his designee shall adopt policies and procedures concerning the disposition of adjudicated cases which, due to unpaid fines or other circumstances, remain unresolved for more than three years after the case was filed in the Municipal Court system.
- (Ordinance 5784, sec. 1, adopted 12/2/03)

PROPOSED 24.07

- Sec. 24.07 Disposition of certain cases
- (A) Definitions. In this section:
- (1) Case shall mean an individual judicial action, criminal or otherwise, filed in the Municipal Court system.
- (2) Unadjudicated case shall mean a case that does not have a final judgment.
- (B) Unadjudicated cases. Except as provided in subsection (C), all unadjudicated cases that have been on file in the Municipal Court for more than five years may be dismissed by motion of the prosecutor for administrative convenience.
- (C) Adjudicated Cases. A judgment pro fina less than \$100.00 that has remained unpaid for a period five years or more may be purged from the courts records for administrative convenience.

PROPOSED DISMISSAL/PURGE POLICY

5 YEAR DISMISSAL/PURGE

- Warrants - 5 years from Offense date
- Juveniles - 5 years from Offense date
- Unadjudicated (no judgment)- >5 years from Offense date
- Adjudicated cases - >5 years from Offense date & < \$100

**** FAMILY VIOLENCE CASES - REMAIN OPEN INDEFINITELY
EXCEPT ON MOTION BY THE STATE ****

DISMISSAL/PURGE POLICY PROCESS

Court
system
selects
cases

Eligible
purge cases
report

Motion to
Prosecutor
and Judge

Motion
Approved

Court
system
dismisses
cases

Dismissals
purged
after 2 yrs



INITIAL IMPACT

- WARRANTS
 - Alias 40,205 cases > 5 yr. Offense date
 - Capias 175 cases > 5 yr. Offense date & < \$100 = \$13,801
- Juveniles 10,216 cases > 5 yr. Offense date
- Inactive 3715 cases > 5 yr. Offense date

ITEMS FOR YOUR CONSIDERATION

- REVISION OF ORDINANCE 24.07
- ADOPTION OF THE COURT'S PROPOSED POLICY



GARLAND POLICY REPORT

City Council Work Session Agenda

Work Session Item 1. g.

Meeting Date: May 16, 2016

Item Title: SALE OF CITY PROPERTY - 505 KAISER STREET

Submitted By: Mona Woodard, Neighborhood Services Administrator

Council Goal: Sustainable Quality Development and Redevelopment
Safe, Family-Friendly Neighborhoods

ISSUE

Consider whether to sell the struck off property known as 505 Kaiser Street to the Kaiser Street Baptist Church

OPTIONS

1. Approve the sale.
2. Take No Action

RECOMMENDATION

Sell the subject property to Kaiser Street Baptist Church. Unless otherwise directed by Council, this item will be scheduled for formal consideration at the June 7, 2016 Regular Council Meeting.

BACKGROUND

The above referenced property was struck off to the City of Garland on April 3, 2012 at a Sheriff's Sale pursuant to delinquent tax suit No. TX08-40859 City of Garland and Garland Independent School District v. Mortgage Debt Consultants. The property was struck off for the assessed value in the Judgment, \$18,000.00. Kaiser Street Baptist Church has offered to purchase this property for \$19,095.55. The property is currently assessed by the Dallas Central Appraisal District at \$21,000.00.

CONSIDERATION

Because the sale price is greater than the assessed value for the property in the Judgment, this sale meets the criteria of §34.05(h) and does not require the consent of the other taxing units in the Judgment.

Attachments

Kaiser Street Baptist Church Offer Letter
505 Kaiser Street Resolution

City Manager Approval:
Bryan L. Bradford

Approval Date:
05/12/2016

Kaiser Street Baptist Church
517 Kaiser St, Garland, TX 75040
Phone:(972) 276-8182

January 14, 2016

Perdue Brandon Fielder Collins & Mott LLP
ATTORNEYS AT LAW

Attn: J. Douglas Burnside
1919 S. Shiloh Rd
Suite # 310 LB40
Garland, TX 75042

Re: Letter of Intent

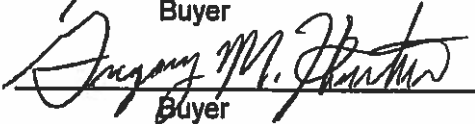
Please consider this letter to be our binding Letter of Intent summarizing the terms and conditions for **Kaiser Street Baptist Church** (Buyer) to purchase **505 Kaiser Street, Garland TX 75040**, a tax foreclosed vacant single family lot located at **Block C Lot 3 & S 35 FT of LOT 2 of the Christian Addition** to the City of Garland TX, Dallas County (the "Property"), from the City of Garland ("Seller"), along the following lines:

1. Purchase Price: **\$\$19,095.55**, evidenced by: (a) the promise of cashiers check for the full amount from **Kaiser Street Baptist Church** upon acceptance of the offer.
 2. Within seven (30) days from the date of this letter to purchase, Seller shall notify **Kaiser Street Baptist Church** of acceptance or denial of offer.
 3. Seller shall provide a property deed to convey property upon presentation of cashiers check from **Kaiser Street Baptist Church**.
20. The last signature date below shall be deemed the effective date of this agreement.

Cordially,

Agreed to,

KAISER STREET BAPTIST CHURCH


Buyer

Buyer

Date: _____

SELLER

By: _____

Its: _____

Date: _____

RESOLUTION NO. _____

A RESOLUTION APPROVING THE SALE OF REAL PROPERTY, 505 KAISER (THE "PROPERTY"); AUTHORIZING THE MAYOR OF THE CITY OF GARLAND TO EXECUTE A DEED CONVEYING THE PROPERTY TO KAISER STREET BAPTIST CHURCH ("THE BUYER"); AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the City acquired certain real property, commonly known as 505 Kaiser, through tax foreclosure proceedings in Cause No. TX08-40859-T-E, 16th day of November 2011, in the 101st Judicial District Court, Dallas County, Texas.

WHEREAS, the Buyer has offered to purchase the Property for greater than or equal to the market value of the Property specified in the judgment of the tax foreclosure suit.

WHEREAS, the City has determined that selling the property is in the public's best interest because it allows the Buyer to develop the Property and it eliminates the City's expenses associated with maintaining the Property.

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

Section 1

That the sale and conveyance of real property, 505 Kaiser Street, by the City of Garland to the Buyer is hereby approved.

Section 2

That the Mayor is hereby authorized to execute a Deed Without Warranty, the form and substance of which is attached as Exhibit "A" and incorporated herein by reference, conveying the Property to the Buyer.

Section 3

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

PASSED AND APPROVED this the ____ day of _____,
2016.

CITY OF GARLAND, TEXAS

Mayor

ATTEST:

City Secretary



**GARLAND
CITY COUNCIL ITEM SUMMARY SHEET**

City Council Work Session Agenda

Work Session Item 2. a.

Meeting Date: May 16, 2016

Item Title: Tornado Recovery Update Related to Code Compliance and Building Inspections

Summary of Request/Problem

Staff will provide a tornado recovery updated related to Code Compliance and Building Inspections.

Recommendation/Action Requested and Justification

Council discussion.

City Manager Approval:
Bryan L. Bradford

Approval Date:
05/11/2016



GARLAND
CITY COUNCIL ITEM SUMMARY SHEET

City Council Work Session Agenda

Work Session Item 2. b.

Meeting Date: May 16, 2016

Item Title: Discuss Appointee Process for Texas Municipal Power Agency and Dallas Area Rapid Transit

Summary of Request/Problem

At the request of Mayor Douglas Athas, Council is asked to discuss the appointee process for the Texas Municipal Power Agency (TMPA) and Dallas Area Rapid Transit (DART).

Recommendation/Action Requested and Justification

Council discussion.

Attachments

TMPA Board Member Appointment

Reappointment of City of Garland's Representative to DART's Board of Directors

City Manager Approval:

Bryan L. Bradford

Approval Date:

05/12/2016

March 11, 2016

Mr. Bryan Bradford, City Manager
City of Garland
P.O. Box 469002
Garland, TX 75046

RE: TMPA Board Member Appointment

Dear Mr. Bradford:

Our records indicate that Jamie Ratliff's term as a Member of the Board of Directors of the Texas Municipal Power Agency expires on July 18, 2016. The City of Garland will need to reinstate Mr. Ratliff or select a new member to serve for the next 2 year term.

After the City Council reaches a decision on this matter, please send me a certified resolution or certified meeting minutes specifying the person selected to represent your City on the TMPA Board of Directors.

Your cooperation is appreciated.

Sincerely,

Tracy Stracener
Assistant Secretary
TMPA Board of Directors

Cc: Jamie Ratliff
Tom Jefferies
Jeff Janke



Dallas Area Rapid Transit
P.O. Box 660163
Dallas, Texas 75266-0163
214/749-3278

May 5, 2016

Ms. Rene Dowl
City Secretary
City of Garland
200 N. Fifth Street, 3rd Floor
Garland, Texas 75040

Re: Reappointment of City of Garland's Representative to DART's Board of Directors

Dear Ms. Dowl:

Members of DART's Board of Directors serve staggered two-year terms pursuant to Section 452.578 of the Texas Transportation Code. Michael T. Cheney and Mark C. Enoch were appointed to represent the City of Garland. Their terms of office will expire on June 30, 2016.

Please send a copy of the resolution appointing or re-appointing a representative for the to the DART Board of Directors to the attention of:

Nancy K. Johnson
Director, Office of Board Support
Dallas Area Rapid Transit
P.O. Box 660163
Dallas, Texas 75266
Fax (214) 749-3651

If you have any questions regarding this matter, please call me at (214) 749-3347.

Sincerely,

Nancy K. Johnson
Director, Office of Board Support

NKJ/lh

C: Faye Moses Wilkins, Chair
Gary C. Thomas
Scott Carlson



**GARLAND
CITY COUNCIL ITEM SUMMARY SHEET**

City Council Work Session Agenda

Work Session Item 2. c.

Meeting Date: May 16, 2016

Item Title: Interview for Appointment to the North Texas Municipal Water District Board

Submitted By: Rene Dowl, City Secretary

Summary of Request/Problem

The North Texas Municipal Water District (NTMWD) notified the City that Jack May's term of office as a NTMWD Board Member expires on May 31, 2016.

Information was posted on the City's website for 14 days regarding the qualifications of the NTMWD Board Member in order to provide an opportunity for citizens to apply for the position. A letter of interest was received from Jack May.

Council is scheduled to formally appoint a representative to the NTMWD Board of Directors at the May 17, 2016 Regular Meeting.

Recommendation/Action Requested and Justification

Consider appointment.

Attachments

Jack May Letter of Interest

City Manager Approval:

Bryan L. Bradford

Approval Date:

05/12/2016

From: Jack May [<mailto:jmayh20@aol.com>]
Sent: Monday, April 25, 2016 6:56 PM
To: admin@garlandtx.gov.
Cc: Bradford, Bryan; Athas, Mayor Douglas
Subject: North Texas Municipal Water District Board Member Appointment.

I recently received a copy of a letter sent to Mr. Bryan Bradford, City Manager, City of Garland, Texas, from Mr. Tom Kula, Executive Director, NTMWD, dated March 23, 2016. The letter was official notification of the expiration of my two year term as one of Garland's two Board Representatives to the NTMWD Board of Directors. Please consider this email my official response to the letter.

I would respectfully request the Mayor and City Council consider my reappointment to the NTMWD Board. While I am only one of the 25 Board Members I believe my 45+ years of Water and Wastewater experience, most of which was spent with the City of Garland, makes me uniquely qualified to serve on this very important Board. I can think of nothing more important to the citizens and businesses than the adequate supply of reasonably priced potable water which is the expressed goal of NTMWD. This May I will have served 6 years on the Board and this experience will pay off in the future because of my ability to network and build relationships with the other Board members. I have served on the Board's Water, Insurance, Wastewater and the extremely important Budget and Finance committees. I truly believe my fellow Board member, Mr. Don Gordon, and I make a great team. Mr. Gordon's experience in financial issues and my strength in Water and Wastewater Operations are sorely needed at the District during this critical time. I am the only Board member to have been a TCEQ certified Water and Wastewater operator so I understand the operational and financial issues facing NTMWD. As a native of Garland I love the city and the Water/Wastewater business and will do my very best to represent Garland's interests as a member of the NTMWD Board of Directors.

Should you need more information or a meeting to further discuss my background and experience I will be more than happy to meet at a time and place of your choosing.

Thanks you for your consideration.

Jack L. May, 972-571-0901