

**WORK SESSION AGENDA OF THE CITY COUNCIL OF HURST, TEXAS
CITY HALL, 1505 PRECINCT LINE ROAD
FIRST FLOOR CONFERENCE ROOM
TUESDAY, MAY 17, 2016 – 5:30 P.M.**

I. Call to Order

II. Informational Items

III. Discussion of Agenda Item(s) 9

Consider Resolution 1645 authorizing the city manager to apply for a Body Camera Grant from the Criminal Justice Division of the Governor's Office

Billy Keadle

IV. Discussion of Agenda Item(s) 10

Consider authorizing the city manager to proceed with the Central Aquatics Center Renovation Project

Allan Heindel

V. Adjournment

Posted by: _____

This the 13th day of May 2016, by 5:00 p.m., in accordance with Chapter 551, Texas Government Code.

<p>This facility is wheelchair accessible and accessible parking spaces are available. Requests for accommodations or interpretive services must be made 48 hours prior to this meeting. Please contact the City Secretary's office at (817) 788-7041 or FAX (817) 788-7054, or call TDD 1-800-RELAY-TX (1-800-735-2989) for information or assistance.</p>
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**REGULAR MEETING AGENDA OF THE CITY COUNCIL OF HURST, TEXAS
CITY HALL, 1505 PRECINCT LINE ROAD
TUESDAY, MAY 17, 2016**

AGENDA:

5:30 p.m. - City Council Work Session (City Hall, First Floor Conference Room)

6:30 p.m. - City Council Meeting (City Hall, Council Chamber)

CALL TO ORDER

INVOCATION (Mayor Richard Ward)

PLEDGE OF ALLEGIANCE

CANVASS OF ELECTION

1. Consider Resolution 1644 Canvassing the May 7, 2016 General Election

INAUGURATION OF OFFICIALS

2. Presentation of Certificates of Election
3. Oath of Office for Elected Officials
4. Election of Mayor Pro Tem

PERSON(S) TO BE HEARD

5. Hurst-Eules-Bedford Independent School District Superintendent Steve Chapman requests to speak to express appreciation to the Mayor, City Council and Library staff for supporting HEB READS

CONSENT AGENDA

6. Consider approval of the minutes for the May 10, 2016 City Council meetings
7. Consider Ordinance 2318, second reading, amending Chapter 26, "Water and Sanitary Sewers" Article II, Section 26-44, Cross-Connection Regulations to include prohibited conduct
8. Consider Ordinance 2319, second reading, resolving the 2016 Atmos Mid-Tex Rate Review Mechanism (RRM) Filing

RESOLUTION(S)

- 9. Consider Resolution 1645 authorizing the city manager to apply for a Body Camera Grant from the Criminal Justice Division of the Governor’s Office

ACTION ITEM(S)

- 10. Consider authorizing the city manager to proceed with the Central Aquatics Center Renovation Project

OTHER BUSINESS

- 11. Review of upcoming calendar items
- 12. City Council Reports

PUBLIC INVITED TO BE HEARD – A REQUEST TO APPEAR CARD MUST BE COMPLETED AND RETURNED TO THE CITY SECRETARY TO BE RECOGNIZED

ADJOURNMENT

Posted by: _____

This 13th day of May 2016, by 5:00 p.m., in accordance with Chapter 551, Texas Government Code.

This facility is wheelchair accessible and accessible parking spaces are available. Requests for accommodations or interpretive services must be made 48 hours prior to this meeting. Please contact the City Secretary’s office at (817) 788-7041 or FAX (817) 788-7054, or call TDD 1-800-RELAY-TX (1-800-735-2989) for information or assistance.

City Council Staff Report

SUBJECT: Consider Resolution 1644 Canvassing the May 7, 2016 General Election	
Supporting Documents:	
Resolution will be provided at the meeting	Meeting Date: 5/17/2016 Department: City Secretary Reviewed by: Rita Frick City Manager Review:
Background/Analysis:	
The City of Hurst General Election of Officers was held May 7, 2016 and will be canvassed on May 17, 2016.	
Funding and Sources:	
There is no fiscal impact.	
Recommendation:	
Staff recommends the City Council approve Resolution 1644 canvassing the May 7, 2016 General Election results	

City Council Staff Report

SUBJECT: Presentation of Certificates of Election for the May 7, 2016 General Election of Officers	
Supporting Documents:	
	Meeting Date: 5/17/2016 Department: City Secretary Reviewed by: Rita Frick City Manager Review:
Background/Analysis:	
The City of Hurst General Election of Officers was held May 7, 2016 and canvassed on May 17, 2016. Certificates of Election are provided to each candidate elected to office.	
Funding and Sources:	
There is no fiscal impact.	
Recommendation:	
Staff recommends the Mayor provide the Certificates of Election to the elected candidates for Councilmember Place 3 (Mayor), 4, 5 and 7	

City Council Staff Report

SUBJECT: Oath of Office for Elected Officials	
Supporting Documents:	
	Meeting Date: 5/17/2016 Department: City Secretary Reviewed by: Rita Frick City Manager Review:
Background/Analysis:	
The City of Hurst General Election of Officers was held May 7, 2016 and canvassed on May 17, 2016. Newly elected Councilmembers take the Official Oath of Office before conducting official business.	
Funding and Sources:	
There is no fiscal impact.	
Recommendation:	
Staff recommends the Oath of Office be administered to the elected candidates for Councilmember Place 3 (Mayor), 4, 5 and 7.	

City Council Staff Report

SUBJECT: Election of Mayor Pro Tem	
Supporting Documents:	
	Meeting Date: 5/17/2016 Department: City Secretary Reviewed by: Rita Frick City Manager Review:
Background/Analysis:	
<p>The City of Hurst General Election of Officers was held May 7, 2016 and canvassed on May 17, 2016. The City Council annually elects a new Mayor Pro Tem after the General Election of Officers.</p> <p>The City Council Rules of Procedure provides that the Mayor Pro Tem position shall be rotated between all Councilmembers and in order based on Council seniority.</p>	
Funding and Sources:	
There is no fiscal impact.	
Recommendation:	
Staff recommends the City Council nominate and elect the next Mayor Pro Tem.	

City Council Staff Report

SUBJECT: Request to speak from Hurst-Euless-Bedford Independent School District Superintendent Steve Chapman to express appreciation to the Mayor, City Council and Library staff for supporting HEB READS	
Supporting Documents:	
	Meeting Date: 5/17/2016 Department: City Secretary Reviewed by: Rita Frick City Manager Review:
Background/Analysis:	
Hurst-Euless-Bedford Independent School District Superintendent Steve Chapman requests to speak to express appreciation to the Mayor, City Council and Library staff for supporting HEB READS.	
Funding and Sources:	
There is no fiscal impact.	
Recommendation:	
There is no staff recommendation.	

**Minutes
Hurst City Council
Work Session
Tuesday, May 10, 2016**

On the 10th day of May 2016, at 5:43 p.m., the City Council of the City of Hurst, Texas, convened in Work Session at Hurst City Hall, 1505 Precinct Line Road, Hurst, Texas, with the following members present:

Richard Ward	)	Mayor
Bill McLendon	)	Mayor Pro Tem
Larry Kitchens	)	Councilmembers
Anna Holzer)	
Henry Wilson)	
Nancy Welton)	
David Booe)	
Allan Weegar	)	City Manager
John Boyle	)	City Attorney
Allan Heindel	)	Deputy City Manager
Clay Caruthers	)	Assistant City Manager
Rita Frick	)	City Secretary
Steve Bowden	)	Executive Director of Development
Greg Dickens	)	Executive Director of Public Works
Duane Hengst	)	City Engineer
Kara Crane	)	Marketing and Multimedia Specialist

With the following Councilmembers absent: none, constituting a quorum; at which time, the following business was transacted:

- I. Call to Order – The meeting was called to order at 5:43 p.m.**
- II. Informational Items –** City Manager Allan Weegar noted Marketing and Multimedia Specialist Kara Crane will introduce the Youth in Government participants this evening.
- III. Discussion of Agenda Item(s) 6**

Consider Ordinance 2319, first reading, resolving the 2016 Atmos Mid-Tex Rate Review Mechanism (RRM) Filing. Assistant City Manager Clay Caruthers briefed Councilmembers on the 2016 Atmos Mid-Tex Rate Review Mechanism (RRM) Filing and introduced Atmos Representatives Kelly Pacleb, Chris Felan and Kathleen Ocanas. Ms. Pacleb stated they were available to answer any questions. Mr. Caruthers reviewed the monthly bill impact for the typical residential and commercial customer.
- IV. Discussion of Agenda Item(s) 7**

Consider authorizing the city manager to enter into an Engineering Services Contract with Freese and Nichols, Inc. for TAP Safety and Access to School Project, Harrison Lane Elementary and Hurst Junior High areas. Executive Director of Public Works Greg

Dickens briefed Councilmembers on the project, reviewed the scope of services for the contract, and showed a map of the locations of the sidewalks and school zone flashing lights.

Also under informational items, City Manager Allan Weegar stated he believes the noise concern at Oshea's Irish Pub has been resolved.

V. Adjournment - The work session adjourned at 6:02 p.m.

APPROVED this the 17th day of May 2016.

ATTEST:

APPROVED:

Rita Frick, City Secretary

Richard Ward, Mayor

**City of Hurst
City Council Minutes
Tuesday, May 10, 2016**

On the 10th day of May 2016, at 6:30 p.m., the City Council of the City of Hurst, Texas, convened in Regular Meeting at City Hall, 1505 Precinct Line Road, Hurst, Texas, with the following members present:

Richard Ward	)	Mayor
Bill McLendon	)	Mayor Pro Tem
Larry Kitchens	)	Councilmembers
Anna Holzer)	
Henry Wilson)	
Nancy Welton)	
David Booe)	
Allan Weegar	)	City Manager
John Boyle	)	City Attorney
Clay Caruthers	)	Assistant City Manager
Rita Frick	)	City Secretary
Steve Bowden	)	Executive Director of Development
Greg Dickens	)	Executive Director of Public Works
Duane Hengst	)	City Engineer
Ashleigh Johnson	)	Managing Director of Communications
Kara Crane	)	Marketing and Multimedia Specialist

With the following Councilmembers absent: none, constituting a quorum; at which time, the following business was transacted:

The meeting was called to order at 6:30 p.m.

Councilmember Larry Kitchens gave the Invocation.

The Pledge of Allegiance was given.

PRESENTATION(S)

1. Presentation by Youth in Government participants and presentation of scholarships

Marketing and Multimedia Specialist Kara Crane introduced the following Youth in Government participants who reviewed their survey results of the city's website: Diamond Brown, Asher James, Bayley Sirmon, Camryn Caruthers, Jonathan Crane, Natalie Spencer.

Republic Waste Representative Jeri Harwell presented checks to scholarship recipients Natalie Spencer and Diamond Brown. Managing Director of Communication and Marketing Ashleigh Johnson thanked the students and noted plans to update the city's website.

CONSENT AGENDA

2. Considered approval of the minutes for the April 26 and May 3, 2016 City Council meetings.
3. Considered Ordinance 2317, second reading, SP-16-02, Mid Cities Wellness Center, a site plan revision for signage only on Lot 2, Block 1, Classic Concepts Addition, being .48 acre located at 466 Mid Cities Boulevard.
4. Considered Ordinance 2318, first reading, amending Chapter 26, "Water and Sanitary Sewers" Article II, Section 26-44, Cross-Connection Regulations to include prohibited conduct.
5. Considered authorizing the city manager to enter into an Engineering Services Contract Amendment No. 1 with Halff Associates, Inc., for design of Pipeline Road, Phase 3.

Councilmember Holzer moved to accept the consent agenda. Motion seconded by Councilmember Kitchens. Motion prevailed by the following vote:

Ayes: Councilmembers McLendon, Booe, Kitchens, Holzer, Wilson and Welton

No: None

ORDINANCE(S)

6. Considered Ordinance 2319, first reading, resolving the 2016 Atmos Mid-Tex Rate Review Mechanism (RRM) Filing.

Mayor Ward recognized Assistant City Manager Clay Caruthers who reviewed the rate filing and Atmos' legal authority to move forward with the rate changes. He stated the average rate increase for a typical residential customer will be \$1.26 or about 2.43% and \$3.81, or 1.43% for commercial. Mr. Caruthers explained the Atmos Cities Steering Committee, which the city is a member, was able to reduce Atmos' request by \$5.5 million. Mayor Ward recognized Atmos representatives Kelly Pacleb, Chris Felan and Kathleen Ocanas. In response to Councilmembers' questions, Ms. Pacleb stated Atmos has been working with the Steering Committee since March.

Councilmember Wilson moved to pass Ordinance 2319, first reading. Motion seconded by Councilmember Welton. Motion prevailed by the following vote:

Ayes: Councilmembers McLendon, Booe, Kitchens, Holzer, Wilson and Welton

No: None

ACTION ITEM(S)

7. Considered authorizing the city manager to enter into an Engineering Services Contract with Freese and Nichols, Inc. for TAP Safety and Access to School Project, Harrison Lane Elementary and Hurst Junior High areas.

Mayor Ward recognized Executive Director of Public Works Greg Dickens who reviewed the TAP Safety and Access to School Project, noting this is basically the same grant program previously called Safe Routes to Schools. He stated the grant match has changed from 100% funding to 80/20%, with the city's portion being 20%. Mr. Dickens showed a map of the locations where sidewalk and school flashing lights will be installed, and reviewed the scope of engineering services, recommending Freese and Nichols, Inc., for an engineering services contract.

Councilmembers discussed the need for sidewalks and the desire for this type of funding to continue for future projects.

Councilmember Kitchens moved to authorize the city manager to execute the Engineering Services Contract with Freese and Nichols, Inc., for design services, for TAP Safety and Access to School Project; Harrison Lane Elementary and Hurst Junior High Areas, in the amount of \$147,178. Motion seconded by Councilmember McLendon. Motion prevailed by the following vote:

Ayes: Councilmembers McLendon, Booe, Kitchens, Holzer, Wilson and Welton

No: None

OTHER BUSINESS

8. Review of upcoming calendar items – City Manager Allan Weegar reviewed the following calendar items and also noted the retirement reception for Councilmember Anna Holzer on Wednesday, May 11, 2016, at the Hurst Conference Center from 4:00 to 6:00 p.m.
) Rescheduled City Council meeting of May 24, 2016 to May 17, 2016
9. City Council Reports – Councilmembers expressed their appreciation for Councilmember Holzer's dedication to the City.

PUBLIC INVITED TO BE HEARD – A REQUEST TO APPEAR CARD MUST BE COMPLETED AND RETURNED TO THE CITY SECRETARY TO BE RECOGNIZED

Mayor Ward recognized Carolyn Kitchens, 917 Henson Drive, Hurst, Texas, who presented Councilmember Holzer with roses, from the citizens of Hurst, and thanked her for her 24 years of service as a Councilmember. Councilmember Holzer expressed her appreciation to the citizens for allowing her to serve.

EXECUTIVE SESSION in Compliance With the Provisions of the Texas Open Meetings Law, Authorized by Texas Government Code, Section 551.074, Personnel - (City Council Appointees) and to reconvene in Open Session at the conclusion of the Executive Session

10. Take any and all action necessary ensuing from Executive Session.

Councilmember Wilson moved to approve the transitional consulting services agreement and the enclosed addendum to the transitional consulting services agreement between W. Allan Weegar and the City of Hurst. Motion seconded by Councilmember Holzer. Motion prevailed by the following vote:

Ayes: Councilmembers McLendon, Booe, Kitchens, Holzer, Wilson and Welton
No: None

ADJOURNMENT

The meeting adjourned at 7:23 p.m.

APPROVED this the 17th day of May 2016.

ATTEST:

APPROVED:

Rita L. Frick, City Secretary

Richard Ward, Mayor

City Council Staff Report

<p>SUBJECT: Consider approval of Ordinance 2318, an amendment to Section 26-44, "Cross-Connection Regulations" to include Prohibited Conduct and Providing for a Variance Process</p>	
<p>Supporting Documents:</p>	
<p>Ordinance 2318 Variance Compliance Agreement</p>	<p>Meeting Date: 5/17/2016 Department: Public Works Reviewed by: Greg Dickens City Manager Review:</p>
<p>Background/Analysis:</p>	
<p>In October 2015, a commercial backflow device, to a chemical mixing tank from the Public Water System, was tested by an authorized contractor. The device failed, however, the contractor allowed the commercial company to restore public water flow for 18 days without first repairing the device. An investigation was performed by City staff, which included a review of other Cities backflow ordinances. It was found that the Texas Commission on Environmental Quality (TCEQ) rules and other cities ordinances, within the Dallas/Fort Worth area, prohibit the restoration of water service to a failed device prior to repair. For the protection of the public health, City staff has amended Ordinance 2318, Cross-Connection Regulations, to include "Prohibited Conduct", which would prevent future commercial contractors from restoring service to backflow devices without them being repaired. The Ordinance will include a Variance Process, which allows customers, through medical necessity, to be restored until the device can be repaired.</p>	
<p>Funding and Sources:</p>	
<p>There is no fiscal impact.</p>	
<p>Recommendation:</p>	
<p>Staff recommends that City Council approve Ordinance 2318, amending Section 26-44, "Cross-Connection Regulations", to include Prohibited Conduct, and Variance Process.</p>	

ORDINANCE 2318

AN ORDINANCE AMENDING CHAPTER 26 "WATER AND SANITARY SEWERS" ARTICLE II, "IN GENERAL" OF THE CODE THE CITY OF HURST (1968), SECTION 26-44 (1965), CROSS-CONNECTION REGULATIONS ADOPTED, ARE AMENDED TO INCLUDE PROHIBITED CONDUCT; PROVIDING FOR A VARIANCE PROCESS; PROVIDING THAT THIS ORDINANCE SHALL BE CUMULATIVE; PROVIDING A SEVERABILITY CLAUSE; PROVIDING A PENALTY CLAUSE; AND PROVIDING AN EFFECTIVE DATE

WHEREAS, the City Council finds that the protection of water supplies through the prevention of cross-connections are in the best interest of the Public Health and Safety; and

WHEREAS, the City is required to monitor, inspect and test cross-connection devices while maintaining accurate records for the Texas Commission on Environmental Quality (TCEQ); and

WHEREAS, staff recommends that the City Council adopt the amended Section 26-44 of the City Code, Cross-Connection Regulations to include Prohibited Conduct.

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

SECTION 1.

THAT the Code of the City of Hurst, Texas (1968) as amended, Chapter 26, "Water and Sanitary Sewers", Article II, "In General", Section 26-44, (1965) "Cross-Connection Regulations Adopted" is hereby further amended to read as follows:

Sec. 26-44. – Cross-connection regulations adopted.

The City of Hurst Cross-Connections Control Regulations, including Appendix A, a copy of which is on file in the office of the city secretary, is hereby adopted by reference and designated as such, the same as though such regulations were copied at length in this section. The fees listed in Appendix A of these regulations shall be evaluated from time to time by the city manager to ensure the adequate recovery of the cost of administering the regulations.

(1)

The representatives of the water system or agents of the city charged with enforcement of this section shall be deemed to be performing a governmental function for the benefit of the general public and neither the city, the director, nor representative of the water system or agent of the city engaged in inspection or endorsement activities under this section when acting in good faith and without malice shall ever be held liable for any loss or damage, whether real or asserted, caused, or alleged to have been caused, as a result of the performance of such governmental function.

(2)

The director and the city attorney, and each of them, are hereby authorized to enforce the provision of this section by any one or more of the enforcement mechanisms set forth in this section.

(3)

Failure on the part of any customer to protect against cross-connections by eliminating or protecting against the cross-connections as set out in this section is sufficient cause for the immediate discontinuance of public water service to the premises.

(4)

Any person, firm or corporation who commits an offense defined in this section, or refuses to comply with, or who resists the enforcement of any of the provisions of this section and this Code shall be fined not more than two thousand dollars (\$2,000.00) for each offense. Each day that a violation is permitted to exist shall constitute a separate offense.

(5)

Any person violating any of the provisions of this section shall become liable to the city for any expense, loss or damage occasioned by the city by reason of such violation.

(6)

In addition to the penalties provided herein, the city may recover reasonable attorney's fees, court costs, court reporter's fees and other expenses of litigation by appropriate suit of law against the person found to have violated this section or the orders, rules, regulations and permits issued hereunder.

(7) Prohibited conduct.

- a) Installing, allowing to remain installed, or maintaining a potable water supply, piping, or part thereof in such a manner that allows used, unclean, polluted, or contaminated water, mixtures,

gases, or other substances to enter any portion of the public potable water supply by reason of back siphonage, back pressure or any other cause.

- b) Maintaining any water-operated equipment or mechanism or use of any water-treating chemical or substance if it is determined that such equipment, mechanism, chemical or substance may cause pollution or contamination of the public potable water supply. Provided, however, that such equipment or mechanism may be permitted when equipped with a backflow prevention assembly approved by the city.
- c) Connecting, allowing to be connected, or allowing to remain connected to the public potable water system any mechanism or systems designed to return used water to the public potable water system.
- d) Connecting, allowing to be connected, or allowing to remain connected to the public potable water system an auxiliary water system without the prior written approval of the Executive Director of Public Works or his designee.
- e) Incorrectly installing a backflow prevention assembly or allowing an incorrectly installed backflow prevention assembly to remain installed.
- f) Restoring the water supply to a backflow prevention assembly that failed a test under this division.
- g) Falsifying any information in a backflow prevention assembly testing report submitted to the city.
- h) Conducting a backflow assembly test without being registered with the city.
- i) Conducting a backflow assembly test while without a valid registration.
- j) Submitting an incomplete backflow prevention assembly testing report to the city.
- k) Disconnecting, removing, or discontinuing the use of a backflow prevention assembly without the written permission of the Executive Director of Public Works or his designee.

(Code 1965, § 12-1; Ord. No. 1527, §§ 1, 2, 2-13-96; Ord. No. 1918, § 1, 6-22-04)

SECTION 2.
VARIANCE PROCESS

The Executive Director or Designee may grant variances from the provisions of this Article to businesses demonstrating medical necessity as determined by the Executive Director or designee and only under the following conditions:

- (1) The applicant must sign a compliance agreement on forms provided by the Executive Director or designee, agreeing to restore operation of the failed backflow prevention device within 72 hours.
- (2) Granting of a variance must not cause imminent danger to the City's water supply.
- (3) The extreme hardship or need requiring the variance must relate to the health, safety, or welfare of the public or natural persons served by the business requesting it.
- (4) The Executive Director may revoke a variance granted when the Executive Director determines that:
 - (a) the foregoing conditions are not being met or are no longer applicable;
 - (b) the terms of the compliance agreement are being violated; or
 - (c) the health, safety or welfare of other persons requires revocation.

SECTION 3.
CUMULATIVE PROVISIONS

This ordinance shall be cumulative of all provisions of ordinances and of the Code of the City of Hurst, Texas (1968), as amended, except where the provisions of this ordinance are in direct conflict with the provisions of such ordinances and such Code, in which event conflicting provisions of such

Ordinances and such Code are hereby repealed.

SECTION 4.
SEVERABILITY CLAUSE

It is hereby declared to be the intention of the City Council that the phrase, clause, sentence, paragraph or section of this ordinance are severable and, if any phrase, clause, sentence, paragraph or section of this ordinance shall be declared unconstitutional by the valid judgment or decree of any court of competent jurisdiction, such unconstitutionality shall not affect any of the remaining phrases, clauses, sentences, paragraphs and sections of this ordinance, since the same would have been enacted by the City Council without the incorporation in this ordinance of any such unconstitutionality phrase, clause, sentence, paragraph or section.

SECTION 5.
PENALTY CLAUSE

Any person, firm or corporation who violates, disobeys, omits, neglects or refuses to comply with or who resists the enforcement of any of the provisions of this ordinance shall be fined not more than two thousand dollars (\$2,000) for each offense. Each day that a violation is permitted to exist shall constitute a separate offense.

SECTION 6.
RIGHTS AND REMEDIES

All rights and remedies of the City of Hurst, Texas, are expressly saved as to any and all violations of the provisions of the ordinances amended herein, which have accrued at the time of the effective date of this ordinance and, as to such accrued violations and all pending litigation, both civil and criminal, whether pending in court or not, under such ordinances, same shall not be affected by this ordinance but may be prosecuted until final disposition by the courts.

AND IT IS SO ORDERED.

Passed on the first reading on the 10th day of May 2016 by a vote of 6 to 0.

Approved on the second reading on the 17th day of May 2016 by a vote of _
to _.

ATTEST:

CITY OF HURST

Rita Frick, City Secretary

Richard Ward, Mayor

Approved as to form and legality:

City Attorney

Rev 04/16

CITY USE ONLY
DATE RECEIVED

MM DD YYYY
4 18 2016

**CITY OF HURST
BACKFLOW ASSEMBLY
VARIANCE/COMPLIANCE
AGREEMENT FORM**



In Chapter 26 "Water & Sanitary Sewers" Article II, "In General" of the Code the City of Hurst (1968), Section 26-44 (1965), Cross-Connections regulations adopted, Item Number (7) Prohibited Conduct sub-article (f) - Restoring water supply to a backflow prevention assembly that failed a test; A Variance Process has been approved in the event of medical necessity as determined by the Executive Director (or) Designee of Public Works with conditions:

Conditions: Any medical facility and or bussiness utilizing water as a medical necessity such as dialysis, may be provided up to and not to exceed 72 hours to schedule and repair a backflow device so accomodations may be obtained. It is the affiirmative duty of the applicant/business to notify the City of Hurst via written document/fax to 817-503-7276 if they are incapable of repair within the provided 72 hour variance period. Service can and will be disconnected without required documentation. Notice to the applicant/business will be provided prior to disconnect.

APPLICANT INFORMATION

Applicant Requesting Variance: _____
 Business Name: _____
 Mailing Address: _____
 Telephone: _____ Ext: _____

VARIANCE INFORMATION

Please describe your Backflow Variance request and explain why this is a medical necessity as covered under Section 26-44, Cross-Connections Regulations, Sub-Section 7(f):

REGISTERED TESTER/REPAIR AGENCY:

Registered Testing and Repair Business Name: _____
 Employee Name: _____
 Registration ID/Number: _____
 Telephone: _____ Ext: _____

In Chapter 26 "Water & Sanitary Sewers" Article II, "In General" of the Code the City of Hurst (1968), Section 26-44 (1965), Cross-Connections regulations adopted, Sub-Section 5, "Penalty Clause", Any person, firm or corporation who violates, disobeys, omits, neglects or refuses to comply with or who resists enforcement of any provision of this ordinance shall be fined not more than two thousand dollars (\$2,000) for each offense, each day.

NO REPAIRS SHALL BEGIN UNTIL THE APPLICANT/BUSINESS HAS RECEIVED A WRITTEN VARIANCE APPROVAL DOCUMENT FROM THE CITY OF HURST EXECUTIVE DIRECTOR OR

I certify to the best of my knowledge the information provided in this application is true, complete, and correct. I understand that the information I provide will be used by the City of Hurst to determine if a variance can be granted. I further understand that I must have the backflow repairs completed and submitted to the City of Hurst Environmental Specialist at 2001 Precinct Line Road within the required 72 hours provided.

APPLICANT PRINTED NAME: _____

APPLICANT SIGNATURE: _____

DATE SIGNED: _____

City Council Staff Report

SUBJECT: Consider Ordinance 2319 Resolving the 2016 Atmos Mid-Tex Rate Review Mechanism (RRM) Filing

Supporting Documents:

Ordinance 2319

Meeting Date: 5/17/2016

Department: Administration

Reviewed by: Clay Caruthers

City Manager Review:

Background/Analysis:

The City, along with other similarly situated cities served by Atmos Energy Corp., Mid-Tex Division ("Atmos Mid-Tex" or "Company"), is a member of the Atmos Cities Steering Committee ("ACSC"). The RRM Tariff was originally adopted by ACSC member cities in 2007 as an alternative to the Gas Reliability Infrastructure Program ("GRIP"), the statutory provision that allows Atmos to bypass the City's rate regulatory authority to increase its rates annually to recover capital investments. The RRM Tariff has been modified several times, most recently in 2013.

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

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

The tariffs attached to the Ordinance approve rates that will increase the Company's revenues by \$29.9 million for the Mid-Tex Rate Division, effective for bills rendered on or after June 1, 2016. The monthly residential customer charge will be \$19.10. The consumption charge will be \$0.11378 per Ccf. The monthly bill impact for the

typical residential customer consuming 46.8 Ccf will be an increase of \$1.26, or about 2.43%. The typical commercial customer will see an increase of \$3.81, or 1.43%. Attached to this Model Staff Report is a summary of the impact of new rates on the average bills of all customer classes.

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

Explanation of "Be It Ordained" Sections:

1. This section approves all findings in the Ordinance.
2. This section finds the settled amount of \$29.9 million to be a comprehensive settlement of gas utility rate issues arising from Atmos Mid-Tex's 2016 RRM filing, and that such settlement is in the public interest and is consistent with the City's statutory authority.
3. This section finds the existing Atmos Mid-Tex rates to be unreasonable, and approves the new tariffed rates providing for additional revenues over currently-billed rates of \$29.9 million and adopts the attached new rate tariffs (Attachment A).
4. This section establishes the baseline for pensions and other post-employment benefits for future rate cases (Attachment C).
5. This section requires the Company to reimburse Cities for reasonable ratemaking costs associated with reviewing and processing the RRM filing.
6. This section repeals any resolution or ordinance that is inconsistent with this Ordinance.
7. This section finds that the meeting was conducted in compliance with the Texas Open Meetings Act, Texas Government Code, Chapter 551.
8. This section is a savings clause, which provides that if any section(s) is later found to be unconstitutional or invalid, that finding shall not affect, impair or invalidate the remaining provisions of this Ordinance. This section further directs that the remaining provisions of the Ordinance are to be interpreted as if the offending section or clause never existed.
9. This section provides for an effective date upon passage which, according to the Cities' ordinance that adopted the RRM process, is June 1, 2016.

10. This paragraph directs that a copy of the signed Ordinance be sent to a representative of the Company and legal counsel for the Steering Committee.

Funding and Sources:

There is no fiscal impact.

Recommendation:

Staff recommends that City Council approve Ordinance 2319 resolving the 2016 Atmos Mid-Tex Rate Review Mechanism filing.

ORDINANCE 2319

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF HURST, 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 Hurst, 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 HURST, 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 this 10th day of May 2016.

APPROVED this 17th day of May 2016.

Richard Ward, Mayor

ATTEST:

APPROVED AS TO FORM:

Rita Frick, City Secretary

City Attorney

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).

Curtailement Overpull Fee

Upon notification by Company of an event of curtailement or interruption of Customer's deliveries, Customer will, for each MMBtu delivered in excess of the stated level of curtailement 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

Curtailement 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.

File Date: March 1, 2016

**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)	(i)	(j)	(k)
1 Proposed Change In Rates:		\$ 29,603,205			Schedule A					
2 Proposed Change In Rates without Revenue Related Taxes:		\$ 27,447,850			Ln 1 divided by factor on WP_F-5.1					
3										
4										
5										
6										
7 Residential	Revenue Requirements	\$ 338,431,486	Allocations	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										

With Proportional Increase all classes but Residential and a 40% residential base charge increase:				
		Current	Prospective	Revenues
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	<u>51,988</u>
				<u>\$ 27,447,850</u>

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

File Date: March 1, 2016

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

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

15
16
17

Notes:

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

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

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

City Council Staff Report

SUBJECT: Consider Resolution 1645 authorizing the city manager to apply for Body Camera Grant from the Criminal Justice Division of the Governor's Office	
Supporting Documents:	
Resolution 1645	<p>Meeting Date: 5/17/2016</p> <p>Department: Police</p> <p>Reviewed by: Lt. Billy Keadle</p> <p>City Manager Review:</p>
Background/Analysis:	
<p>Body-worn cameras can help improve the quality of service provided by the Police Department. Their use promotes transparency and a sense of procedural justice with the public.</p> <p>Section 1701.652 of the Texas Occupations Code adopted by the 84th Legislature on September 1, 2015, provides grants for body-worn cameras to equip the following officers who:</p> <ul style="list-style-type: none"> (a) are engaged in traffic or highway patrol or otherwise regularly detain or stop motor vehicles; or (b) are primary responders who respond directly to calls for assistance from the public. <p>Agencies awarded grants under this section must match 25 percent of the awarded amount. Agencies are also required to enact policies and training in compliance with the Subchapter N of the Texas Occupations Code.</p>	
Funding and Sources:	
Funding is available in the Traffic Signal Safety Fund for the required 25% match as required for this grant.	
Recommendation:	
Staff recommends the City Council approve Resolution 1645 authorizing the city manager to apply to the Office of the Governor, Criminal Justice Division, for a body-worn camera grant	

RESOLUTION 1645

A RESOLUTION OF THE CITY COUNCIL OF HURST, TEXAS, AUTHORIZING THE CITY MANAGER TO MAKE APPLICATION WITH THE OFFICE OF THE GOVERNOR, CRIMINAL JUSTICE DIVISION, FOR A BODY CAMERA GRANT

WHEREAS, the City Council of Hurst, Texas finds it in the best interest of the citizens of Hurst to apply a grant, for the Hurst Body Camera Project, to be operated for the 2015-2016 year; and

WHEREAS, the City Council of Hurst, Texas agrees to provide applicable matching funds for the said project, as required by the Office of the Governor, Criminal Justice Division grant application; and

WHEREAS, the City Council of Hurst, Texas agrees that in the event of loss or misuse of the Criminal Justice Division funds, Hurst City Council assures that the funds will be returned to the Criminal Justice Division in full; and

WHEREAS, the City Council of Hurst, Texas designates the City Manager as the grantee's authorized official. The authorized official is given the power to apply for, accept, reject, alter or terminate the grant on behalf of the applicant agency.

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

Section 1. THAT the City Council of Hurst, Texas, approves submission of the grant application, for the Hurst Body Cameras Project, to the Office of the Governor, Criminal Justice Division.

AND IT IS SO RESOLVED.

Approved this the 17th day of May by a vote of to .

ATTEST:

CITY OF HURST

Rita Frick, City Secretary

Richard Ward, Mayor

Approved as to form and legality:

Grant Number: 3048101

City Attorney

City Council Staff Report

SUBJECT: Consider authorizing the city manager to approve the Central Aquatics Center Renovation Project	
Supporting Documents:	
	<p>Meeting Date: 5/17/2016</p> <p>Department: Community Services</p> <p>Reviewed by: Allan Heindel</p> <p>City Manager Review:</p>
Background/Analysis:	
<p>In 1996, the City of Hurst opened the Central Aquatics Center, which was the first family aquatics center in the southwest. Over the last 20 years, nearly one million visitors have enjoyed the Center; however, in the past several years, maintenance and repair issues have escalated to the point where a major renovation of the facility is necessary for it to remain a viable facility.</p> <p>Over the past five years, staff worked with consultants to develop a strategic plan to address the future of the aquatics program in Hurst. The Aquatics Strategic Plan's final recommendations included the replacement of the Chisholm Center and the renovation of the Central Center. With the completion and eminent opening of the Chisholm Aquatics Center, the City is now ready to begin the renovations to the Central Aquatics Center.</p> <p>Requests for competitive sealed proposals for the Project were developed, advertised in the newspaper, and sent to general contractor firms in the area asking for qualifications to be considered for this project. Three firms responded to this request, and a staff committee reviewed all submissions. The Fain Group submitted the lowest bid and was the most qualified. The Fain Group has an excellent reputation for quality work and has successfully completed many similar projects in the past.</p> <p>The Fain Group submitted a quote for this project of \$3,580,340. This price includes renovating the bathhouse to add a new concession stand, improvements to the existing slide walkway, renovating the leisure pool, adding a new slide tower with two run out slides, replacing the play structure and its pool, adding a new pump and filtration building, adding more shade structures, and adding a spray ground. Additional project components include landscaping and irrigation, all furniture and</p>	

fixtures and equipment, security, cabling and computer equipment, and materials testing. These components will be purchased through City approved vendors, Texas Multiple Award Schedule (TXMAS), BuyBoard, and Department of Information Resources – State of Texas (DIR) purchasing consortium members, and interlocal cooperative purchasing agreements for \$220,000. Staff is also recommending a contingency of 10% (\$380,034).

The Hurst Parks and Recreation Advisory Board reviewed the Central Aquatics Center Renovation Project at the May 12, 2016 meeting and recommended that Council proceed with the project.

Funding and Sources:

Funding from future issuance of Certificates of Obligation supported by the Half Cent Sales Tax Fund in the amount of \$4,000,000. The additional \$180,374 has been identified within the 2016/17 PAYGO of the Half Cent Sales Tax Fund.

Recommendation:

It is recommended that the City Council authorize the city manager to proceed with the Central Aquatics Center Renovation Project, for an amount not to exceed \$4,180,374.

Future Event Calendar

May 17, 2016

DATE AND TIME	ACTIVITY
Tuesday, May 17, 2016 6:30 p.m.	Regular City Council Meeting (moved from May 24, 2017) City Council Chambers
Monday, May 30, 2016	Holiday – City Offices Closed
Tuesday, June 14, 2016 6:30 p.m.	Regular City Council Meeting City Council Chambers
Tuesday, June 28, 2016 6:30 p.m.	Regular City Council Meeting City Council Chambers
Tuesday, July 12, 2016 6:30 p.m.	Regular City Council Meeting City Council Chambers