

# AGENDA

## HALTOM CITY COUNCIL MEETING

June 8, 2015

CITY HALL - 5024 BROADWAY AVENUE  
Council Chambers – Work Session/ Regular Session  
Work Session 6:00 p.m. - Regular Session 7:00 p.m.

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### WORK SESSION 6:00 P.M.

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#### CALL TO ORDER (General Comments)

- Discuss future meetings.
- Discuss Open Meetings and Open Records requirements.
- Review and discuss items on the regular agenda of June 8, 2015.

#### EXECUTIVE SESSION

##### **Section 551.071**

**As authorized by Chapter 551 of the Texas Government Code, the City Council reserves the right to adjourn into Executive Session at any time during the course of this meeting to seek legal advice from the City Attorney about any matters listed on the agenda, in addition to the following matters:**

Consultation with the City Attorney pertaining to any matter in which the duty of the City Attorney under the Texas Disciplinary Rules of Professional Conduct which may conflict with the Open Meetings Act; including discussion of any item posted on the Agenda; to seek legal advice on: open meetings, open records, contracts, expenditures and oversight of the Haltom City Economic Development Corporation, litigation, and settlement offers and/or claims for the following cases:

- Donald Anthony Hains v. City of Haltom City
- Burkett v. City of Haltom City, et al.
- Flynn v. Haltom City EDC
- Emily A. Rudicel v. City Secretary/Haltom City Police Department
- Progressive County Mutual Ins. Co. v. The City of Haltom City
- James H. Watson v. The City of Haltom City

##### **Section 551.072 – Deliberations about Real Property**

Deliberation regarding the purchase, exchange, lease or value of real property owned or leased by the City and the Economic Development Corporation.

##### **Section 551.087 – Deliberations about Economic Development Incentives**

Discuss or deliberate regarding commercial or financial information the City has received from business prospects the City seeks to have locate, stay, or expand in the City and with which the City is conducting economic development negotiations; deliberate the offer of a financial or other incentive to a business prospect.

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### REGULAR SESSION 7:00 P.M.

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#### CALL TO ORDER

INVOCATION/PLEDGE OF ALLEGIANCE – Council Member Walter Grow

#### ANNOUNCEMENTS/EVENTS

#### REPORTS

1. **Monthly Financial Report** – Consideration and/or action regarding approval of the preliminary monthly Financial Report for the month of April 2015.

## **CONSENT AGENDA**

2. **Minutes** – Consideration and/or action regarding approval of the Minutes of the special meeting of May 18, 2015, Worksession of May 21, 2015, and the special meeting of May 26, 2015.
3. **Ad Valorem Taxing** – Consideration and/or action regarding approval of a contract with the Tarrant County Tax Office to provide ad valorem tax assessing, billing, collecting and reporting for the 2015 Tax Year.
4. **Property Enhancement Incentives Grant** – Consideration and/or action for approval of a Property Enhancement Incentives Grant to Hi Line Tool.

## **REGULAR AGENDA**

5. **Mayor Pro Tem** – Consideration and/or action regarding election of the Mayor Pro Tem.
6. **Ordinance No. O-2015-007-15 - Fence Ordinance Amendment** – Conduct a public hearing and consider action on an amendment to Ordinance No. O-2002-032-15, as amended, the Zoning Ordinance of the City of Haltom City, Texas, by amending regulations to provide more specific regulations regarding fences, walls, and screening standards. – **2<sup>nd</sup> Reading**
7. **Short Form Plat (P-015-14)** – Consider action on the application of Robert Blanco, on behalf of R.C.B. Real Estate LLC, for approval of a Short Form Plat creating Lot 1, Block 1 of the RCB Addition from Tract 18 of the John W. Elliston Survey, Abstract 472, located in the “M-2” Heavy Industrial District, containing approximately 1.434 acres, and locally known as 2828 N. Beach Street.
8. **Short Form Plat (P-001-15)** – Consider action on the application of Christian Schnitger, on behalf of Birdville ISD, for approval of a Short Form Plat creating Lot 1, Block 1 of the Academy at West Birdville Addition from Tracts 11, 12A2, and 12B of the J. W. Elliston Survey, A-472, located in the “SF-2” Single Family Residential District and the “CF” Community Facilities District, containing approximately 9.794 acres, and locally known as 3001 Layton Avenue and 3200 Eastridge Drive.
9. **Replat (P-018-14)** – Consider action on the application of Ernest Hedgcoth, on behalf of Hal D. Turney, for approval of a Replat creating Lot 2R1, Block 1 of the Airport Industrial Addition from a portion of Lot 2R, Block 1 of the Airport Industrial Addition, located in the “C-4” Commercial District, containing approximately 0.057 acres, and locally known as 5411 Airport Freeway.
10. **Ordinance No. O-2015-010-15 (Z-008-14)** – Conduct a public hearing and consider action on the application of Ernest Hedgcoth, on behalf of Hal D. Turney, for approval of a Zoning Change request from “C-4” Commercial to “C-3” Commercial District located on a portion of Lot 2R, being approximately 0.057 acres located north of Airport Freeway (SH 121) and west of Hickory Drive, locally known as 5411 Airport Freeway – **1<sup>st</sup> Reading**
11. **Atmos Energy RRM Settlement** – Consideration and/or action regarding Resolution No. R-2015-012-01 approving the negotiated settlement with Atmos Energy, Mid-Tex Division and their 2014 and 2015 Rate Review Mechanism filing.

## **VISITORS/CITIZENS FORUM**

*This time is set-aside for any person having business before the Council that is not scheduled on the agenda to speak to the Council. Please submit a completed Speaker's Request Form to the City Secretary. All comments must be directed toward the presiding Officer rather than an individual council member or staff. Each speaker must limit his/her comments to the **subject matter** listed on the Speaker's Request Form and must refrain from personal attacks toward any individual. A three to six minute time limit will be granted. **(Six minutes with prior notification and three without prior notification)**. If a group is present and interested in the same issue, please choose a spokesperson. Council cannot discuss or debate any issue brought forth at this time, nor can any formal action be taken, as it is not a posted agenda item in accordance with the open meetings law.*

## **BOARDS/COMMISSIONS**

12. **Resignations of Board Members** – Consider approval of the resignations of Board/Commission Members.
13. **Appointment/Reappointment to Boards and Commissions** – Consider approval regarding appointments to Boards/Commissions.
14. **Board/Commission Reports** – Receive reports from Council liaisons.

## **EXCUSED ABSENCE OF COUNCIL MEMBERS**

15. **Attendance Requirements** – Consideration regarding excused absences of Council Members according to Article III, Sec. 3.07 (a). Attendance Requirements of the Haltom City Charter.

## **EXECUTIVE SESSION**

**See Posting on Page One (1) of Agenda.**

## **RECONVENE TO REGULAR SESSION**

16. Take any action deemed necessary as a result of the Executive Session.

## **ADJOURNMENT**

### **CERTIFICATION**

**I, ART CAMACHO, CITY SECRETARY OF THE CITY OF HALTOM CITY, TEXAS, DO HEREBY CERTIFY THAT THE ABOVE AGENDA WAS POSTED ON THE OFFICIAL BULLETIN BOARDS IN CITY HALL ON THIS THE 5th DAY OF JUNE, 2015 AT 5:00 P.M., WHICH IS A PLACE READILY ACCESSIBLE TO THE PUBLIC AT ALL TIMES AND THAT SAID NOTICE WAS POSTED IN ACCORDANCE WITH CHAPTER 551, TEXAS GOVERNMENT CODE.**



**ART CAMACHO, CITY SECRETARY**

**I CERTIFY THAT THE ATTACHED NOTICE AND AGENDA OF ITEMS TO BE CONSIDERED BY THE CITY COUNCIL WAS REMOVED BY ME FROM THE CITY HALL BULLETIN BOARD ON \_\_\_\_\_ DAY OF \_\_\_\_\_, 2015.**  
Name: \_\_\_\_\_ Title: \_\_\_\_\_



This facility is wheelchair accessible. Handicapped parking spaces are available. Request for sign interpretative services must be made 48 hours ahead of meeting. To make arrangements call 817-222-7754.

## **CITY COUNCIL MEMORANDUM**

**City Council Meeting:** June 8, 2015

**Department:** Finance

**Subject:** Monthly Financial Report for April 2015

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### **BACKGROUND**

Attached is the Monthly Financial Report for the month ending April 30, 2015. This report is submitted to the City Council for their review and comment. It provides a top-level analysis of the City's financial condition and results of operations for the fiscal year to date.

### **FISCAL IMPACT**

This is a management tool that can be used by Council in evaluating future spending decisions.

### **RECOMMENDATION**

Staff recommends approval of the attached report.

### **ATTACHMENTS**

Monthly Financial Report for April 30, 2015.

## 2015 April Monthly Financial Report

May 15, 2015

We are pleased to provide the April 2015 monthly financial report. Most of the funds are performing as budgeted. **Variations related to timing of revenues and expenditures will “level-out” as the year progresses.** Exceptions that warrant explanations are listed in the financial report.

### Fund Balances

At the end of April, total fund balance for all funds amounted to over \$33 million. Two of the operating funds namely Parks Performance Fund and Grant Fund, showed negative balances of \$39,542 and \$23,670 respectively. Both Parks Performance Fund and Grant Fund were budgeted with negative fund balance for FY2015.

### Revenues

At the end of April, the City realized about 70% of the total budgeted revenues for the year. The City collected about \$11 million in Property Tax. Out of this amount, \$7.5 million is recorded in General Fund and \$3.5 million is recorded in Debt Service Fund. This represents over 93% of the Property Tax for the year. Sales Tax collection is lower than expected and is about 54% of the total budget. Interest income has been suffered for the current year due to amortization of premiums on some investments purchased in 2013. There are no other major deviations from the budget. Minor favorable revenue collections are recorded in some minor funds and are noted in the financial report.

### Expenditures

Expenditures for most funds are proportional to the budget. Debt Service Fund has spent more than 87% of the annual budget due to principal and interest debt service payments in February. There are no other significant expenditures or cost savings realized so far.

Staff is available to answer any additional questions you may have.

Sincerely,



Thomas J. Muir  
City Manager

## 2015 April Monthly Financial Report - Fund Balances

Fund No.	Fund Title	Beginning Fund Balance 10/1/2014	YTD Revenues	YTD Expenditures	Ending Fund Balance 4/30/2015
01	General Fund	\$6,198,548	\$17,229,063	\$13,587,614	\$9,839,997
02	Parks Performance Fund	(20,724)	75,511	94,329	(39,542)
05	Debt Service Fund	191,998	4,107,539	4,296,228	3,309
11	Economic Development Fund	2,904,285	8,097,956	5,803,494	5,198,747
12	Crime Control & Prevention District Fund	853,150	783,807	848,630	788,327
13	Oil and Gas Fund	4,034,849	140,287	554,283	3,620,853
14	Hotel/Motel Tax Fund	96,969	25,696	41,000	81,665
15	Court Security Fund	133,378	19,901	27,672	125,607
16	Court Technology Fund	107,666	26,514	29,405	104,775
17	Juvenile Case Manager Fund	147,264	33,094	27,484	152,874
18	Red Light Camera Fund	248,323	53,236	68,037	233,522
19	Grant Fund	(38,581)	68,843	53,931	(23,670)
20	PEG Fund	51,000	47,991		98,991
21	Fire Donation Fund	3,578	1,479	1,491	3,566
22	Library Donation Fund	97,818	19,987	6,117	111,687
23	Police Forfeiture Fund	20,996	18,718	9,443	30,271
24	Park Donation Fund	29,848	50,627	29,025	51,450
25	Park Dedication Fund	33,253	29	10,208	23,074
26	Safe Pathways Fund	27,998	18		28,016
27	Animal Shelter Fund	34,808	2,931		37,739
28	Police Donation Fund	111,321	36,621	26,402	121,539
29	Police CART Fund	8,878	1,000		9,878
31	Street Reconstruction Fund	2,207,687	1,120,337	1,537,625	1,790,399
32	Capital Projects Fund	3,776,416	367,345	256,825	3,886,936
39	Street Assessments Fund	(1,312)	7,714	700	5,702
41	Water & Sewer Fund	3,931,075	9,759,250	8,886,754	4,803,571
42	Water & Sewer Utility Projects Fund	283,919	642,579	467,432	459,067
44	Water and Sewer Impact Fees Fund	773,686	81,907	750	854,843
45	Drainage Utility Fund	300,841	955,900	855,883	400,858
46	Drainage Capital Projects Fund	40,318	125,700	7,997	158,021
<b>Total</b>		<b>\$ 26,589,253</b>	<b>\$43,901,578</b>	<b>\$37,528,761</b>	<b>\$32,962,070</b>

## 2015 April Monthly Financial Report - Revenue Summary

Fund No.	Fund Title	Adopted Budget	Revised Budget	YTD Budget	April Actual	YTD Actual	Percent of Revenue Earned	Notes
01	General Fund	\$ 23,547,785	\$ 23,547,785	\$ 17,200,913	\$1,120,574	\$17,229,063	73.2%	1
02	Parks Performance Fund	192,000	192,000	112,000	16,717	75,511	39.3%	2
05	Debt Service Fund	4,811,555	4,811,555	2,806,740	127,238	4,107,539	85.4%	3
11	Economic Development Fund	9,154,686	9,154,686	5,340,234	763,696	8,097,956	88.5%	4
12	Crime Control & Prevention District Fund	1,449,280	1,449,280	845,413	95,982	783,807	54.1%	
13	Oil and Gas Fund	319,648	319,648	186,461	10,839	140,287	43.9%	
14	Hotel/Motel Tax Fund	44,400	44,400	25,900	4,037	25,696	57.9%	
15	Court Security Fund	34,100	34,100	19,892	2,567	19,901	58.4%	
16	Court Technology Fund	44,700	44,700	26,075	3,423	26,514	59.3%	
17	Juvenile Case Manager Fund	52,400	52,400	30,567	4,254	33,094	63.2%	
18	Red Light Camera Fund	166,200	166,200	96,950	9,900	53,236	32.0%	
19	Grant Fund	77,687	77,687	45,317	5,635	68,843	88.6%	5
20	PEG Fund	63,000	63,000	36,750	2,083	47,991	76.2%	
21	Fire Donation Fund	2,850	2,850	1,663	201	1,479	51.9%	
22	Library Donation Fund	38,700	38,700	22,575	3,774	19,987	51.6%	
23	Police Forfeiture Fund	25,500	25,500	14,875	3,455	18,718	73.4%	6
24	Park Donation Fund	51,750	51,750	30,188	11,836	50,627	97.8%	
25	Park Dedication Fund	400	400	233		29	7.3%	
26	Safe Pathways Fund	5,150	5,150	3,004		18	0.4%	
27	Animal Shelter Fund	7,650	7,650	4,463	744	2,931	38.3%	
28	Police Donation Fund	73,500	73,500	42,875	3,648	36,621	49.8%	
29	Police CART Fund	1,000	1,000	583	1,000	1,000	100.0%	
31	Street Reconstruction Fund	1,495,500	1,495,500	872,375	98,055	1,120,337	74.9%	7
32	Capital Projects Fund	372,000	372,000	217,000		367,345	98.7%	
39	Street Assessments Fund	1,200	1,200	700		7,714	642.8%	
41	Water & Sewer Fund	18,008,982	18,008,982	10,505,240	1,424,674	9,759,250	54.2%	
42	Water & Sewer Utility Projects Fund	1,113,310	1,113,310	649,431	91,667	642,579	57.7%	
44	Water and Sewer Impact Fees Fund	17,000	17,000	9,917	6,647	81,907	481.8%	8
45	Drainage Utility Fund	1,718,007	1,718,007	1,002,171	134,444	955,900	55.6%	
46	Drainage Capital Projects Fund	215,000	215,000	125,417	17,917	125,700	58.5%	
<b>Total Revenues</b>		<b>\$ 63,104,940</b>	<b>\$ 63,104,940</b>	<b>\$ 40,275,920</b>	<b>\$ 3,965,006</b>	<b>\$ 43,901,578</b>	<b>69.6%</b>	

Notes:

- 1 The General Fund received over \$7.5 million property tax revenue for the fiscal year.
- 2 The Parks Performance Funds received \$75,511 in Recreation Revenue and is less than 40% of the budget.
- 3 The General Debt Service Fund received over \$3.4 million from property tax revenue for the fiscal year.
- 4 The Economic Development Fund received over \$6.4 million in grants for the year.
- 5 The Grants Fund received \$68,843 in grants for the year.
- 6 The Police Forfeiture Fund received \$18,676 in awarded property for the year.
- 7 The Street Reconstruction Fund received \$297,695 grant money for work performed on the Safe Routes to School project.
- 8 The Water & Sewer Impact Fees Fund received \$81,504 in water and sewer impact fees for the year.

## 2015 April Monthly Financial Report - Expenditure Summary

Fund No.	Fund Title	Adopted Budget	Revised Budget	YTD Budget	April Actual	YTD Expenditures	Percent of Budget Spent	Notes
01	General Fund	\$ 24,234,625	\$ 24,234,625	\$ 14,062,297	\$1,780,460	\$13,587,614	56.1%	
02	Parks Performance Fund	192,239	192,239	112,139	14,252	94,329	49.1%	
05	Debt Service Fund	4,915,614	4,915,614	4,294,039	300	4,296,228	87.4%	1
11	Economic Development Fund	11,252,551	11,252,551	6,563,988	257,943	5,803,494	51.6%	
12	Crime Control & Prevention District Fund	1,670,823	1,670,823	974,647	228,317	848,630	50.8%	
13	Oil and Gas Fund	951,044	951,044	554,776	79,183	554,283	58.3%	
14	Hotel/Motel Tax Fund	60,041	60,041	35,024	5,316	41,000	68.3%	
15	Court Security Fund	47,438	47,438	27,672	3,870	27,672	58.3%	
16	Court Technology Fund	42,704	42,704	24,911	823	29,405	68.9%	
17	Juvenile Case Manager Fund	48,529	48,529	28,309	3,919	27,484	56.6%	
18	Red Light Camera Fund	206,912	206,912	120,699	22,918	68,037	32.9%	
19	Grant Fund	77,687	77,687	45,317	16,903	53,931	69.4%	
20	PEG Fund	3,820	3,820	2,228			0.0%	
21	Fire Donation Fund	3,600	3,600	2,100	519	1,491	41.4%	
22	Library Donation Fund	82,900	82,900	48,358	852	6,117	7.4%	
23	Police Forfeiture Fund	46,000	46,000	26,833	1,000	9,443	20.5%	
24	Park Donation Fund	50,950	50,950	29,721	2,538	29,025	57.0%	
25	Park Dedication Fund	0	0	0	1,458	10,208	NA	
26	Safe Pathways Fund	10,000	10,000	5,833			0.0%	
27	Animal Shelter Fund	5,150	5,150	3,004			0.0%	
28	Police Donation Fund	101,000	101,000	58,917	4,117	26,402	26.1%	
29	Police CART Fund	2,500	2,500	1,458			0.0%	
31	Street Reconstruction Fund	3,291,799	3,291,799	1,920,216	15,348	1,537,625	46.7%	
32	Capital Projects Fund	3,401,309	3,401,309	1,984,097	26,824	256,825	7.6%	
39	Street Assessments Fund	1,200	1,200	700	100	700	58.3%	
41	Water & Sewer Fund	19,656,432	19,656,432	11,466,252	1,115,055	8,886,754	45.2%	
42	Water & Sewer Utility Projects Fund	786,920	786,920	459,037		467,432	59.4%	
44	Water and Sewer Impact Fees Fund	400,000	400,000	233,333	750	750	0.2%	
45	Drainage Utility Fund	1,855,297	1,855,297	1,082,257	84,508	855,883	46.1%	
46	Drainage Capital Projects Fund	254,491	254,491	148,453		7,997	3.1%	
<b>Total Expenditures</b>		<b>\$ 73,653,575</b>	<b>\$ 73,653,575</b>	<b>\$44,316,615</b>	<b>\$3,667,273</b>	<b>\$37,528,761</b>	<b>51.0%</b>	

Notes:

- 1 The Debt Service Fund paid over \$4.2 million debt service in February for the year's principal payments and half year's interest payments.

## 2015 April Monthly Financial Report - General Fund Revenues

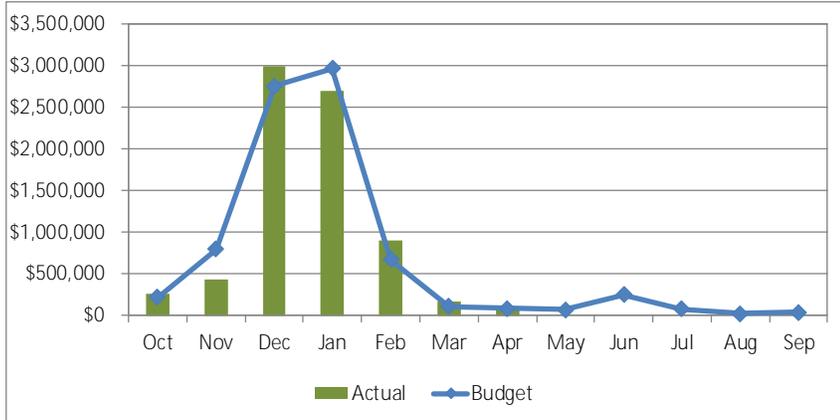
Description	Adopted Budget	Revised Budget	YTD Budget	April Actual	YTD Actual	Percent of Revenue Earned	Notes
Property Taxes	\$8,075,980	\$8,075,980	\$7,618,183	\$75,349	\$7,549,856	93.5%	1
Sales & Other Taxes	6,067,300	6,067,300	3,390,258	394,482	3,273,935	54.0%	2
Franchise Fees	3,941,050	3,941,050	2,885,387	162,081	2,876,116	73.0%	3
Licenses/Permits/Fees	626,330	626,330	426,290	45,518	367,122	58.6%	
Charges for Service	1,562,055	1,562,055	941,218	155,155	939,404	60.1%	
Court Fees and Fines	1,515,235	1,515,235	913,006	137,902	1,095,137	72.3%	4
Other Revenues							
Intergovernmental	154,730	154,730	90,259	19,877	151,999	98.2%	5
Interest Income	35,000	35,000	20,417		10,575	30.2%	6
Miscellaneous	140,100	140,100	81,725	11,570	134,438	96.0%	7
<b>Total General Fund Revenues</b>	<b>\$22,117,780</b>	<b>\$22,117,780</b>	<b>\$16,366,743</b>	<b>\$1,001,934</b>	<b>\$16,398,582</b>	<b>74.1%</b>	
Transfers	\$1,430,005	\$1,430,005	\$834,170	\$118,640	\$830,481	58.1%	
<b>Total General Fund Revenues and Transfers</b>	<b>\$23,547,785</b>	<b>\$23,547,785</b>	<b>\$17,200,913</b>	<b>\$1,120,574</b>	<b>\$17,229,063</b>	<b>73.2%</b>	

Notes:

- 1 The General Fund received over \$7.5 million from property tax which is over 93% of the property tax revenues.
- 2 The total Sales Tax Receipts was lower than the budgeted amount.
- 3 The City received the annual Electric Franchise of over \$1.37 million in March.
- 4 The total Fees and Fines collected is higher than the year-to-date budgeted amount.
- 5 Major intergovernmental incomes received include Birdville ISD for police officers at high school campus and Tarrant County for Auto Theft Task Force.
- 6 Interest income is much lower than budget amount due to amortization of premiums.
- 7 Received \$74,817 for lease payments, \$23,698 in insurance reimbursements and \$35,253 in miscellaneous revenues.

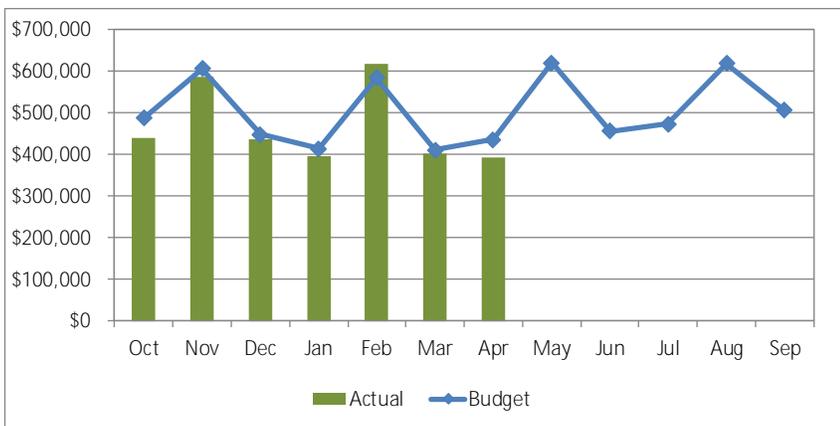
## 2015 April Monthly Financial Report - General Fund Revenues

### Property Tax Revenues



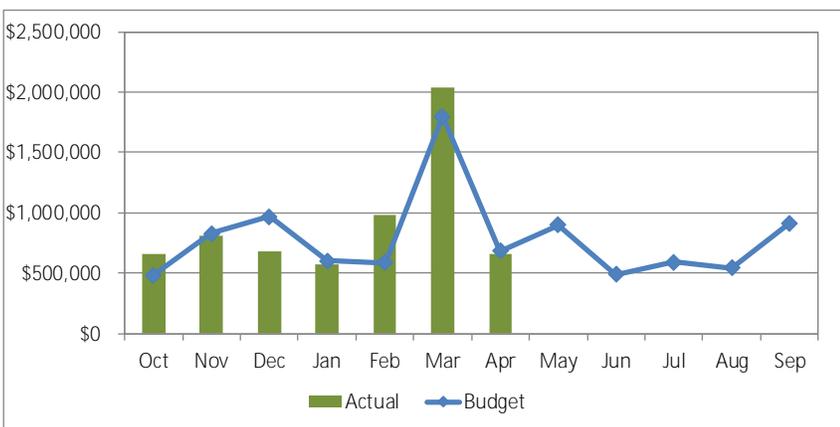
	Budget	Actual	YTD Variance
Oct	\$219,046	\$270,496	\$51,450
Nov	\$796,161	\$429,638	(\$315,074)
Dec	\$2,763,083	\$2,997,155	(\$81,002)
Jan	\$2,970,715	\$2,697,391	(\$354,326)
Feb	\$670,664	\$906,162	(\$118,828)
Mar	\$110,042	\$173,666	(\$55,204)
Apr	\$88,471	\$75,349	(\$68,327)
May	\$68,485		
Jun	\$248,453		
Jul	\$80,344		
Aug	\$21,486		
Sep	\$39,029		
<b>Total</b>	<b>\$8,075,980</b>	<b>\$7,549,857</b>	<b>(\$526,123)</b>

### Sales Tax Revenues



	Budget	Actual	YTD Variance
Oct	\$487,676	\$440,905	(\$46,771)
Nov	\$607,246	\$588,007	(\$66,010)
Dec	\$448,993	\$438,733	(\$76,270)
Jan	\$414,023	\$397,895	(\$92,398)
Feb	\$584,395	\$617,191	(\$59,601)
Mar	\$411,202	\$401,805	(\$68,998)
Apr	\$436,723	\$394,482	(\$111,240)
May	\$620,362		
Jun	\$457,018		
Jul	\$473,429		
Aug	\$618,883		
Sep	\$507,349		
<b>Total</b>	<b>\$6,067,300</b>	<b>\$3,279,018</b>	<b>(\$2,788,282)</b>

### Other General Fund Revenues



	Budget	Actual	YTD Variance
Oct	\$486,421	\$658,900	\$172,479
Nov	\$831,791	\$806,847	\$147,535
Dec	\$969,693	\$677,855	(\$144,303)
Jan	\$605,119	\$577,355	(\$172,066)
Feb	\$586,981	\$983,322	\$224,274
Mar	\$1,799,011	\$2,039,498	\$464,762
Apr	\$682,226	\$656,411	\$438,946
May	\$897,072		
Jun	\$492,654		
Jul	\$593,314		
Aug	\$545,867		
Sep	\$914,356		
<b>Total</b>	<b>\$9,404,505</b>	<b>\$6,400,188</b>	<b>(\$3,004,317)</b>

## 2015 April Monthly Financial Report - General Fund Expenditures

Description	Adopted Budget	Revised Budget	YTD Budget	April Actual	YTD Expenditures	Percent of Budget Spent	Notes
General Government	\$6,367,840	\$6,367,840	\$3,714,573	\$308,445	\$2,779,089	43.6%	
Administration	544,781	544,781	317,789	41,024	336,284	61.7%	
City Secretary	206,355	206,355	120,374	16,414	118,491	57.4%	
City Council	18,672	18,672	10,892	1,073	8,705	46.6%	
Finance	585,866	585,866	341,755	39,005	355,943	60.8%	
Human Resources	430,427	430,427	251,082	28,622	219,980	51.1%	
Planning & Inspections	676,271	676,271	394,491	42,002	331,647	49.0%	
Information Technology	495,804	495,804	289,219	19,684	234,446	47.3%	
Fleet Services	523,635	523,635	305,454	40,793	316,122	60.4%	
Building Maintenance	348,552	348,552	203,322	35,471	162,248	46.5%	
Nondepartment	2,537,477	2,537,477	1,480,195	44,356	695,223	27.4%	1
Public Safety	\$14,774,521	\$14,774,521	\$8,618,471	\$1,259,360	\$9,180,284	62.1%	
Police	7,953,633	7,953,633	4,639,619	710,435	5,475,993	68.8%	
Fire	5,818,589	5,818,589	3,394,177	480,281	3,215,834	55.3%	
Animal Control	347,339	347,339	202,614	20,303	159,636	46.0%	
Municipal Court	654,960	654,960	382,060	48,341	328,821	50.2%	
Streets	\$894,817	\$894,817	\$447,409	\$57,786	\$411,972	46.0%	
Culture and Recreation	\$2,172,447	\$2,172,447	\$1,267,261	\$152,785	\$1,201,685	55.3%	
Parks and Recreation	991,522	991,522	578,388	74,855	577,355	58.2%	
Library	1,180,925	1,180,925	688,873	77,930	624,330	52.9%	
<b>Total General Fund Expenditures</b>	<b>\$24,209,625</b>	<b>\$24,209,625</b>	<b>\$14,047,713</b>	<b>\$1,778,377</b>	<b>\$13,573,031</b>	<b>56.1%</b>	
Transfers Out	\$25,000	\$25,000	\$14,583	\$2,083	\$14,583	58.3%	
<b>Total General Fund Expenditures &amp; Transfers</b>	<b>\$24,234,625</b>	<b>\$24,234,625</b>	<b>\$14,062,297</b>	<b>\$1,780,460</b>	<b>\$13,587,614</b>	<b>56.1%</b>	

Notes:

1 Non-department expenditures incurred was about 27% for the year.

## CITY COUNCIL MEMORANDUM

**City Council Meeting:** June 8, 2015

**Department:** City Secretary

**Subject:** Minutes of May 18, 2015, May 21, 2015, and May 26, 2015.

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### BACKGROUND

On May 18, 2015, a Special Meeting was held at City Hall, 5024 Broadway Avenue, Haltom City, Texas; on May 21, 2015, a Worksession was held at the Tarrant College Haltom Northeast Center, Haltom City, Texas; on May 26, 2015, a Special Meeting was held at City Hall, 5024 Broadway Avenue, Haltom City, Texas.

### FISCAL IMPACT

None.

### RECOMMENDATION

Staff recommends the City Council approve the Minutes of the Meeting of May 18, 2015, May 21, 2015, and May 26, 2015.

### ATTACHMENTS

May 18, 2015 Minutes  
May 21, 2015 Minutes  
May 26, 2015 Minutes

**MINUTES  
HALTOM CITY COUNCIL MEETING  
CITY HALL, 5024 BROADWAY AVENUE  
May 18, 2015**

A Regular Meeting was held by the City Council of the City of Haltom City, Texas, on May 18, 2015, at 7:00 p.m. at City Hall, 5024 Broadway Avenue, Haltom City, Texas, with the following members present, to-wit:

Mayor Richard Hutchison  
Council Place 1 Marian Hilliard  
Council Place 3 David Averitt  
Council Place 7 Dr. An Truong  
Council Place 4 Trae Fowler was absent.

Mayor Pro Tem Bob Watkins  
Council Place 2 Jeff Western  
Council Member 6 Stephanie Davenport

Staff Present: Tom Muir, City Manager; Cara White, City Attorney; Art Camacho, City Secretary; Jennifer Fung, Finance Director; Tom Henry, Parks and Recreation Director; and Keith Lane, Police Chief.

**WORKSESSION**

**CALL TO ORDER**

Mayor Hutchison called the Worksession to order at 6:00 p.m. The Consent and Regular Agenda was reviewed and Mayor Pro Tem Bob Watkins requested that Agenda Item # 7 – Ordinance No. O-2015-009-03 – Budget Amendment – be moved to the front of the Regular Agenda, which would allow the current Council to vote on this issue instead of having the newly-elected Council members voting. A discussion was held and Mayor Pro Tem Watkins and Council Members David Averitt and Stephanie Davenport were in favor of the move. Council Members Marian Hilliard, Jeff Western, and Dr. An Truong were in favor of keeping the agenda item in its current position. Mayor Hutchison cast the deciding vote to keep the agenda item in its current position. No other changes were discussed or made. There was no Executive Session.

Mayor Hutchison closed the Worksession at 6:20 p.m. and a reception was held in the Council Chambers hallway for the newly-elected officials.

**REGULAR MEETING**

**CALL TO ORDER**

Mayor Hutchison called the meeting to order at 7:00 p.m.

**INVOCATION/PLEDGE OF ALLEGIANCE**

Council Member Dr. An Truong gave the Invocation and led the Pledge of Allegiance and the Texas Flag Pledge.

**ANNOUNCEMENTS AND EVENTS**

City Secretary Art Camacho announced the following:

**Library**

*Writing Contest* – A writing contest will be held for individuals from the 5<sup>th</sup> grade to adult. It will include poetry and short stories, with the deadline of Saturday, May 30<sup>th</sup>. The city website has all of the rules at [www.haltomcitytx.com](http://www.haltomcitytx.com).

*Family Movie Night* – On Monday, June 8<sup>th</sup>, the Family Movie night will be “Big Hero 6”.

*Story Times* – Held on Thursdays from 11:00 a.m. to 11:45 a.m. for 3 yrs. and older. For ages 2 and younger, it is held on Fridays from 10:30 a.m. to 11:15 a.m.

*Veterans Support Group* – The Veterans Support Group will be meeting on the second and fourth Monday of each month from 6:00 – 7:00 p.m.

*Senior Center Anniversary Celebration* – A luncheon commemorating the Senior Center Anniversary will be held on Wednesday, May 20<sup>th</sup> at 12:00 noon.

*Fishing Derby* – The Haltom Senior Center/Watauga Senior Center's 2015 Seasoned Angler's Fishing Derby will be held at Capp Smith Park on Friday, May 29<sup>th</sup>, for anyone 50 years of age and older. The on-site registration will begin at 8:00 a.m., and the event is free, sponsored by Lucent Home Health. Prizes will be awarded at 12:30 p.m.

*Council Worksession* – The Haltom City Council will meet this Thursday, May 21, 2015, at 6:00 p.m. at the Tarrant College Northeast Center for a Council Worksession, in which the following subjects will be discussed: (1) Streets and Sidewalks; (2) Drainage; (3) Code Enforcement; and (4) Public Safety Director.

*Special Meeting* – The Haltom City Council will hold a Special Meeting on Tuesday, May 26, 2015 at 6:00 p.m. to vote on the second reading of the 2014 Budget Amendment and also appoint a Budget Committee to meet with the Auditors.

*Memorial Day Service* – The annual Memorial Day Service will be held on Monday, May 25 at New Trinity Cemetery, beginning at 10:00 a.m.

*Office Closing* – City offices will be closed Monday, May 25<sup>th</sup> for Memorial Day

### **CONSENT AGENDA**

1. **Minutes** – Consideration and/or action regarding approval of the Minutes of the meeting of May 11, 2015.
2. **Ordinance No. O-2015-008-15 (Z-004-15)** - Consider action on the application of Keith Paris for approval of a Zoning Change request from “M-2” Heavy Industrial to “C-2” Commercial District located on Tracts 1R1A and 2R1A of the Green B. Stanley Survey, Abstract 1378, being approximately 4.565 acres of land located south of Interstate Loop 820 Highway and east of Haltom Road, locally known as 5050 Interstate Loop 820 Highway and unaddressed property. – **2<sup>nd</sup> Reading**  
Council Member Truong moved, seconded by Council Hilliard, to approve the Consent Agenda consisting of Items # 1 and # 2. ***The vote was unanimous. Motion carried.***

### **REGULAR AGENDA**

3. **General and Special Election Results** – Consideration and/or action regarding approving Resolution No. R-2015-010-01, tabulating and canvassing the results of the May 9, 2015 general election and the special election. City Secretary Art Camacho presented the resolution that included the results of the general and special election. Mayor Pro Tem Watkins moved, seconded by Council Member Truong, to approve Resolution No. R-2015-010-01. ***The vote was unanimous. Motion carried.***
4. **Recognition of Outgoing Council Members** - Council Members Marian Hilliard, Jeff Western and Mayor Richard Hutchison expressed their thanks to the staff, citizens and family and exited the dais.
5. **Oath of Office**
  - A. Newly Elected Officers - Municipal Judge Lorraine Irby administered the Oath of Office to the following elected officials:
    1. Mayor – David Averitt
    2. Council Place 1 – Jeannine Nunn
    3. Council Place 2 – Walter Grow
    4. Council Place 3 – Scott Garrett
    5. Council Place 7 – Dr. An Truong
  - B. Certificates of Election – Presentation of Certificates of Election – City Secretary Art Camacho presented a certificate of election of Mayor to

David Averitt, who then presented the Council certificates to Jeannine Nunn, Walter Grow, Scott Garrett and Dr. An Truong. Upon taking their place at the dais, Council members Nunn, Grow, Garrett and Truong expressed their thanks upon receiving the citizen's vote. Mayor Averitt gave an acceptance speech to the audience.

6. **Mayor Pro Tem** – Consideration and/or action regarding election of the Mayor Pro Tem. Mayor Pro Tem Watkins moved, seconded by Council Member Truong, to table the election of Mayor Pro Tem to the next scheduled Council meeting. ***The vote was unanimous. Motion carried.***
7. **Ordinance No. O-2015-009-03 - Budget Amendment** – Conduct a public hearing and/or action regarding approval of Ordinance No. O-2015-009-03, adopting the revised budget for the fiscal year beginning October 1, 2013 and ending September 30, 2014 – ***1<sup>st</sup> Reading.*** Finance Director Jennifer Fung presented the ordinance that included the changes from the 2014 adopted budget. A discussion was held whether the agenda item should be tabled or the newly-elected Council determine a vote on this item. Tom Henry, Parks and Recreation Director, and Police Chief Keith Lane addressed the budget changes retrospect to their departments. Mayor Averitt opened the Public Hearing at 7:50 p.m. No citizen came forward. Mayor Averitt closed the Public Hearing and recognized Mayor Pro Tem Watkins, who moved, seconded by Council Member Scott Garrett, to approve Ordinance No. O-2015-009-03 – first reading. ***The vote was unanimous. Motion carried.***

#### **VISITORS/CITIZENS FORUM**

No citizen came forward.

#### **BOARDS/COMMISSIONS**

8. **Resignations of Board Members** – Consider approval of the resignations of Board/Commission Members. There were no resignations.
9. **Appointment/Reappointment to Boards and Commissions** – Consider approval regarding appointments to Boards/Commissions. There were no appointments or reappointments. Mayor Pro Tem Watkins appointed Steve Chapman from an Alternate to Place 5 position on the P & Z. ***The appointment was unanimously approved.*** Mayor Averitt made the following appointments for the EDC: Council Members Scott Garrett, Trae Fowler, Mayor Pro Tem Bob Watkins (Interim basis), citizens: Bob Ryan and Marian Hilliard. ***The appointments were unanimously approved.*** Mayor Averitt appointed Marilee Wells to the Animal Advisory Committee. ***The appointment was unanimously approved.***
10. **Board/Commission Reports** – Receive reports from Council liaisons. There were no reports.

#### **EXCUSED ABSENCE OF COUNCIL MEMBERS**

11. **Attendance Requirements** – Consideration regarding excused absences of Council Members according to Article III, Sec. 3.07 (a). Attendance Requirements of the Haltom City Charter. Council Member Garrett moved, seconded by Mayor Pro Tem Watkins, to approve the absence of Council Member Trae Fowler. ***The absence was approved unanimously.***

**EXECUTIVE SESSION**

There was no Executive Session.

12. **ADJOURNMENT**

Mayor Averitt adjourned the meeting on May 18, 2015 at 7:55 p.m.

RESPECTFULLY SUBMITTED BY:

APPROVED BY:

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Art Camacho, City Secretary

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David Averitt, Mayor

**MINUTES  
HALTOM CITY COUNCIL WORKSESSION  
HALTOM TARRANT COLLEGE NORTHEAST CENTER  
3201 FRIENDLY AVENUE  
May 21, 2015**

A Worksession of the Haltom City Council of the City of Haltom City, Texas, was held on May 21, 2015, at 6:00 p.m. at the Haltom City Tarrant College Northeast Center, 3201 Friendly Lane, Haltom City, Texas, with the following members present, to-wit:

Mayor David Averitt

Mayor Pro-Tem Bob Watkins

Council Place 1 Jeannine Nunn

Council Place 3 Scott Garrett

Council Place 7 Dr. An Truong

Council Members Place 2 Walter Grow, Place 4 Trae Fowler, and Place 6 Stephanie Davenport were not present.

Staff Present: Tom Muir, City Manager, Art Camacho, City Secretary, Justin French, Planning and Community Development Director, Toni Beckett, Human Resources and Risk Management Director, Darla Sulecki, Code Enforcement Officer, Chris Rozanc, Code Enforcement Officer, and Greg Van Nieuwenhuize, Public Works Director.

**CALL TO ORDER**

Mayor Averitt called the Worksession to order at 6:08 p.m. City Manager Tom Muir presented the basic discussion procedure regarding the subject matter of the following General Discussion points:

1. **Streets and Sidewalks** – Public Works Director Greg Van Nieuwenhuize presented a listing of projected street repairs and a discussion was held regarding the ranking of street repairs, funding sources, engineering firms and their costs. In addition, a discussion was also held concerning city sidewalk construction criteria, citizen's foot traffic areas, new residential sidewalks accompanying new home construction, soil and repair conditions. The Council will consider the possibility of doing a majority of street repairs within a certain section to produce a better developed community roadway that will be easily viewed by the public.
2. **Drainage** – The Council did not discuss this item because of time and Council attendees missing, but proceeded to the next agenda discussion topic.
3. **Code Enforcement** – Planning and Community Development Director Justin French, along with Code Enforcement Officers Darla Sulecki and Chris Rozanc, provided information regarding ticketing procedures, legal issues, mowing and court costs, and several severe case examples. The Council determined it would like to be more aggressive in pursuing code enforcement to compliment other community improvement efforts.
4. **Public Safety Director** – The Council decided not to discuss this item at this time.

**ADJOURNMENT**

Mayor Averitt adjourned the Council Worksession at 8:10 p.m. on May 21, 2015.

RESPECTFULLY SUBMITTED BY:

APPROVED BY:

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Art Camacho, City Secretary

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David Averitt, Mayor

**MINUTES  
HALTOM CITY COUNCIL MEETING  
CITY HALL, 5024 BROADWAY AVENUE  
May 26, 2015**

A Special Meeting was held by the City Council of the City of Haltom City, Texas, on May 26, 2015, at 6:00 p.m. at City Hall, 5024 Broadway Avenue, Haltom City, Texas, with the following members present, to-wit:

Mayor David Averitt

Mayor Pro Tem Bob Watkins

Council Place 1 Jeannine Nunn

Council Place 2 Walter Grow

Council Place 3 Scott Garrett

Council Place 4 Trae Fowler

Council Place 7 Dr. An Truong

Council Member 6 Stephanie Davenport was absent.

Staff Present: Tom Muir, City Manager; Chuck Barnett, Assistant City Manager; Art Camacho, City Secretary; Jennifer Fung, Finance Director.

**CALL TO ORDER**

Mayor Averitt called the meeting to order at 6:00 p.m.

**INVOCATION/PLEDGE OF ALLEGIANCE**

Council Member Jeannine Nunn gave the Invocation and led the Pledge of Allegiance and the Texas Flag Pledge.

**REGULAR AGENDA**

1. **Ordinance No. O-2015-009-03 - Budget Amendment** – Consideration and/or action regarding approval of Ordinance No. O-2015-009-03, adopting the revised budget for the fiscal year beginning October 1, 2013 and ending September 30, 2014 – **2<sup>nd</sup> Reading**. A discussion was held regarding the budget amendments of the different revenue funds. Council Member Trae Fowler moved, seconded by Council Member Dr. An Truong, to approve Ordinance No. O-2015-009-03 – 2014 Budget Amendment – second reading. ***The vote was unanimous. Motion carried.***
2. **Mayor Pro Tem** – Consideration and/or action regarding election of the Mayor Pro Tem. After a short discussion of Ms. Davenport's absence, Council Member Fowler moved, seconded by Council Member Scott Garrett, to table this item to the regular June 8, 2015 Council meeting. ***The vote was unanimous. Motion carried.***
3. **Audit Committee** – Consideration and/or action regarding the appointment of a new Audit Committee for the period of May 26, 2015 through August 31, 2016. A discussion was held regarding the timeline for the Audit Committee to meet with the auditors. Council Member Fowler moved, seconded by Council Member Walter Grow, to appoint Council Members Stephanie Davenport, Scott Garrett, and Walter Grow to the Audit Committee. ***The vote was unanimous. Motion carried.***
4. **Appointment/Reappointment to Boards and Commissions** – Consider approval regarding appointments to Boards/Commissions. The following appointments were made:
  1. Council Member Fowler appointed Willis O'Dell to the Zoning Board of Adjustments. ***The appointment was approved unanimously.***
  2. Council Member Grow appointed Bob Ryan to the Parks and Recreation Board. ***The appointment was approved unanimously.***

3. Mayor Averitt reappointed Allison Roach and Dr. William Anderson to the Animal Advisory Committee. ***The reappointment was approved unanimously.***
4. Council Member Grow appointed Gordon Jorgensen to the Planning and Zoning Board. ***The appointment was approved unanimously.***
5. Council Member Jeannine Nunn appointed Cheri Crum to the Parks and Recreation Board. ***The appointment was approved unanimously.***

**ADJOURNMENT**

Mayor Averitt adjourned the meeting on May 26, 2015 at 6:40 p.m.

RESPECTFULLY SUBMITTED BY:

APPROVED BY:

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Art Camacho, City Secretary

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David Averitt, Mayor

## CITY COUNCIL MEMORANDUM/RESOLUTION

**City Council Meeting:** June 8, 2015

**Department:** Finance / Accounting

**Subject:** Ad Valorem Tax Assessing, Billing, Collecting and Reporting for the 2015 Tax Year (Fiscal Year 2016)

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### BACKGROUND

Since 1993, the City has contracted with the Tarrant County Tax Office (Tax Office) for the assessment, billing, collection and reporting of the ad valorem (property) taxes. In consideration for the services provided, the City compensates the Tax Office at the rate of \$1.10 per account.

The contract for the 2015 tax year reflects the same rate as in 2014.

### FISCAL IMPACT

In fiscal year 2015, the Tax Office billed the City for servicing 53,044 accounts. Using the same number of accounts and the same rate, the fiscal impact will be \$58,348.40. This cost will be budgeted in the proposed FY2016 budget (01-43301-811) and will be due and payable during February 2016.

### RECOMMENDATION

Staff recommends approval of a contract with the Tarrant County Tax Office to provide ad valorem tax assessing, billing, collecting and reporting for the 2015 Tax Year.

### BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF HALTOM CITY:

That the above stated Staff recommendations are hereby approved and authorized.

**PASSED AND APPROVED** at a regular meeting of the City Council of the City of Haltom City, Texas this 8<sup>th</sup> day of June, 2015 at which meeting a quorum was present, held in accordance with the provisions of V.T.C.A., Government Code, §551.001 *et seq.*

**APPROVED**

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David Averitt, Mayor

**ATTEST:**

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Art Camacho, City Secretary

**APPROVED AS TO FORM:**

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Wayne Olson, City Attorney

## CITY COUNCIL MEMO/RESOLUTION

**City Council Meeting:** June 8, 2015

**Department:** Administration

**Subject:** Property Enhancement Incentives  
Grant Request – Hi Line Tools

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### BACKGROUND

In April, the City Council updated the City's Property Enhancement Incentives Policy which provides a grant program offering up to \$10,000 to qualifying businesses. The program's objectives include improving the physical appearance of businesses and enhancing the viability and sustainability of commercial properties in the City.

Hi Line Tool will be moving into the building located at 3909 Broadway Avenue. The business specializes in the sale and service of power and hydraulic tools to municipalities, electric utilities and cooperatives. The owner, Mr. Jeff Gunter, intends to move his business from Fort Worth to Haltom City once the renovation is complete.

Mr. Gunter has completed numerous improvements to the interior and exterior of the building with additional improvements planned. He is requesting a Property Enhancement Incentives Grant to help offset the cost of the improvements for the parking/driveways and for the landscaping.

The scope of the project includes the installation of an irrigation system, planting new trees and shrubs, installing a new curb for the landscaping, replacing the dilapidated fence and resurfacing the driveways and parking lots on both the east and west side of the building.

Property enhancements already completed and not part of the grant request include the installation of new LED lights around the building, the replacement of windows and exterior doors and a new façade of stucco and rock work. The cost of the improvements already completed was approximately \$50,000.

### FISCAL IMPACT

The budgeted amount in the General Fund for the incentive program is \$30,000. The program offers a matching grant with an amount not to exceed \$10,000. The cost for the landscaping improvements is estimated at \$17,957. The cost for the parking and driveway improvements is estimated at \$24,768. The policy provides for 30% match for the landscaping and 40% match for the parking and driveway improvements. It is estimated that Hi Line Tool has \$1,000,000 in taxable sales annually, which will bring approximately \$20,000 of sales tax to the City each year.

**RECOMMENDATION**

Staff has reviewed the application and determined this project is eligible for a grant. Staff recommends the City Council award the maximum grant of \$10,000 to Hi Line Tool.

**BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF HALTOM CITY:**

That the above stated Staff recommendations are hereby approved and authorized.

**PASSED AND APPROVED** at a regular meeting of the City Council of the City of Haltom City, Texas this 8<sup>th</sup> day of June, 2015 at which meeting a quorum was present, held in accordance with the provisions of V.T.C.A., Government Code, §551.001 *et seq.*

**APPROVED**

\_\_\_\_\_  
David Averitt, Mayor

**ATTEST:**

\_\_\_\_\_  
Art Camacho, City Secretary

**APPROVED AS TO FORM:**

\_\_\_\_\_  
Wayne Olson, City Attorney

**ATTACHMENTS**

Completed Grant Application  
Property Enhancement Incentives Policy

## Haltom City, Texas

### *Property Enhancement Incentives Policy*

#### **1. INTRODUCTION / GOALS**

This program is a matching grant program that reimburses commercial property owners or business operators for Eligible Enhancements made to the Property. Following are the goals of this Policy:

- A. Enhance the commercial viability and sustainability of commercial properties in the City;
- B. Improve the physical appearance of businesses and visibly enhance the City's commercial corridors;
- C. Increase the marketability and occupancy rate of commercial buildings hindered by an outdated appearance;
- D. Increase the safety of a commercial area and stimulate more public interaction;
- E. Provide incentives in areas and to businesses most likely to stimulate similar enhancements by other private entities; and
- F. Facilitate the latest trends in innovative transportation planning and urban design standards.

#### **2. DEFINITIONS**

The following definitions shall apply to the terms used in this Policy:

Applicant: Shall mean the Property owner or business occupant signing the Application for a Property Enhancement Grant.

Application: Shall mean the Application for Property Enhancement Incentives as maintained by Staff.

City: The City of Haltom City, Texas.

City Council: The City Council of the City.

Code Violations: Shall be any violation of the City's code of ordinances.

Construction Costs: The cost of permits, fees, construction materials, and installation labor. All other associated costs are deemed excluded, including, but not exclusively, the following costs: design, construction document preparation, bidding, sweat equity and construction financing.

Eligible Enhancements: Shall mean the Enhancements identified as eligible in Section 4 herein.

Enhancements: Shall be those property enhancements described in Section 4.

Facade: Shall mean the exterior of a building.

Notice to Proceed: A written notice from City Staff authorizing the Applicant to begin construction as approved by the City.

Policy: Shall mean this Property Enhancements Incentives Policy.

Property: Shall mean the physical lot and / or building to which Enhancements are being made.

Property Enhancement Grant: Shall mean the financial support to make designated Property Enhancements as approved by the City Council, and sometimes referred to as a "Grant."

Staff: The City Manager or his or her designee.

### 3. **ELIGIBILITY**

The following Properties and Businesses are eligible to receive Grants:

- A. **Properties**: Only properties meeting the following requirements at the time an Application is submitted shall be eligible to receive Grants as outlined by this Policy:
- i. **Within the City**: The property must be located within the City's municipal boundaries.
  - ii. **Commercially Zoned**: The property must be zoned for non-residential uses.
  - iii. **Taxes**: The property shall be in good standing as it relates to taxes due to the City.
  - iv. **City Liens**: The property shall be in good standing as it relates to any liens held by the City.
  - v. **Ownership**: Property owners must provide sufficient proof of ownership.
  - vi. **Code Violations**: Property must not have any outstanding code violations.
  - vii. **Frequency**: Property must not have received a Grant or Grants equal to or greater than the Maximum Amount in Section 4.L for the same category of Enhancement (e.g. Façade, Landscaping) in the last two (2) years. (It is the intent of the Policy to allow multiple Grants from different Enhancement categories on a single property.)
  - viii. **Ineligible Properties**: Ineligible Properties include, though not exclusively, all residential properties.
- B. **Businesses**: Only businesses meeting the following requirements shall be eligible to receive benefits outlined by this Policy:
- i. **Taxes**: The business shall be in good standing as it relates to taxes due to the City.
  - ii. **Property Owner Approval**: Businesses, if not the owner of the property to be occupied, must provide a copy of their lease agreement and support of the Grant Application from the Property Owner prior to City approval of the Application.

### 4. **ENHANCEMENTS**

- A. **Aspirations**: As with any policy or regulatory ordinance, it is difficult to precisely regulate factors that are not easily defined. With that in mind, the following are to be considered aspirations for contemplated Enhancements:
- Enhancements should be compatible with the character and architecture of the individual building and those in proximity;
  - Where appropriate, Enhancements may act as a catalyst to create a unique environment;
  - Enhancements should make the Property more inviting to the public;
  - Enhancements should make a Property safer and more easily accessible to the public; and
  - Enhancements that are functional as well as visually appealing.
- B. **General Enhancement Eligibility**: Property Enhancements shall be deemed as eligible or ineligible for the benefits of this Policy as defined below. In general, the following, though not exclusively, are ineligible for all Enhancements:
- Any Enhancements made prior to the Notice to Proceed from the City;
  - Sweat equity or "in-kind" services;
  - New construction which is not specifically listed in this Policy as an Eligible Enhancement;
  - Any Enhancements to remedy code violations of a Property or Business;

- Fees for designing, engineering, surveying, legal services, financing, etc.; or
  - Any Enhancements not identified as eligible below. A potential applicant may discuss an enhancement not identified below with City staff to ascertain whether or not the enhancement meets the Purpose and Intent of this Policy. If so, an amendment to this Policy may be placed before the City Council to determine the merits of including a new eligible enhancement.
- C. Façade Enhancements: The following are Eligible Enhancements related to Façade Enhancements on the Property except as noted otherwise:
- i. Façade Materials: Replacing deteriorated or unsafe façade materials with brick, stone, tile, wood, or siding. Removal of “slip” coverings of prior façade materials and re-establishment of historic façade details. Repointing of mortared joints, replacement or repair of damaged masonry.
  - ii. Cleaning: Pressure washing or sand blasting existing facades, cleaning of tiles.
  - iii. Painting: Scraping, priming and otherwise preparing the surface and painting of a previously painted building.
  - iv. Window / Doors: Replacement of, or improvements to, existing windows or doors that are visible from a public street. Replacement of broken glass panes.
  - v. Awnings / Canopies: Replacement of, or improvements to, existing awnings or canopies. New awnings or canopies.
  - vi. Historical Restoration: Restoration of architectural details of historic significance and / or removal of elements covering such details.
  - vii. Visible Roof Repair: Replacement or repair of the portions of the roof that are visible from an adjacent public street.
  - viii. Gutters and Downspouts: Replacement or repair of existing gutters and / or downspouts.
  - ix. Ineligible: Though not an all-inclusive list, the following are specifically not eligible: burglar bars, painting a previously unpainted building.
- D. Interior Renovation: The following are Eligible Enhancements related to Interior Renovation on the Property except as noted otherwise:
- i. Safety Concerns: Remodeling that resolves safety problems or enhances the safety of the public when occupying the Property.
  - ii. Ineligible: Though not an all-inclusive list, the following are specifically not eligible: painting, wallpaper, aesthetic treatments, and lighting.
- E. Landscaping: The following are Eligible Enhancements related to Landscaping on the Property except as noted otherwise:
- i. Edging: Providing a perimeter to shrub beds with materials deemed to be of a long life, e.g. brick, stone, concrete, steel.
  - ii. Shrubs and Trees: Shrubs and / or trees of a variety that are sustainable in the area when combined with removal of existing shrubs and / or trees that are either overgrown or of poor quality.
  - iii. Xeriscaping: Landscaping with drought-tolerant plant materials and water-conserving irrigation practices.

- iv. Seasonal Color: Providing one-time planting of annual or perennial flowers in critical areas adequate to provide an appealing impact.
  - v. Irrigation: Automatic irrigation system complying with all code requirements.
  - vi. Lawn Renovation: Removal or re-establishment of an existing lawn with a desirable type of lawn.
  - vii. Fencing: Replacement of dilapidated fencing or installation of new fencing that is visually appealing.
  - viii. Ineligible: Though not an all-inclusive list, the following are specifically not eligible: landscape pruning, mowing and / or maintenance.
- F. Lighting: The following are Eligible Enhancements related to Lighting on the Property:
- i. Pedestrian Safety: Lighting that enhances the safety of the public on or adjacent to the property, e.g. sidewalks, parking lots.
  - ii. Accents: Lighting that accentuates features of the building or property creating a pleasant ambience on the Property.
  - iii. Signage: Lighting that illuminates signage identifying the business.
- G. Parking / Driveways: The following are Eligible Enhancements related to Parking and Driveways on the Property except as noted otherwise:
- i. Reconstruction: Removal of existing pavement, gravel, curbing, drives, accessibility ramps, etc. and replacement with reconstruction meeting City requirements.
  - ii. Resurfacing: Re-topping asphalt parking areas.
  - iii. Restriping: Repainting of parking stall stripes, fire lane graphics.
  - iv. Ineligible: Though not an all-inclusive list, the following are specifically not eligible: any surface that is not an all-weather hard surface, as that term is defined in the City's zoning ordinance.
- H. Pedestrian Amenities: The following are Eligible Enhancements related to Pedestrian Amenities on the Property:
- i. Paving: Paving of a unique nature in areas that allow customers to congregate.
  - ii. Seating Areas: Provisions for seating in areas where customers may congregate before, during or after supporting the business.
  - iii. Shade: Provisions for shading pedestrian areas to include permanent or temporary canopies, umbrellas or similar shade structures.
  - iv. Music: Provisions for permanent installation of fixtures to accommodate providing music in areas where customers congregate.
- I. Signage: The following are Eligible Enhancements related to Signage on the Property. Replacement of signs that do not conform to current City requirements is a priority for the City.
- i. Replacing Signs: Replacing existing signs, whether non-conforming or not, with new signage that complies with all City requirements.
  - ii. New Signs: New signs for existing or new businesses when combined with other Enhancements.

- J. Utilities: The following are Eligible Enhancements related to Utilities on the Property:
- i. Upgrading: The upgrading or new installation of utilities serving the Property to commercial needs. This might include electric, phone, Internet or similar.
  - ii. Placement Underground: The placement of existing or new utilities underground.
- K. Code Compliance: The following are Eligible Enhancements related to Code Compliance on the Property:
- i. Public Accessibility: Reconstruction or new construction to comply with public accessibility requirements.
  - ii. Fire Sprinkler Systems: Replacement, upgrade, or installation of fire sprinkler systems in compliance with current codes.
- L. City Participation Limitations: Shown below are the City participation limitations for Grants given in accordance with this Policy. The Maximum Percentage shall be the maximum percentage of the total cost of the Enhancements that the City will grant the Applicant. The Maximum Amount is the maximum dollar amount to be contributed for that category of Enhancements. The potential Grant for each type of Enhancement would be the lesser of the Maximum Percentage or Maximum Amount.
- i. Accumulative Maximum Grant: Notwithstanding the Maximum Percentage and Maximum Amount limitations for each type of Enhancement, no Property or Business may receive more than \$10,000 in Grants during one 12 month period. For example, if a Property received the Maximum Amount for certain Landscaping Enhancements (\$5,000), the Property would only be eligible for a maximum amount of \$5,000 for another type of Enhancement within the same 12 month period.

Section	Type of Enhancement	Maximum Percentage	Maximum Amount
4.C	Façade Enhancements	50 %	\$10,000
4.D	Interior Renovation	20 %	\$4,000
4.E	Landscaping	30 %	\$5,000
4.F	Lighting	30 %	\$5,000
4.G	Parking / Driveways	40 %	\$10,000
4.H	Pedestrian Amenities	20 %	\$4,000
4.I	Signage	50 %	\$8,000
4.J	Utilities	20 %	\$4,000
4.K	Code Compliance	40 %	\$5,000

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## 5. GRANT PRIORITIES

The City has determined that the following are priorities for the benefits of this Policy. The evaluation of the merits of any Application shall take into consideration whether or not the Application also meets these priorities.

- A. Preferred Areas: The following areas of the City are areas of priority for implementation of this Policy:
  - i. Belknap Street;
  - ii. Denton Highway;
  - iii. Beach Street;
  - iv. Broadway Avenue;
  - v. Haltom Road;
  - vi. Midway Road;
  - vii. Carson Street;
  - viii. NE 28th Street;
  - ix. State Highway 121; and
  - x. Western Center Blvd.

## 6. ADMINISTRATIVE PROCEDURES

The following are the Administrative Procedures regarding the application for and approval of Property Enhancement Grants:

- A. Pre-Submittal: All Applicants are encouraged to meet with Staff prior to preparation of an Application. Applicants should contact the following to set up a meeting:
  - Department of Economic Development
  - 5024 Broadway Avenue, Haltom City, TX 76117
  - PH: (817) 222-7723
  - EM: [EconDev@HaltomCityTx.com](mailto:EconDev@HaltomCityTx.com)
- B. Application: The submittal of an Application is required prior to any evaluation of the request for Property Enhancement Grants. The Application shall be on a form prepared by Staff and available on the City's website or in the office of Economic Development.
  - i. Required Information: The following shall be included with the Application:
    - a. Proof of ownership of the Property;
    - b. Photographs of the Property;
    - c. Drawings, renderings, plans of the proposed Enhancements;
    - d. Written description of the Enhancements including building materials and color schemes to be used;
    - e. Construction Cost estimates from at least two (2) different contractors; and

- f. If Applicant is not the Property owner:
  - 1. Written approval of the Grant Application from the owner; and
  - 2. Copy of the signed lease agreement.
- C. Review & Evaluation: The following are criteria to review and evaluate the Application:
  - i. Review Criteria:
    - a. Completeness of Application: Completeness of the Application; including all required attachments.
    - b. Grant Priorities: Is the Property located in a Preferred Area as previously defined in Section 5.
    - c. Impact: An estimation of the impact that the Enhancements might have, particularly as a catalyst for continued private investment.
    - d. Non-funded Improvements: Are the improvements associated with the Grant part of a larger effort to enhance the property.
    - e. Elimination of Non-Conformity: Do the Enhancements eliminate a legal non-conforming aspect of the Property.
    - f. Enhanced Safety or Access: Do the Enhancements provide for a safer environment or enhanced access for the public.
  - ii. Staff Evaluation and Recommendation: The coordinating Staff member shall convene a team of the appropriate Staff members to evaluate the Application. Upon review, Staff shall prepare a recommendation to forward to the City Council.
    - a. Site Visit: Prior to formal evaluation of the Application by Staff, the Applicant shall allow Staff the opportunity to visit the Property to verify its status prior to any Enhancements.
- D. Approval: The City Council shall make the final decision regarding the merits of the Application and the appropriate Property Enhancement Grant to be given, if any. Upon approval of a Grant, the City Council will authorize Staff to enter into an Agreement with the Applicant on a form acceptable to Staff and the City Attorney. The Agreement, at a minimum, must contain the following:
  - i. Enhancements: List the specifications of the proposed Enhancements on the Property.
  - ii. Access: Provide the City and Staff access to the Property to ensure that the Enhancements or repairs are made according to the specifications and conditions in the Agreement.
  - iii. Grant: Provide for the procedures of the Grant payment.
  - iii. Recapture Provisions: Provide for the repayment of a Grant if the Applicant or the condition of the Property do not fulfill all obligations required under the Agreement. The City may take any remedy necessary to recover the funds, including filing a lien on the Property.
- E. Pre-Construction Meeting: If the Grant is approved by City Council, and if deemed necessary by Staff, the Applicant must attend a pre-construction meeting with Staff to coordinate any required permits, execute Grant documents, and resolve any questions either party might have.
- F. Notice to Proceed: Upon approval by the City Council, staff shall prepare and issue a written Notice to Proceed authorizing the Applicant to begin work on the Enhancements.
  - i. Required: All Grant documents must be executed and all required permits received prior to issuance of the Notice to Proceed.

- ii. Beginning of Work: All work must begin within sixty (60) days of the issuance of the Notice to Proceed.
- iii. Completion of Work: All work for approved projects must be complete within ninety (90) days of the Notice to Proceed unless an Applicant's written request for extension is granted in writing by Staff.
- G. Construction: All construction shall be in accordance with all requirements for permitting and inspection required by the City.
- H. Verification: Upon completion and approval of the work by the City, Staff shall verify that the work has been performed as authorized in the approved City Council action.
  - i. Documentation: The Applicant shall provide staff with documentation necessary to determine the costs of the Enhancements as approved by the City Council. E.g. copies of paid contractor invoices, receipts or processed checks. Costs not supported by adequate documentation shall not be eligible for reimbursement.
- I. Payment: Upon verification of compliance with City Council action, Staff shall cause a check to be issued by the City to the Applicant in the approved amount.
  - i. Cost Overruns: Any costs above and beyond the amounts approved by City Council shall be the responsibility of the Applicant.

## **7. APPLICANT / OWNER CERTIFICATIONS**

- A. Application Accuracy: The Applicant shall state that the information provided in the Application, and all that may have been affixed thereto, is true and correct, and that the City may rely on all of the information therein contained, and all that may have been affixed thereto, as being true and correct.
- B. Compliance: The Applicant shall certify that they are solely responsible for all safety conditions and compliance with all safety regulations, building codes, ordinance and other applicable regulations. Neither approval of an Application nor payment of a Property Enhancement Grant upon completion of the project shall constitute approval of the project by any City department or staff or a waiver by the City of any safety regulation, building code, ordinance or other applicable regulation.
- C. Insurance: The Applicant shall certify that they maintain sufficient insurance coverage for property damage and personal injury liability relating to the project.
- D. Maintenance: The Applicant shall certify that the Enhancements, once approved by the City shall be maintained for a period of three (3) years from the date of payment. No changes shall be made without prior written approval from the City.
- E. Discretionary Rights: The Applicant shall acknowledge that the City has the absolute right of discretion in deciding whether or not to approve a Grant relative to this Application, whether or not such discretion is deemed arbitrary or without basis in fact.
- F. Policy Promotion: The Applicant shall authorize the City to use an approved project to promote the merits of this Policy, including but not limited to displaying a sign at the Property or Business during and within thirty (30) days after construction, and using photographs and descriptions of the project in distribution material and press releases.

- G. Indemnification: The Applicant shall certify that they are solely responsible for overseeing the work, and will not seek to hold the City, and / or their agents, employees, officers, and / or directors liable for any property damage, personal injury, or other loss related in any way to this Policy, and by submission of an Application, agrees to indemnify the City, and / or their agents, employees, officers, and / or directors from any claims or damages resulting from the project, including reasonable attorney fees.

**8. GENERAL PROVISIONS**

- A. Termination: The City has the right to terminate any Agreement under this Policy if an Applicant is determined to be in violation of any conditions set forth in this Policy.
- B. Changes During Construction: If an Applicant seeks to change the scope of their project after a Grant has been approved, the Applicant shall meet with Staff to discuss the desired change. Staff has the authorization to approve minor modifications during construction. Any other desired modification shall be placed before the City Council for reconsideration.
- C. Flexibility: The terms and conditions of this Policy are a guideline for City Council during their deliberation and evaluation. The City reserves the right to modify the terms and conditions herein at any time, including for any pending Application.
- D. Section or Other Headings: Section or other headings contained in this Policy are for reference purposes only and shall not affect in any way the meaning or interpretation of this Policy.
- E. Severability: In the event that any provision of this Policy is illegal, invalid, or unenforceable under present or future laws, then, and in that event, it is the intention that the remainder of this Policy shall not be affected thereby.
- F. Amendments: Staff may amend the form of the Application as needed to more efficiently evaluate the merits of requested Enhancements.

-- Remainder of this page left blank intentionally --

## Application for Property Enhancement Incentives

Contact: Susan White, Business Development Coordinator / (817) 222-2273 / [swhite@haltomcitytx.com](mailto:swhite@haltomcitytx.com)

<b>1.0 PROJECT INFORMATION</b>							
1.a	Property Address:						
1.b	Estimated Begin Work Date:	Estimated Completion Date:					
1.c	Years in business at this location:						
1.d	Reason for requesting grant:						
<b>2.0 ELIGIBILITY OF PROPERTY</b>							
	<b>Yes</b>	<b>No</b>	<b>Item</b>	<b>Notes</b>			
2.a			Within the City?	•			
2.b			Not residentially zoned?	•			
2.c			City taxes in good standing?	•			
2.d			No City liens existing?	•			
2.e			Proof of ownership provided?	•			
2.f			Outstanding code violations?	•			
2.g			No grants received in 2 years?	• In accordance with Section 3.A.vii			
<b>3.0 ELIGIBILITY OF BUSINESS</b>							
	<b>Yes</b>	<b>No</b>	<b>Item</b>	<b>Notes</b>			
3.a			Business taxes in good standing?	•			
3.b			If not owner, authorization provided?	•			
<b>4.0</b>	<b>Enhancements</b>		<b>Total Cost</b>	<b>Policy Max %</b>	<b>Policy Max \$</b>	<b>Amount Requested</b>	<b>Amount Approved</b>
4.a	<u>Facade</u> : (Section 4.C) •		\$	50%	\$10,000	\$	\$
4.b	<u>Interior Renovation</u> : (Section 4.D) •		\$	20%	\$4,000	\$	\$
4.c	<u>Landscaping</u> : (Section 4.E) •		\$	30%	\$5,000	\$	\$
4.d	<u>Lighting</u> : (Section 4.F) •		\$	30%	\$5,000	\$	\$
4.e	<u>Parking / Driveways</u> : (Section 4.G) •		\$	40%	\$10,000	\$	\$
4.f	<u>Pedestrian Amenities</u> : (Section 4.H) •		\$	20%	\$4,000	\$	\$
4.g	<u>Signage</u> : (Section 4.I) •		\$	50%	\$8,000	\$	\$
4.h	<u>Utilities</u> : (Section 4.J) •		\$	20%	\$4,000	\$	\$
4.i	<u>Code Compliance</u> : (Section 4.K) •		\$	40%	\$5,000	\$	\$
4.j	(Max. Grant Per Policy = \$10,000) <b>TOTAL PROPERTY ENHANCEMENT GRANT APPROVED:</b>						
4.k	Describe any planned Non-Grant Enhancements:						

5.0 GRANT PRIORITIES				
	Yes	No	Preferred Area?	Notes
5.a			Belknap Street, Carson Street, Denton Highway, Beach Street, Broadway Avenue, Haltom Road, Midway Road, NE 28 <sup>th</sup> Street, S.H. 121, Western Center Blvd.	•
6.0 ATTACHMENTS / EXHIBITS				
	Yes	No	Item	Notes
6.a			Ownership documentation	•
6.b			Photos of existing conditions	•
6.c			Drawing, renderings, plans of the proposed enhancements	•
6.d			Written description of the enhancements including building materials and color schemes	•
6.e			Construction cost estimates from two contractors	•
6.f			Copy of the signed lease agreement	• If Applicant is not property owner
6.g			Written support of the grant application from the owner	• If Applicant is not property owner
7.0 CONTRACTOR(S) INFORMATION				
7.a	<b>Contractor for:</b>			
	Company Name:			
	Contact Person:		Title:	
	Address:			
	Wk Phone:	Cell:	Fax:	
	Email:		Website:	
7.b	<b>Contractor for:</b>			
	Company Name:			
	Contact Person:		Title:	
	Address:			
	Wk Phone:	Cell:	Fax:	
	Email:		Website:	
7.c	<b>Contractor for:</b>			
	Company Name:			
	Contact Person:		Title:	
	Address:			
	Wk Phone:	Cell:	Fax:	
	Email:		Website:	
7.d	<b>Contractor for:</b>			
	Company Name:			
	Contact Person:		Title:	
	Address:			
	Wk Phone:	Cell:	Fax:	
	Email:		Website:	

8.0	<b>Applicant / Owner Certifications:</b> In accordance with Resolution R-2015-003-01 adopting the Property Enhancement Incentives Policy, the undersigned do hereby certify the following:																																
8.a	<b>Section 7.A - Application Accuracy:</b> The information provided in this Application, and all that may have been affixed hereto, is true and correct, and that the City may rely on all of the information herein contained, and all that may have been affixed hereto, as being true and correct.																																
8.b	<b>Section 7.B - Compliance:</b> I (we) are solely responsible for all safety conditions and compliance with all safety regulations, building codes, ordinance and other applicable regulations. Neither approval of an Application nor payment of a Property Enhancement Grant upon completion of the project shall constitute approval of the project by any City department or staff or a waiver by the City of any safety regulation, building code, ordinance or other applicable regulation.																																
8.c	<b>Section 7.C - Insurance:</b> I (we) maintain sufficient insurance coverage for property damage and personal injury liability relating to this project.																																
8.d	<b>Section 7.D - Maintenance:</b> I (we) certify that the Enhancements, once approved by the City shall be maintained for a period of three (3) years from the date of payment. No changes shall be made without prior written approval from the City.																																
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8.f	<b>Section 7.F - Policy Promotion:</b> I (we) authorize the City to use an approved project to promote the merits of this Policy, including but not limited to displaying a sign at the site during and within thirty (30) days after construction, and using photographs and descriptions of the project in distribution material and press releases.																																
8.g	<b>Section 7.G - Indemnification:</b> I (we) certify that they are solely responsible for overseeing the work, and will not seek to hold the City, and / or their agents, employees, officers, and / or directors liable for any property damage, personal injury, or other loss related in any way to this Policy, and by submission of an Application, agrees to indemnify the City, and / or their agents, employees, officers, and / or directors from any claims or damages resulting from the project, including reasonable attorney fees.																																
9.0	<b>I (we) hereby affirm the Certifications noted above and approve this Application for Property Enhancement incentives and the Enhancements identified herein.</b>																																
<table border="1"> <thead> <tr> <th colspan="2">9.a - Property Owner</th> <th colspan="2">9.b - Applicant / Business Representative</th> </tr> </thead> <tbody> <tr> <td colspan="2">Company:</td> <td colspan="2">Company:</td> </tr> <tr> <td colspan="2">Signed:</td> <td colspan="2">Signed:</td> </tr> <tr> <td colspan="2">Name:</td> <td colspan="2">Name:</td> </tr> <tr> <td colspan="2">Title:</td> <td colspan="2">Title:</td> </tr> <tr> <td>Wk:</td> <td>Cell:</td> <td>Wk:</td> <td>Cell:</td> </tr> <tr> <td colspan="2">EM:</td> <td colspan="2">EM:</td> </tr> <tr> <td colspan="2">Address:</td> <td colspan="2">Address:</td> </tr> </tbody> </table>		9.a - Property Owner		9.b - Applicant / Business Representative		Company:		Company:		Signed:		Signed:		Name:		Name:		Title:		Title:		Wk:	Cell:	Wk:	Cell:	EM:		EM:		Address:		Address:	
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Address:		Address:																															

Note: Staff may amend the form of this Application as needed to more efficiently evaluate the merits of requested Enhancements.

## **CITY COUNCIL MEMORANDUM**

**City Council Meeting:** June 8, 2015  
**Department:** City Secretary  
**Subject:** Mayor Pro Tem Election

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### **BACKGROUND**

Section 3.09 of the Haltom City Charter states, "The Mayor Pro Tem shall be elected by the Council from among the members of the Council and shall perform all duties of the Mayor in case of his absence or disability."

### **FISCAL IMPACT**

None.

### **RECOMMENDATION**

The City Council shall elect the Mayor Pro-Tem from among the members of the Council.

### **ATTACHMENT**

None.

## CITY COUNCIL MEMORANDUM

**City Council Meeting:** June 8, 2015

**Department:** Planning & Community Development

**Subject:** Ordinance No. O-2015-007-15  
*Final Reading*  
Zoning Ordinance Amendment

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### BACKGROUND

Conduct a public hearing and consider action on an amendment to Ordinance No. O-2002-032-15, as amended, the Zoning Ordinance of the City of Haltom City, Texas, by amending regulations to provide more specific regulations regarding fences, walls, and screening standards.

On February 9, 2015, the City Council directed staff and the Planning and Zoning Commission to recommend changes to the City's zoning ordinance in regards to privacy/security enclosures.

On February 24, 2015, the Planning and Zoning Commission held a workshop to discuss possible changes to the City's zoning provisions in regard to fences and recommended the scope of the workshop be expanded to recommend standards for residential subdivision enclosures.

On February 26, 2015, the City Council provided consent to expanding the scope of the workshop to include residential subdivision enclosures, and City Council asked that special attention be given in regard to:

- Continuity in residential privacy fence heights;
- Drainage (for a minimum mow strip providing 2" clearance); and
- Types of fences allowed for residential privacy.

On March 10<sup>th</sup>, March 24<sup>th</sup>, and April 14<sup>th</sup>, 2015, the Planning and Zoning Commission conducted workshops to draft recommended changes to the City's zoning provisions in regard to fences. The resulting ordinance amendment is attached.

The significant provisions in the proposed ordinance amendment include: 1) setting a maximum height for residential privacy/security enclosures; 2) providing provision for a mow strip; 3) defining allowed and prohibited fence material/types; 4) defining fence height; 5) redefining when a fence permit is required; 6) prohibiting privacy/security enclosures in front of residences; 7) defining responsibility for maintenance; and 8) defining fence maintenance standards.

## **FISCAL IMPACT**

None.

## **RECOMMENDATION**

On April 28, 2015, the P&Z recommended approval of Ordinance No. O-2015-007-15 by a vote of 6-0-0 with the following stipulations:

- 1) Section 33.C.2 be omitted; and
- 2) Section 33.G.3 be added to state R-panel/metal sheet panel fences are only allowed in "M-1" and "M-2" zoning districts.

On April 28<sup>th</sup>, the Director of Planning and Community Development could not recall the reason to include Section 33.C.2 in the ordinance. Since the April 28<sup>th</sup> meeting, the Director recalled the reason to include Section 33.C.2 in the ordinance is to not require a permit to repair or replace entire fence lines that are no more than ten feet, as is typical with fence lines between side property lines and a residential structure. Contrary to P&Z's motion, the Director of Planning and Community Development recommends that Section 33.C.2 remain in the ordinance.

On May 12, 2015, City Council approved Ordinance No. O-2015-007-15 on first reading by a vote of 7-0-0 with the stipulation that the public hearing be continued into the final reading to be held on June 8, 2015, and that staff shall provide additional notification of the public hearing.

## **ATTACHMENTS**

Ordinance No. O-2015-007-15

**ORDINANCE NO. O-2015-007-15**

**AN ORDINANCE AMENDING ORDINANCE NO. O-2002-032-15, AS AMENDED, THE ZONING ORDINANCE OF THE CITY OF HALTOM CITY, TEXAS, TO PROVIDE MORE SPECIFIC REGULATIONS FOR THE HEIGHT, LOCATION, SETBACK, MATERIALS, ORIENTATION, PERMITTING AND MAINTENANCE OF FENCES AND WALLS IN ALL ZONING DISTRICTS IN THE CITY; PROVIDING THAT THIS ORDINANCE SHALL BE CUMULATIVE OF ALL ORDINANCES; PROVIDING A SEVERABILITY CLAUSE; PROVIDING A PENALTY FOR VIOLATIONS HEREOF; PROVIDING A SAVINGS CLAUSE; PROVIDING FOR PUBLICATION IN THE OFFICIAL NEWSPAPER; AND PROVIDING AN EFFECTIVE DATE.**

**WHEREAS**, the City of Haltom City is a home rule city acting under its charter adopted by the electorate pursuant to Article XI, Section 5, of the Texas Constitution and Chapter 9 of the Local Government Code; and

**WHEREAS**, the City Council of the City of Haltom City heretofore adopted Ordinance No. O-2002-032-15, as amended, the Zoning Ordinance of the City of Haltom City, Texas, which Ordinance regulates and restricts the location and use of buildings, structures and land for trade, industry, residence and other purposes, and provides for the establishment of zoning districts of such number, shape and area as may be best suited to carry out these regulations; and

**WHEREAS**, the City Council has determined that it is in the best interest of the City of Haltom City to amend Ordinance No. O-2002-032-15, the Zoning Ordinance, to provide more specific regulations concerning fences and walls in the City of Haltom City to better address the general health, safety, and welfare of the residents of Haltom City; and

**WHEREAS**, The Planning and Zoning Commission of the City of Haltom City, Texas held a public hearing on April 28, 2015 and the City Council of the City of Haltom City, Texas

held a public hearing on May 11, 2015 with respect to the amendments to the zoning ordinance described herein; and

**WHEREAS**, the City has complied with all requirements of Chapter 211 of the Local Government Code, and all other laws dealing with notice, publication and procedural requirements for the approval of an amendment to Ordinance No. O-2002-032-15.

**NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF HALTOM CITY, TEXAS, THAT:**

**SECTION 1.**

Section 33, Fence Regulations of the Zoning Ordinance of the City of Haltom City is hereby amended to read as follows:

**Sec. 33. - Fence regulations.**

- A. *Generally.* The purpose of this section is to prevent sight restrictions, promote safety for vehicles and pedestrians, and provide an open atmosphere in developments. No fence, wall or outdoor area enclosure may be erected, placed or altered within the city unless the fence, wall, or outdoor area enclosure is in conformance with the provisions of this section.
- B. *Definitions.* For the purposes of this section the following definitions shall apply:
  - 1. *Alternate orientation.* Created when a structure located on a corner lot is constructed to face the street frontage not normally associated to be the front of the lot.
  - 2. *Corner lot.* A lot, tract or parcel which abuts two streets at their intersection, with the longer street frontage being the side of the lot.
  - 3. *Corner orientation.* Created when a structure located on a corner lot is constructed to face the intersection, diagonally across a lot, rather than a traditional orientation toward one of the intersecting streets. In cases of corner orientation, both sides of the lot along the street frontages are to be treated equally as front yards.
  - 4. *Decorative fence.* A fence or outdoor area enclosure constructed for aesthetic purposes only constructed of material such as wood pickets, lattice work, decorative metal, masonry or stone, meeting the requirements of this section.
  - 5. *Electrical fence.* An outdoor area enclosure that contains an electrically charged or partially charged metallic material designed to discourage crossing by either man or animal.
  - 6. *Fence.* For the purpose of this section, a fence shall be any construction or hedge greater than 30 inches in height and of any material the purpose of which is to provide protection from intrusion (both physical and visual), to prevent escape, mark a boundary, or provide decoration. A wall shall be considered a fence. Dikes and

retaining walls for the purpose of diverting water and retaining soil are not classified as a fence.

7. *Fence height.* Fence height shall be the distance equal to the measurement from the top of the fence straight down to a point level with the highest grade within 10 feet.
  8. *Non-residentially zoned areas.* Any land within the city zoned for non-residential uses: "O", "C-1", "C-2", "C-3", "C-4", "C-5", "M-1", "M-2", "BP" or non-residential "PD" district.
  9. *Office, business or industrial park/complex enclosure (including entry features).* A wall of masonry or masonry and pressure-treated timber, plaster, iron or other approved building material serving to enclose or protect an office, business or industrial park/complex.
  10. *Outdoor area enclosure.* Any fence, wall or structure of various materials designed to serve as an enclosure of an outdoor area, a barrier or boundary, or to otherwise divide or protect an area.
  11. *Privacy/security enclosure.* Fences, walls or structures located on individual lots, tracts or parcels for the purpose of enclosing an outdoor area for privacy or security purposes.
  12. *Residential subdivision enclosure (including subdivision entry features).* A wall of masonry or masonry and pressure-treated timber, plaster, iron or other approved building material serving to enclose, divide or protect a residential subdivision.
  13. *Residentially zoned areas.* Any land within the city zoned for residential uses: "SF-1", "SF-2", "D", "TH", "MF-1", "MF-2", "MH" and residential "PD" districts.
  14. *Wall.* An outdoor area enclosure of masonry, wood, plaster or other approved building material that exceeds three inches in thickness, serving to enclose, divide or protect an area.
  15. *Visibility triangle.* An area as defined by the City Engineer, located at the intersection of two streets, access easements or alleys or any combination thereof where no structure, growth or object shall exceed two feet in height.
- C. *Permits.* It shall be unlawful for any person to erect or have erected a fence or wall without first obtaining a permit from the building official if the fence or wall is over thirty inches (30"). Exceptions – Where repairs and replacements are of the same fence material, fence height, and fence location, the follow exceptions to Section 33.C are allowed:
1. A permit shall not be required to repair or replace less than 50% of any given fence line segment. Multiple fence line segments may be repaired or replaced without a permit as long as the aggregate distance of fencing repaired or replaced is less than 50% within any two year time period.
  2. A permit shall not be required to repair or replace a number of fence sections as long as the total aggregate distance of fencing repaired or replaced is less than ten (10) horizontal feet within any two year time period.
- D. *Extension over property line.* No fence, guy wire, brace, light standard sign, vee arm, barbed wire base and arm, or any structure on a fence shall extend over any property lines.
- E. *Residential uses.* In residentially zoned districts, fences, walls and outdoor area enclosure structures may be erected if in accordance with the following regulations:
1. Privacy/security enclosures:
    - a. Privacy/security enclosures may be fences or walls.
    - b. Maximum height shall not exceed six feet. Exception – The top of the fence may extend level with the top of the fence at the highest grade without regard to fence height restrictions; however, no fence picket or vertical length of fence material shall be greater than ten (10) feet as determined by the building official and with due review of wind load calculations.

- c. May be erected upon the rear lot line of any lot.
- d. May be erected upon the side lot lines of any interior lot but may not extend past the front façade of the primary structure on the same lot as determined by the zoning administrator.
- e. May be erected no closer than ten (10) feet to a "street side" property line of corner lots, provided the corner lot does not back up to an interior lot.
- f. May be erected no closer than 15 feet from a side property line adjacent to a street on corner lots backing up to interior lots.
- g. Shall not be located in front of the primary structure on the same lot unless a special exception is approved by the Zoning Board of Adjustment to allow such enclosure. Wing walls and other walls constructed with the original construction and design of a single family residence shall not require a special exception from the Zoning Board of Adjustment.

2. Decorative fences:

- a. Decorative fences shall not be walls.
- b. Maximum height shall not exceed four feet.
- c. Solid surface area of any decorative fence shall not exceed 50 percent of the total surface area.
- d. Decorative fences may be erected upon any residential lot line; however, no decorative fence may encroach upon any right-of-way, drainage or access easement, or floodway.
- e. Decorative fences may not be allowed within the visibility triangle,
- f. Decorative fences shall be constructed of wood picket, lattice work, or decorative metal, with or without masonry and/or stone elements; and
- g. Decorative fences shall not be constructed of chain link, barbed wire or similar enclosure materials.

3. Residential subdivision enclosures (including subdivision entry features):

- a. All residential subdivision enclosures shall be walls or combination of decorative fences as approved by the zoning administrator.
- b. All residential subdivision enclosures shall be constructed with minimum ten-inch by 20-inch brick columns set on piers with a maximum spacing of eight-foot on center. Infill material between brick columns shall be brick, stone, pressure-treated lumber, plaster, iron or other approved material. Unless the infill material is pressure-treated lumber or iron, the first twelve inches from grade shall be cast concrete to provide sufficient support of the infill material above, while accommodating necessary drainage passages at the satisfaction of the City Engineer.
- c. Maximum height of subdivision enclosures shall not exceed eight feet.
- d. Walls enclosing residential subdivisions may be erected along rear property lines and along the side property lines exceeding the required front yard setback; provided that such encroaching structure does not extend into the visibility triangle, and the enclosure does not encroach upon any right-of-way, drainage or utility easements or floodway.
- e. Plans for all residential subdivision enclosures shall be reviewed and approved by the zoning administrator.

F. *Non-residential uses.* In non-residential zoning districts, fences, walls and outdoor area enclosures may be erected if in accordance with the following regulations:

1. Privacy/security enclosures:

- a. Privacy/security enclosures may be fences or walls.
- b. Maximum height shall not exceed eight feet.

- c. May be erected on the rear lot line of any lot, tract or parcel,
- d. May be erected upon the side lot line of any lot, tract or parcel provided that no fence may be erected to extend into the required front building setback area.
- e. No privacy/security enclosure may be erected to encroach upon any visibility triangle, right-of-way, access or drainage easements or floodway,

2. Decorative fences:

- a. Decorative fence shall not be walls;
- b. Maximum height shall not exceed four feet;
- c. Solid surface area of any decorative fence shall not exceed 50 percent of the total surface area;
- d. Decorative fences may be erected upon any non-residential lot line; however, no decorative fence may encroach upon any right-of-way, drainage or access easements or floodway;
- e. Decorative fences may not be allowed within the visibility triangle;
- f. Decorative fences shall be constructed of wood picket, lattice work, or decorative metal, with or without masonry and/or stone elements; and
- g. Decorative fences shall not be constructed of chain link, barbed wire or similar enclosure materials.

3. Office business or industrial park or complex enclosure (including entry features):

- a. All enclosures shall be walls. Fences, as defined herein, shall not be allowed.
- b. All enclosures shall be constructed with minimum ten-inch by 20-inch brick columns set on piers with a maximum spacing of ten feet on center. Infill material between brick columns shall be brick, stone, pressure-treated lumber, plaster, iron or other approved material.
- c. Maximum height of all enclosures shall be eight feet.
- d. Walls enclosing nonresidential developments may be erected along rear property lines.
- e. Walls enclosing non-residential developments may be erected upon rear property lines and along the front and side property lines to extend into the required front yard setback; provided that such encroaching structure does not exceed the required two-foot maximum height limit within the visibility triangle, and the enclosure does not encroach upon any right-of-way, drainage or utility easement or floodway.
- f. Allowed only for subdivisions containing four or more lots.
- g. Plans for park or complex enclosures shall be reviewed and approved by the zoning administrator.

G. *Approved fence materials.*

1. Residential fences and commercial fences abutting residentially zoned property shall be constructed of stone, brick, wood, wood composite, vinyl panel, plaster, open ornamental/tubular metal, landscape hedge, or other building material as approved by the zoning administrator. Residential fences may also be chain link if not located in front of any portion of the primary structure's front façade.

2. Commercial fences (except where abutting residential uses) shall be constructed of stone, brick, CMU block, pre-cast concrete panel, wood, wood composite, vinyl panel, chain link with or without mesh, chain link with or without vinyl coating, plaster, open ornamental/tubular metal, landscape hedge, metal pipe barrier, chained/cabled bollards.

3. Commercial fences (except where abutting residential uses) may be constructed of R-panel/metal sheet panel if the property is zoned "M-1" Industrial or "M-2" Heavy Industrial.

H. *Prohibited fence materials.*

1. Electrical fences or electrical attachments of any type designed to administer a shock, shall not be constructed within the legal limits of the city.
  2. Permanent barbed wire and razor wire fences of any type or dimension shall not be constructed within the legal limits of the city. Vee arms or base and arms with barbed wire not to exceed three strands will be permitted in all districts except "SF-1", "SF-2", "D", "TH", "MF-1", "MF-2", "MH" or any residential planned development and said attachments shall be considered as part of the fence in determination of the height of said fence and shall not protrude over property lines. The lowest strand of barbed wire shall be a minimum of six feet above ground level.
  3. CMU block walls, R-panel/metal sheet panel, metal pipe barrier, and chained/cabled bollards shall be prohibited in residentially zoned areas and where nonresidential uses abut residentially zoned areas.
  4. Chain-link with plastic, wood, or other slat inserts.
- I. *Temporary fences.* Temporary fencing for the purpose of protecting or securing of construction sites shall be allowed and must be removed at the completion of the project.
  - J. *Inspection.* When a fence is completed it must be inspected. The office of the building official shall be notified upon completion of the fence. The building official will issue a card of acceptance if the fence complies with the provisions of this ordinance or it will be rejected. All fences constructed under the provisions of the ordinance shall be maintained so as to comply with the requirements of this ordinance at all times.
  - K. *Existing fences.* Any fence constructed prior to enactment or amendment of this ordinance will not be restricted by this ordinance. Any fence constructed at any time on property not within the legal limits of the city, but annexed by the city at a later date will not be restricted by this ordinance, excepting in both cases that any fence reconstruction, modifications, enlargements, extensions, alterations or any construction other than maintenance of said fence as it existed at the time of enactment or amendment of this ordinance or annexation of property containing said fence shall be regulated by this ordinance.
  - L. *Emergency ingress and egress required.* In order to allow ingress/egress of emergency and maintenance personnel and equipment, at least one self-closing and self-latching gate or opening not less than three feet in width shall be required with each fence or wall that is adjacent to or running parallel with a public right-of-way, alley, drainage, utility or access easement. One such opening is required for each lot or in cases when the lot frontage is greater than 200 feet, an opening or gate shall be located not more than 200 feet from another opening on the same property.
  - M. *Double frontage lots.* Double frontage lots shall be required to have an opening only on the street used as the frontage for the property.
  - N. *Property owners' responsibility.* The construction of a fence or wall on the property line shall not preclude the owners' responsibility to maintain and keep the following specified areas free and clear of debris and high weeds:
    1. The area between the fence and the extension of the property line to the back of curb or edge of pavement.
    2. The area between the fence and the property line or between parallel fences.
      - a. Commercial abutting commercial - The owner of the commercial fence that creates the void between parallel fences shall make accommodations in their fence design to maintain the void between parallel fences.
      - b. Commercial abutting residential – The owner of the commercial property shall make accommodations in their fence design to maintain the void between parallel fences.

- c. Residential abutting residential – The owner of the residential fence that creates the void between parallel fences shall make accommodations in their fence design to maintain the void between parallel fences.

O. *Maintenance of fences.*

- 1. The owner or any person who has a fence shall be responsible for maintaining the fence in a neat and functional condition.
- 2. All portions of fences in a dilapidated state must be repaired or replaced by the owner(s) of the fence. A dilapidated fence is defined as any 8-foot horizontal section of a fence that is more than 15 degrees out of vertical alignment or that has 10 percent of its pickets or structural components damaged, missing, rotted, or destroyed.

P. *Mow Strip.* Excluding support posts, a minimum clearance of 2” shall be provided between fences and the finished grade to allow natural drainage flow. The City Engineer may require a higher clearance when necessary to allow drainage flow under the fence. Fences (walls) with continuous support footers shall provide openings to convey drainage flow as determined to be adequate by the City Engineer.

Section 19, “C-1” commercial district, subsection D.1, of the Zoning Ordinance of the City of Haltom City is hereby amended to read as follows:

**Sec. 19. - "C-1" commercial district.**

- D. *Development criteria.* Unless otherwise specifically provided in this section, the following development criteria shall apply to this district:
- 1. Every use, or any part thereof, that is not conducted within a building completely enclosed on all sides shall be enclosed within a wall or fence a minimum of six feet and a maximum of eight feet in height. Such wall or fence shall completely screen up to eight feet in height all operations conducted within such wall or fence from observation. No exterior storage area shall encroach into any of the required yards.

Section 20, “C-2” commercial district, subsection D.1, of the Zoning Ordinance of the City of Haltom City is hereby amended to read as follows:

**Sec. 20. - "C-2" commercial district.**

- D. *Development criteria.* Unless otherwise specifically provided in this section, the following development criteria shall apply to this district:
- 1. Every use, or any part thereof, that is not conducted within a building completely enclosed on all sides shall be enclosed within a wall or fence a minimum of six feet and a maximum of eight feet in height. Such wall or fence shall completely screen up to eight feet in height all operations conducted within such wall or fence from observation. No exterior storage area shall encroach into any of the required yards.

Section 21, “C-3” commercial district, subsection G.1, of the Zoning Ordinance of the City of Haltom City is hereby amended to read as follows:

**Sec. 21. - "C-3" commercial district.**

- G. *Development criteria.* Unless otherwise specifically provided in this section, the following development criteria shall apply to this district:
1. Every use, or any part thereof, that is not conducted within a building completely enclosed on all sides shall be enclosed within a wall or fence a minimum of six feet and a maximum of eight feet in height. Such wall or fence shall completely screen up to eight feet in height all operations conducted within such wall or fence from observation. No exterior storage area shall encroach into any of the required yards.

Section 22, "C-4" commercial district, subsection G.3, of the Zoning Ordinance of the City of Haltom City is hereby amended to read as follows:

**Sec. 22. - "C-4" commercial district.**

- G. *Development criteria.* Unless otherwise specifically provided in this section, the following development criteria shall apply to this district:
3. Every use, or any part thereof, that is not conducted within a building completely enclosed on all sides shall be enclosed within a wall or fence a minimum of six feet and a maximum of eight feet in height. Such wall or fence shall completely screen up to eight feet in height all operations conducted within such wall or fence from observation. No exterior storage area shall encroach into any of the required yards.

Section 24, "M-1" industrial district, subsection C.3, of the Zoning Ordinance of the City of Haltom City is hereby amended to read as follows:

**Sec. 24. - "M-1" industrial district.**

- C. *Development criteria.* Unless otherwise specifically provided in this section, the following development criteria shall apply to this district:
3. Every use, or any part thereof, that is not conducted within a building completely enclosed on all sides shall be enclosed within a wall or fence a minimum of six feet and a maximum of eight feet in height. Such wall or fence shall completely screen up to eight feet in height all operations conducted within such wall or fence from observation. No exterior storage area shall encroach into any of the required yards.

Section 25, "M-2" heavy industrial district, subsection C.3, of the Zoning Ordinance of the City of Haltom City is hereby amended to read as follows:

**Sec. 25. - "M-2" heavy industrial district.**

- C. *Development criteria.* Unless otherwise specifically provided in this section, the following development criteria shall apply to this district:
3. Every use, or any part thereof, that is not conducted within a building completely enclosed on all sides shall be enclosed within a wall or fence a minimum of six feet and a maximum

of eight feet in height. Such wall or fence shall completely screen up to eight feet in height all operations conducted within such wall or fence from observation. No exterior storage area shall encroach into any of the required yard.

Section 26, "BP" business park district, subsection E, Screening devices, of the Zoning Ordinance of the City of Haltom City is hereby amended to read as follows:

**Sec. 26. - "BP" business park district.**

E. *Screening devices.* In the event that this district abuts or adjoins a lot zoned "SF-1", "SF-2", "D", "TH", "MF-1", or "MF-2", a screening device meeting the requirements of section 32, landscaping and screening requirements shall be placed along the abutting or common property line.

Every use, or any part thereof, adjacent to a residential or commercial zoning district that is not conducted within a building completely enclosed on all sides shall be enclosed within a wall or fence a minimum of six feet and a maximum of eight feet in height. Such wall or fence shall completely screen up to eight feet in height all operations conducted on site. No exterior storage area shall encroach into any of the required yards.

Section 28, Definitions of the Zoning Ordinance of the City of Haltom City is hereby amended by revising the following definitions to read as follows:

**Sec. 28. - Definitions.**

*Rental yard for commercial and heavy equipment (with outside storage) (see section 29).* An establishment that provides heavy equipment for rent by contractors or the general public to be used off site.

*Screening device.* A fence, wall, or other conventional device or combination of conventional devices constructed of new wood, masonry, or stone material which are solid and provide a durable opaque screen without holes, penetrations or other openings other than those required for passage and which is designed to prevent persons from seeing through. Screening device may include shrubs or other live material achieving an opaque effect, subject to the approval of the zoning administrator.

Section 29, Supplementary district regulations, subsection T.3.b, of the Zoning Ordinance of the City of Haltom City is hereby amended to read as follows:

**Sec. 29. - Supplementary district regulations.**

- T. *Outdoor display.* The outside display or sale of goods, products, or inventory is not permitted within the non-residential zoning districts except as set forth herein or as specifically authorized in each district.
3. In districts "C-3", "C-4", "M-1" and "M-2", if adjacent to a residential district, the following shall apply:
- b. Any property line of the non-residential district adjacent to a residential district shall be screened from view with a screening device a minimum six feet and a maximum of eight feet in height as defined in this ordinance.

Section 31, Supplementary parking regulations, subsection L, Parking and storage of certain vehicles in residential districts, and subsection V, Fencing and screening, of the Zoning Ordinance of the City of Haltom City are hereby amended to read as follows:

**Sec. 31. - Supplementary parking regulations.**

- L. *Parking and storage of certain vehicles in residential districts.* In all residential zoning districts, automotive vehicles or trailers of any kind or type without current license plates shall not be parked or stored on any property unless such automotive vehicles or trailers are completely screened up to eight feet in height with an approved screening device. Neither a paved surface nor an all-weather hard surface is required when such automotive vehicles or trailers are completely screened with an approved screening device and located behind the residential structure or in the side yard setback. Parking or storage of all licensed trailers shall conform to the requirements of major recreational equipment. Notwithstanding anything contained in this ordinance to the contrary, all automotive vehicles or trailers of any kind shall be parked on a paved surface.
- V. *Fencing and screening.* A parking facility in any non-residential district which adjoins or abuts property in an "SF-1" single family district, "SF-2" single family district, "D" duplex district, or a "PD" planned development district for residential uses, shall have a wall or privacy fence that is not less than six feet and no more than eight feet in height located for the length of the common property line. However, such a fence shall not be required within the front or exterior setback area of the nonresidential use.

Section 32, Landscape and screening requirements, subsection B, Location of required landscaping and screening, of the Zoning Ordinance of the City of Haltom City is hereby amended to read as follows:

**Sec. 32. – Landscaping and screening requirements.**

- B. *Location of required landscaping and screening.*
1. When a non-residential use is established on a lot of premises located adjacent to any residential zoning district, or when any townhome or multiple family dwellings are established on a lot or premises adjacent to any property located in a "SF-1", "SF-2", or "D" district, a ten-foot in width landscaped open space buffer strip shall be installed and maintained by the owner, developer or operator of the non-residential or multiple family

use property between such use and the adjacent residentially zoned property. Not less than one tree shall be planted and maintained for each 25 linear feet or portion thereof of said open space buffer strip. Each tree used in landscaped open space buffer strip shall be of not less than six feet in height upon planting and shall have a caliper of not less than two inches measured 18 inches from the ground. The provisions of this paragraph shall not apply where districts are separated by a public street, railroad right-of-way, drainage ditch, or canal with a minimum easement of 30 feet.

2. In addition, an opaque fence or wall a minimum of six feet and a maximum of eight feet shall be erected by the owner, builder, or developer along the property line between the abutting districts to provide visual screening, and/or where an “MF-1” or “MF-2” district abuts any non-residential district that has previously been developed. The owner of the property will be responsible for maintenance of the fence or wall. The provisions of this paragraph shall not apply where districts are separated by a public street, railroad right-of-way, drainage ditch, or canal with a minimum easement of 30 feet.
3. The owner, tenant, and/or agent of an off-street parking area for any use which accommodates more than 20 automobiles or vehicles shall be required to install and maintain a minimum total landscaped open space area equal to not less than five percent of the total area of all parking spaces, aisles and drives in the parking area. A minimum of one tree shall be planted and maintained for each 250 square feet or portion thereof of landscaped open space area. A minimum of one tree shall be planted and maintained for each 250 square feet or portion thereof of landscaped open space area.
4. Except for one- and two-family dwellings, garbage storage areas shall be visually screened by a six-foot high solid fence on all sides except when one side is adjacent to an alley or easement used for garbage pickup services, no screening fence shall be required on that side.
5. All wrecking yards (junk and salvage) and salvage yards with open storage or wrecked or salvaged automobiles, machinery, appliances or other used commodities and equipment shall surround such open storage with a wall or solid fence not less than eight feet in height.

## **SECTION 2.**

This Ordinance shall be cumulative of all provisions of ordinances and of the Code of Ordinances of the City of Haltom City, Texas (1998), 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 the conflicting provisions of such ordinances and such code are hereby repealed.

## **SECTION 3.**

It is hereby declared to be the intention of the City Council that the sections, paragraphs, sentences, clauses, and phrases of this Ordinance are severable, and if any section, paragraph, sentence, clause, or phrase 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 sections, paragraphs, sentences, clauses, and phrases of this Ordinance, since the same would have been enacted by the City Council without the incorporation in this Ordinance of any such unconstitutional section, paragraph, sentence, clause or phrase.

#### **SECTION 4.**

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 (\$2,000.00) for each offense. Each day that a violation is permitted to exist shall constitute a separate offense.

#### **SECTION 5.**

All rights and remedies of the City of Haltom City, Texas, are expressly saved as to any and all violations of the provisions of Ordinance No. O-2002-032-15 or any ordinances governing zoning that 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.

#### **SECTION 6.**

The City Secretary of the City of Haltom City, Texas, is hereby directed to publish in the official newspaper of the City of Haltom City, Texas, the caption, penalty clause, publication clause and effective date clause of this Ordinance as required by Section 10.01 of the Charter of the City of Haltom City, Texas.

#### **SECTION 7.**

This Ordinance shall be in full force and effect from and after its passage and publication as required by law, and it is so ordained.

**PASSED AND APPROVED ON FIRST READING THIS 11TH DAY OF MAY,  
2015.**

**PASSED AND APPROVED ON SECOND READING THIS 18TH DAY OF  
MAY, 2015.**

\_\_\_\_\_  
Mayor

ATTEST:

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

EFFECTIVE: \_\_\_\_\_

APPROVED AS TO FORM AND LEGALITY:

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

## CITY COUNCIL MEMORANDUM

**City Council Meeting:** June 8, 2015  
**Department:** Planning & Community Development  
**Subject:** Short Form Plat (P-015-14)

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### BACKGROUND

Consider action on the application of Robert Blanco, on behalf of R.C.B. Real Estate LLC, for approval of a Short Form Plat creating Lot 1, Block 1 of the RCB Addition from Tract 18 of the John W. Elliston Survey, Abstract 472, located in the "M-2" Heavy Industrial District, containing approximately 1.434 acres, and locally known as 2828 N. Beach Street.

The applicant proposes to create one lot for the existing commercial building on site. The owner is seeking a building permit to construct a new carport and parking facility east of the existing commercial building.

North Beach Street and Walthall Street are existing perimeter streets of the proposed addition; however, Walthall Street terminates at the subject site and does not traverse along the subject's frontage. In accordance with the City's Thoroughfare Plan, the plat proposes right-of-way dedication for North Beach Street only. The developer will construct sidewalks along the site's frontage to North Beach Street, where sidewalks exist on the adjacent properties located north and south of the subject site.

### FISCAL IMPACT

None.

### RECOMMENDATION

On May 12, 2015, the Planning and Zoning Commission recommended approval of P-015-14 by a vote of 3-0-0. Other than discretionary matters for the Council, the application is administratively complete and meets the requirements of the Subdivision Ordinance.

### ATTACHMENT

P&Z Staff Report with Attachments

## CITY COUNCIL MEMORANDUM

**City Council Meeting:** June 8, 2015  
**Department:** Planning & Community Development  
**Subject:** Short Form Plat (P-001-15)

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### BACKGROUND

Consider action on the application of Christian Schnitger, on behalf of Birdville ISD, for approval of a Short Form Plat creating Lot 1, Block 1 of the Academy at West Birdville Addition from Tracts 11, 12A2, and 12B of the J. W. Elliston Survey, A-472, located in the "SF-2" Single Family Residential District and the "CF" Community Facilities District, containing approximately 9.794 acres, and locally known as 3001 Layton Avenue and 3200 Eastridge Drive.

The applicant proposes to create one lot for the existing and future site of the Academy at West Birdville. The Birdville Independent School District (BISD) is seeking a building permit to construct a new elementary school north of the existing elementary school before the existing elementary school is demolished.

Layton Avenue, Eastridge Drive, and Walthall Street are existing perimeter streets of the proposed addition. The plat proposes right-of-way dedications for Layton Avenue, Eastridge Drive, and Walthall Street. The developer will construct sidewalks along site's frontage to Eastridge Drive and a portion of Walthall Street. Sidewalks exist along the site's frontage to Layton Avenue and the majority of Walthall Street.

### FISCAL IMPACT

None.

### RECOMMENDATION

On May 12, 2015, the Planning and Zoning Commission recommended approval of P-001-15 by a vote of 3-0-0. Other than discretionary matters for the Council, the application is administratively complete and meets the requirements of the Subdivision Ordinance.

### ATTACHMENT

P&Z Staff Report with Attachments

## CITY COUNCIL MEMORANDUM

**City Council Meeting:** June 8, 2015  
**Department:** Planning & Community Development  
**Subject:** Replat (P-018-14)

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### BACKGROUND

Consider action on the application of Ernest Hedgcoth, on behalf of Hal D. Turney, for approval of a Replat creating Lot 2R1, Block 1 of the Airport Industrial Addition from a portion of Lot 2R, Block 1 of the Airport Industrial Addition, located in the "C-4" Commercial District, containing approximately 0.057 acres, and locally known as 5411 Airport Freeway.

The applicant proposes to create one lot from a portion of Lot 2R, Block 1 of the Airport Industrial Park Addition. The owner is seeking to bring the property into conformance with the Zoning and Subdivision Ordinances in order to sell the property. The existing antenna facility was previously approved and will remain on the property with no new plans for changes.

### FISCAL IMPACT

None.

### RECOMMENDATION

On May 26, 2015, the Planning and Zoning Commission recommended approval of P-018-14 by a vote of 3-0-0. Other than discretionary matters for the Council, the application is administratively complete and meets the requirements of the Subdivision Ordinance.

### ATTACHMENT

P&Z Staff Report with Attachments

## CITY COUNCIL MEMORANDUM

**City Council Meeting:** June 8, 2015

**Department:** Planning & Community Development

**Subject:** Ordinance No. O-2015-010-15  
*First Reading (Z-008-14)*  
Airport Industrial Addition

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### BACKGROUND

Conduct a public hearing and consider action on the application of Ernest Hedgcoth, on behalf of Hal D. Turney, for approval of a Zoning Change request from “C-4” Commercial to “C-3” Commercial District located on a portion of Lot 2R, being approximately 0.057 acres located north of Airport Freeway (SH 121) and west of Hickory Drive, locally known as 5411 Airport Freeway.

The applicant requests to rezone the subject site is seeking to bring the property into conformance with the Zoning and Subdivision Ordinance in order to sell the property. The existing “C-4” Commercial District requires a minimum lot area of one acre, a minimum lot width of 150 feet, and a minimum lot depth of 200 feet; while the proposed “C-3” Commercial District has no minimum lot area, a minimum lot width of 30 feet, and no minimum lot depth. The subject site is developed with a previously approved antennae facility that is to remain with no new plans for changes.

### FISCAL IMPACT

None.

### RECOMMENDATION

On May 26, 2015, the P&Z recommended approval of Z-008-14 by a vote of 3-0-0.

### ATTACHMENTS

P&Z Staff Report with Attachments  
Ordinance No. 0-2015-010-15

**ORDINANCE NO. O-2015-010-15**

**CASE NO. Z-008-14**

**AN ORDINANCE AMENDING ORDINANCE NO. O-2002-032-15, AS AMENDED, THE ZONING ORDINANCE OF THE CITY OF HALTOM CITY, TEXAS, BY CHANGING THE ZONING CLASSIFICATION OF CERTAIN PROPERTY IN THE CITY OF HALTOM CITY, TEXAS; AND REVISING THE OFFICIAL ZONING MAP IN ACCORDANCE THEREWITH; PROVIDING THAT THIS ORDINANCE SHALL BE CUMULATIVE OF ALL ORDINANCES; PROVIDING A SEVERABILITY CLAUSE; PROVIDING A PENALTY FOR VIOLATIONS HEREOF; PROVIDING A SAVINGS CLAUSE; PROVIDING FOR PUBLICATION IN THE OFFICIAL NEWSPAPER; AND PROVIDING AN EFFECTIVE DATE.**

**WHEREAS**, the City of Haltom City is a home rule city acting under its charter adopted by the electorate pursuant to Article XI, Section 5, of the Texas Constitution and Chapter 9 of the Local Government Code; and

**WHEREAS**, the City Council of the City of Haltom City heretofore adopted Ordinance No. O-2002-032-15, as amended, the Zoning Ordinance of the City of Haltom City, Texas, which Ordinance regulates and restricts the location and use of buildings, structures and land for trade, industry, residence and other purposes, and provides for the establishment of zoning districts of such number, shape and area as may be best suited to carry out these regulations; and

**WHEREAS**, in accordance with Section 39 of the Zoning Ordinance, the owner of property consisting of approximately 0.057 acres of land located on a portion of Lot 2R, Block 1 of the Airport Industrial Park Addition, locally known as 5411 Airport Freeway (hereinafter-referenced as the "Property"), has filed an application to rezone the property from its present classification of "C-4" Commercial District to "C-3" Commercial District; and

**WHEREAS**, the Planning and Zoning Commission of the City of Haltom City, Texas held a public hearing on May 26, 2015 and the City Council of the City of Haltom City, Texas

held a public hearing on June 8, 2015 with respect to the Zoning Change described herein; and

**WHEREAS**, the City Council deems the Zoning Change described herein as consistent with the Haltom City Comprehensive Land Use Plan as provided herein, and that such Zoning Change is in accordance with the growth goals, objectives and planning principles set forth in the Comprehensive Land Use Plan as well as health, safety, traffic and environmental considerations; and

**WHEREAS**, the City has complied with all requirements of Chapter 211 of the Local Government Code, and all other laws dealing with notice, publication and procedural requirements for the rezoning of the property.

**NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF HALTOM CITY, TEXAS, THAT:**

**SECTION 1.**

Ordinance No. O-2002-032-15, as amended, is hereby amended by rezoning approximately 0.057 acres of land from “C-4” Commercial District to “C-3” Commercial District, located north of Airport Freeway and west of Hickory Drive, locally known as 5411 Airport Freeway, and being a portion of the Lot 2R, Block 1 of the Airport Industrial Addition.

**SECTION 2.**

The zoning district as herein established has been made in accordance with a comprehensive land use plan for the purpose of promoting the health, safety, morals and general welfare of the community.

### **SECTION 3.**

The official zoning map of the City of Haltom City is hereby amended and the City Secretary is directed to revise the zoning map to reflect the zoning classification as set forth above.

### **SECTION 4.**

The use of the Property described above shall be subject to all the applicable regulations contained in the Zoning Ordinance and all other applicable and pertinent ordinances of the City of Haltom City, Texas.

### **SECTION 5.**

This Ordinance shall be cumulative of all provisions of ordinances and of the Code of Ordinances of the City of Haltom City, Texas (1998), 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 the conflicting provisions of such ordinances and such code are hereby repealed.

### **SECTION 6.**

It is hereby declared to be the intention of the City Council that the sections, paragraphs, sentences, clauses, and phrases of this Ordinance are severable, and if any section, paragraph, sentence, clause, or phrase 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 sections, paragraphs, sentences, clauses, and phrases of this Ordinance, since the same would have been enacted by the City

Council without the incorporation in this Ordinance of any such unconstitutional section, paragraph, sentence, clause or phrase.

#### **SECTION 7.**

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 (\$2,000.00) for each offense. Each day that a violation is permitted to exist shall constitute a separate offense.

#### **SECTION 8.**

All rights and remedies of the City of Haltom City, Texas, are expressly saved as to any and all violations of the provisions of Ordinance No. O-2002-032-15 or any ordinances governing zoning that 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.

#### **SECTION 9.**

The City Secretary of the City of Haltom City, Texas, is hereby directed to publish in the official newspaper of the City of Haltom City, Texas, the caption, Section 1, penalty clause, publication clause and effective date clause of this Ordinance one (1) time within ten (10) days after the first reading of this Ordinance as required by Section 10.01 of the Charter of the City of Haltom City, Texas.

**SECTION 10.**

This Ordinance shall be in full force and effect from and after its passage and publication as required by law, and it is so ordained.

**PASSED AND APPROVED ON FIRST READING THIS \_\_\_\_\_ DAY OF \_\_\_\_\_, 2015.**

**PASSED AND APPROVED ON SECOND READING THIS \_\_\_\_\_ DAY OF \_\_\_\_\_, 2015.**

\_\_\_\_\_  
Mayor  
ATTEST:

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

EFFECTIVE: \_\_\_\_\_

APPROVED AS TO FORM AND LEGALITY:

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

## CITY COUNCIL MEMORANDUM

**City Council Meeting:** June 8, 2015

**Department:** Administration

**Subject:** Resolution No. R-2015-012-01 –  
Atmos Energy, Mid-Tex Division Rate  
Review Mechanism Settlement

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### BACKGROUND

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 Rate Review Mechanism (“RRM”) Tariff was adopted by the City 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. In February 2014, Atmos Mid-Tex filed its second annual filing under the RRM Tariff, seeking an increase of \$45.7 million. Although ACSC attempted to reach a settlement with the Company as it had in past years, the wide differences between the Company and ACSC’s consultants’ recommendations made a compromise impossible. On the recommendation of the ACSC Executive Committee and ACSC’s legal counsel, the City in 2014 adopted a Resolution denying the requested rate increase.

The Company appealed the City’s denial to the Railroad Commission of Texas (“Commission”), and revised its requested increase to \$43.8 million. A hearing was held on the Company’s appeal on September 3, 2014. On April 28, 2015, the Commission’s Hearings Examiner issued his Proposal for Decision (“PFD”) in the Company’s appeal of the City’s denial of the 2014 RRM rate increase. This PFD was not favorable to ACSC, but did recommend a reduction of approximately \$860,000 to the Company’s adjusted 2014 filing.

While the parties were waiting for the PFD from the Hearings Examiner in the appeal of the 2014 RRM filing, on February 27, 2015, Atmos Mid-Tex filed with the City another rate increase request under the RRM Tariff, seeking additional revenues in the amount of \$28.762 million (total system) or \$24.0 million (affected cities). The City worked with ACSC to analyze the schedules and evidence offered by Atmos Mid-Tex to support its 2015 request to increase rates. The Resolution and attached Settlement Agreement and tariffs are the result of negotiation between the Mid-Tex Executive Committee and the Company to resolve issues raised by ACSC during the review and evaluation of Atmos Mid-Tex’s filing. The recommended Settlement Agreement also requires Atmos to abate its appeal of the City’s rejection of the 2014 RRM rate increase pending approval by all ACSC cities of the Settlement Agreement. The Agreement requires Atmos to give the City the benefit of the adjustments to the 2014 rate increase recommended by the PFD.

## **FISCAL IMPACT**

The Resolution and Settlement tariffs approve rates that will increase the Company's revenues by \$65.7 million for the Mid-Tex Rate Division, effective for bills rendered on or after June 1, 2015. The monthly residential customer charge will be \$18.60. The consumption charge will change from \$0.08819 per Ccf to \$0.09931 per Ccf. The monthly bill impact for the typical residential customer consuming 60 Ccf will be an increase of \$1.14 (about a 1.59% increase in the base bill). The typical commercial customer will see an increase of \$2.69 or 0.96%.

## **RECOMMENDATION**

Staff, the ACSC Executive Committee and its designated legal counsel and consultants recommend that all Cities adopt Resolution R-2015-012-01 approving the negotiated Settlement Agreement resolving both the 2014 and the 2015 RRM filings, and implementing the rate change.

## **ATTACHMENTS**

Resolution No. R-2015-012-01

**RESOLUTION NO. R-2015-012-01**

**AN RESOLUTION OF THE CITY COUNCIL OF THE CITY OF HALTOM CITY, TEXAS, APPROVING A NEGOTIATED SETTLEMENT BETWEEN THE ATMOS CITIES STEERING COMMITTEE (“ACSC”) AND ATMOS ENERGY CORP., MID-TEX DIVISION REGARDING THE COMPANY’S 2014 AND 2015 RATE REVIEW MECHANISM FILINGS; APPROVING A SETTLEMENT AGREEMENT WITH ATTACHED RATE TARIFFS AND PROOF OF REVENUES; 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 RESOLUTION WAS PASSED IN ACCORDANCE WITH THE REQUIREMENTS OF THE TEXAS OPEN MEETINGS ACT; ADOPTING A SAVINGS CLAUSE; DECLARING AN EFFECTIVE DATE; AND REQUIRING DELIVERY OF THIS RESOLUTION TO THE COMPANY AND THE ACSC’S LEGAL COUNSEL.**

WHEREAS, the City of Haltom City, 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; 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, the initial RRM Tariff was in effect for four (4) years; and

WHEREAS, ACSC Cities and Atmos Mid-Tex entered into another settlement agreement and revised the RRM Tariff; and

WHEREAS, ACSC Cities and Atmos Mid-Tex compromised and reached agreements on the amount of the rate increases to be in effect for the RRM Tariff filings for 2012 and 2013; and

WHEREAS, ACSC Cities and Atmos Mid-Tex were unable to reach an agreement on the 2014 RRM Tariff filing, resulting in the ACSC Cities' rejection of the 2014 RRM filing; and

WHEREAS, Atmos Mid-Tex appealed the ACSC Cities' actions rejecting its 2014 RRM filing to the Railroad Commission of Texas ("Commission"), pursuant to the provisions of the RRM Tariff; and

WHEREAS, Atmos Mid-Tex and ACSC litigated the appeal of the 2014 RRM filing at the Commission; and

WHEREAS, on February 27, 2015, Atmos Mid-Tex filed its 2015 RRM Tariff filing, requesting to increase natural gas base rates system-wide by \$28.762 million; and

WHEREAS, ACSC coordinated its review of Atmos Mid-Tex 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, Atmos Mid-Tex has agreed to withdraw its appeal of ACSC's rejection of its 2014 RRM Tariff rate increase; and

WHEREAS, the Executive Committee, as well as ACSC's counsel and consultants, recommend that ACSC Cities approve the attached Settlement Agreement (Attachment A to this

Resolution) as well as the tariffs attached thereto, resolving both the 2014 and the 2015 RRM Tariff filings, which together will increase the Company's revenues by \$65.7 million over the amount allowed under City-approved rates set in 2013; and

WHEREAS, the attached tariffs implementing new rates are consistent with the negotiated Settlement Agreement and are just, reasonable, and in the public interest; and

WHEREAS, the RRM Tariff should be renewed for a period of time commencing in 2016 and continuing until the RRM Tariff is suspended by ordinance of the City; and

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

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

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

**Section 2.** That the City Council finds that the Settlement Agreement (Attachment A to this Resolution) 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 2014 and 2015 RRM filings, 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 C, are just and reasonable, and are designed to allow Atmos Mid-Tex to recover annually an additional \$65.7 million in revenue over the amount allowed under currently approved rates, or \$21 million over currently-billed 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' next RRM filing shall be as set forth on Attachment D, attached hereto and incorporated herein.

**Section 5.** That in an effort to streamline the regulatory review process, the Atmos Mid-Tex RRM Tariff is renewed for a period commencing with the Company's March 1, 2016 RRM filing for calendar year 2015, effective June 1, 2016, and continuing thereafter until such time as the City adopts an ordinance suspending operation of the RRM Tariff.

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

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

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

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

**Section 10.** That consistent with the City ordinance that established the RRM process, this Resolution shall become effective from and after its passage with rates authorized by attached tariffs to be effective for bills rendered on or after June 1, 2015.

**Section 11.** That a copy of this Resolution shall be sent to Atmos Mid-Tex, care of Chris Felan, Vice President of Rates and Regulatory Affairs Mid-Tex Division, Atmos Energy

Corporation, 5420 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 8<sup>th</sup> day of June, 2015.

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David Averitt, Mayor

ATTEST:

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Art Camacho, City Secretary

APPROVED AS TO FORM:

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Wayne Olson, City Attorney

**SETTLEMENT AGREEMENT BETWEEN ATMOS ENERGY CORP., MID-TEX  
DIVISION AND ATMOS CITIES STEERING COMMITTEE**

WHEREAS, this agreement (“Settlement Agreement”) is entered into by Atmos Energy Corp’s Mid-Tex Division and Atmos Cities Steering Committee (“ACSC”) whose members include the Cities of Abilene, Addison, Allen, Alvarado, Angus, Anna, Argyle, Arlington, Aubrey, Bedford, Bellmead, Benbrook, Beverly Hills, Blossom, Blue Ridge, Bowie, Boyd, Bridgeport, Brownwood, Buffalo, Burkburnett, Burleson, Caddo Mills, Canton, Carrollton, Cedar Hill, Celeste, Celina, Centerville, Cisco, Clarksville, Cleburne, Clyde, College Station, Colleyville, Colorado City, Comanche, Commerce, Coolidge, Coppell, Copperas Cove, Corinth, Corral City, Crandall, Crowley, Dalworthington Gardens, Denison, DeSoto, Duncanville, Eastland, Edgecliff Village, Emory, Ennis, Euless, Everman, Fairview, Farmers Branch, Farmersville, Fate, Flower Mound, Forest Hill, Fort Worth, Frisco, Frost, Gainesville, Garland, Garrett, Grand Prairie, Grapevine, Gunter, Haltom City, Harker Heights, Haskell, Haslet, Hewitt, Highland Park, Highland Village, Honey Grove, Hurst, Hutto, Iowa Park, Irving, Justin, Kaufman, Keene, Keller, Kemp, Kennedale, Kerens, Kerrville, Killeen, Krum, Lake Worth, Lakeside, Lancaster, Lewisville, Lincoln Park, Little Elm, Lorena, Madisonville, Malakoff, Mansfield, McKinney, Melissa, Mesquite, Midlothian, Murphy, Newark, Nocona, North Richland Hills, Northlake, Oakleaf, Ovilla, Palestine, Pantego, Paris, Parker, Pecan Hill, Petrolia, Plano, Ponder, Pottsboro, Prosper, Quitman, Red Oak, Reno (Parker County), Richardson, Richland, Richland Hills, Roanoke, Robinson, Rockwall, Roscoe, Rowlett, Royse City, Sachse, Saginaw, Sansom Park, Seagoville, Sherman, Snyder, Southlake, Springtown, Stamford, Stephenville, Sulphur Springs, Sweetwater, Temple, Terrell, The Colony, Trophy Club, Tyler, University Park, Venus, Vernon, Waco, Watauga, Waxahachie, Westlake, White Settlement, Whitesboro, Wichita Falls, Woodway, and Wylie.

WHEREAS, on February 28, 2014, Atmos filed with the ACSC Cities an application, hereinafter referred to as the 2014 RRM filing, to adjust rates pursuant to Rider RRM - Rate Review Mechanism, which were subsequently consolidated into GUD No. 10359 at the Railroad Commission of Texas; and

WHEREAS, on February 27, 2015, Atmos filed with the ACSC Cities an application, hereinafter referred to as the 2015 RRM filing, to adjust rates pursuant to Rider RRM - Rate Review Mechanism; and

WHEREAS, the Settlement Agreement resolves all issues between Atmos and ACSC (“the Signatories”) regarding the 2014 RRM filing, which is currently pending before the Commission, and the 2015 RRM filing, which is currently pending before the ACSC Cities, in a manner that the Signatories believe is consistent with the public interest, and the Signatories represent diverse interests; and

WHEREAS, the Signatories believe that the resolution of the issues raised in the 2014 RRM filing and the 2015 RRM filing can best be accomplished by each ACSC City approving this Settlement Agreement and the rates, terms and conditions reflected in the tariffs attached to this Settlement Agreement as Exhibit A;

NOW, THEREFORE, in consideration of the mutual agreements and covenants established herein, the Signatories, through their undersigned representatives, agree to the

following Settlement Terms as a means of fully resolving all issues between Atmos and the ACSC Cities involving the 2014 RRM filing and 2015 RRM filing:

Settlement Terms

1. Upon the execution of this Settlement Agreement, the ACSC Cities will approve an ordinance or resolution to approve the Settlement Agreement and implement the rates, terms and conditions reflected in the tariffs attached to the Settlement Agreement as Exhibit A. (Attachment A to the Ordinance ratifying the Agreement). Said tariffs should allow Atmos to recover annually an additional \$65.7 million in revenue over the amount allowed under currently approved rates by implementation of rates shown in the proof of revenues attached as Exhibit B. (Attachment B to the Ordinance ratifying this Agreement). The uniform implementation of gas rates, terms and conditions established by the Settlement Agreement shall be effective for bills rendered on or after June 1, 2015. Consistent with the City's authority under Section 103.001 of the Texas Utilities Code, the Settlement Agreement represents a comprehensive settlement of gas utility rate issues affecting the rates, operations and services offered by Atmos within the municipal limits of the ACSC Cities arising from Atmos' 2014 RRM filing and 2015 RRM filing. No refunds of charges billed to customers by Atmos under the RRM in past periods shall be owed or owing.
2. In an effort to streamline the regulatory review process, Atmos and the ACSC Cities have agreed to renew the Rate Review Mechanism ("Rider RRM") for a period commencing with the Company's March 1, 2016 filing under this mechanism for the calendar year 2015, effective June 1, 2016, and continuing thereafter until such time as either the ACSC Cities issue an ordinance stating a desire to discontinue the operation of the tariff or Atmos files a Statement of Intent. Atmos and the ACSC Cities further agree that the RRM tariff shall remain in effect until such time as new, final rates are established for Atmos. Upon approval of this Settlement Agreement by the ACSC Cities, Atmos shall file an updated RRM Tariff with each city reflecting the provisions of this agreement.
3. Atmos and the ACSC Cities agree that rate base as of December 31, 2014 in the amount of \$1,955,948,256 is just and reasonable and shall be recovered in rates.
4. Atmos and the ACSC Cities agree that a pension and other postemployment benefits balance as of December 31, 2014 in the amount of \$18,284,949 is just and reasonable and shall be used as the beginning balance for purposes of determining pension and other postemployment benefits to be recovered in the next RRM filing (Attachment D to the Ordinance ratifying the Agreement).
5. With regard to the treatment of Atmos' Rule 8.209 regulatory asset under the RRM, Atmos and the ACSC Cities agree to the following with respect to any pending and future RRM filings:
  - a. the capital investment in the Rule 8.209 regulatory asset in the 2014 RRM filing and 2015 RRM filing is reasonable and consistent with the requirements of Rule 8.209;

Attachment A

- b. the classification of projects included in the Rule 8.209 regulatory asset in the 2014 RRM filing and 2015 RRM filing is reasonable and consistent with the requirements of Rule 8.209 and shall serve as a basis for classification of projects in future RRM filings;
  - c. the treatment of blanket replacement projects, system upgrades, relocations, and transmission line replacements in the Rule 8.209 regulatory asset in the 2014 RRM filing and 2015 RRM filing is reasonable and consistent with the requirements of Rule 8.209 and shall be included in future RRM filings.
  - d. the incurred expenses included in the Rule 8.209 regulatory asset in the 2014 RRM and the 2015 RRM are reasonable and consistent with the requirements of Rule 8.209 and shall be included in future RRM filings;
  - e. interest on the Rule 8.209 regulatory asset account shall be calculated using the pre-tax cost of capital most recently approved by the Commission. The use of the pre-tax cost of capital is consistent with Rule 8.209. A return on Rule 8.209 capital investment is only earned once the investment is included in rate base. No change in the Company's calculation of the interest component in its Rule 8.209 regulatory asset accounts is warranted through the period ended May 31, 2015. Beginning June 1, 2015, interest expense shall be calculated monthly using simple interest (*i.e.* 11.49% divided by 12, or approximately 0.96% per month) applied to the total value of the Rule 8.209 asset investment (exclusive of interest) until such time the Rule 8.209 regulatory asset is approved for inclusion in the Company's rate base.
  - f. While Atmos and the ACSC Cities agree to apply the treatments and methodologies set forth in this paragraph, subsections (a) – (e) in all future RRM filings, the regulatory authority retains its right to disallow any capital investment that is not shown to be prudently incurred, and any expense not shown to be reasonable and necessary, in future RRM filings.
  - g. Atmos and the ACSC Cities acknowledge that their agreement regarding the treatment and methodologies applicable to Rule 8.209 capital investments under the RRM tariff shall not prejudice the right of either party to argue for different treatments or methodologies in a future statement of intent proceeding.
6. Revenues approved pursuant to Paragraph 1 of the Settlement Agreement include reimbursement of rate case expenses owed to the ACSC Cities in connection with the 2014 RRM filing.
  7. The Signatories agree that each ACSC city shall approve this Settlement Agreement and adopt an ordinance or resolution to implement for the ACSC Cities the rates, terms, and conditions reflected in the tariffs attached to the Settlement Agreement as Exhibit A. Atmos and ACSC further agree that at such time as all of the ACSC Cities have passed an ordinance or resolution consistent with the Settlement and Atmos has received such ordinance or resolution, Atmos shall withdraw its appeal of the currently pending RRM filing before the Railroad Commission of Texas in connection with the 2014 RRM filing.

8. Atmos and the ACSC Cities further agree that the express terms of the Rider RRM are supplemental to the filing, notice, regulatory review, or appellate procedural process of the ratemaking provisions of Chapter 104 of the Texas Utilities Code. If the statute requires a mandatory action on behalf of the municipal regulatory authority or Atmos, the parties will follow the provisions of such statute. If the statute allows discretion on behalf of the municipal regulatory authority, the ACSC Cities agree that they shall exercise such discretion in such a way as to implement the provisions of the RRM tariff. If Atmos appeals an action or inaction of an ACSC City regarding an RRM filing to the Railroad Commission, the ACSC Cities agree that they will not oppose the implementation of interim rates or advocate the imposition of a bond by Atmos consistent with the RRM tariff. Atmos agrees that it will make no filings on behalf of its Mid-Tex Division under the provisions of Section 104.301 of the Texas Utilities code while the Rider RRM is in place. In the event that a regulatory authority fails to act or enters an adverse decision regarding the proposed annual RRM adjustment, the Railroad Commission of Texas shall have exclusive appellate jurisdiction, pursuant to the provisions of the Texas Utilities Code, to review the action or inaction of the regulatory authority exercising exclusive original jurisdiction over the RRM request. In addition, the Signatories agree that this Settlement Agreement shall not be construed as a waiver of the ACSC Cities' right to initiate a show cause proceeding or the Company's right to file a Statement of Intent under the provisions of the Texas Utilities Code.
9. The Signatories agree that the terms of the Settlement Agreement are interdependent and indivisible, and that if any ACSC city enters an order that is inconsistent with this Settlement Agreement, then any Signatory may withdraw without being deemed to have waived any procedural right or to have taken any substantive position on any fact or issue by virtue of that Signatory's entry into the Settlement Agreement or its subsequent withdrawal. If any ACSC city rejects this Settlement Agreement, then this Settlement Agreement shall be void *ab initio* and counsel for the ACSC Cities shall thereafter only take such actions as are in accordance with the Texas Disciplinary Rules of Professional Conduct.
10. The Signatories agree that all negotiations, discussions and conferences related to the Settlement Agreement are privileged, inadmissible, and not relevant to prove any issues associated with Atmos' 2014 RRM filing and 2015 RRM filing.
11. The Signatories agree that neither this Settlement Agreement nor any oral or written statements made during the course of settlement negotiations may be used for any purpose other than as necessary to support the entry by the ACSC Cities of an ordinance or resolution implementing this Settlement Agreement.
12. The Signatories agree that this Settlement Agreement is binding on each Signatory only for the purpose of settling the issues set forth herein and for no other purposes, and, except to the extent the Settlement Agreement governs a Signatory's rights and obligations for future periods, this Settlement Agreement shall not be binding or precedential upon a Signatory outside this proceeding.

Attachment A

13. The Signatories agree that this Settlement Agreement may be executed in multiple counterparts and may be filed with facsimile signatures.

Agreed to this 7 day of May, 2015.

ATMOS ENERGY CORP., MID-TEX DIVISION

By: John A. Paris  
John A. Paris  
President, Mid-Tex Division

Agreed to this 7th day of May 2015.

ATTORNEY FOR ATMOS CITIES STEERING COMMITTEE, WHOSE MEMBERS INCLUDE THE CITIES OF ABILENE, ADDISON, ALLEN, ALVARADO, ANGUS, ANNA, ARGYLE, ARLINGTON, AUBREY, BEDFORD, BELLMEAD, BENBROOK, BEVERLY HILLS, BLOSSOM, BLUE RIDGE, BOWIE, BOYD, BRIDGEPORT, BROWNWOOD, BUFFALO, BURKBURNETT, BURLESON, CADDO MILLS, CANTON, CARROLLTON, CEDAR HILL, CELESTE, CELINA, CENTERVILLE, CISCO, CLARKSVILLE, CLEBURNE, CLYDE, COLLEGE STATION, COLLEYVILLE, COLORADO CITY, COMANCHE, COMMERCE, COOLIDGE, COPPELL, COPPERAS COVE, CORINTH, CORRAL CITY, CRANDALL, CROWLEY, DALWORTHINGTON GARDENS, DENISON, DESOTO, DUNCANVILLE, EASTLAND, EDGECLIFF VILLAGE, EMORY, ENNIS, EULESS, EVERMAN, FAIRVIEW, FARMERS BRANCH, FARMERSVILLE, FATE, FLOWER MOUND, FOREST HILL, FORT WORTH, FRISCO, FROST, GAINESVILLE, GARLAND, GARRETT, GRAND PRAIRIE, GRAPEVINE, GUNTER, HALTOM CITY, HARKER HEIGHTS, HASKELL, HASLET, HEWITT, HIGHLAND PARK, HIGHLAND VILLAGE, HONEY GROVE, HURST, HUTTO, IOWA PARK, IRVING, JUSTIN, KAUFMAN, KEENE, KELLER, KEMP, KENNEDALE, KERENS, KERRVILLE, KILLEEN, KRUM, LAKE WORTH, LAKESIDE, LANCASTER, LEWISVILLE, LINCOLN PARK, LITTLE ELM, LORENA, MADISONVILLE, MALAKOFF, MANSFIELD, MCKINNEY, MELISSA, MESQUITE, MIDLOTHIAN, MURPHY, NEWARK, NOCONA, NORTH RICHLAND HILLS, NORTHLAKE, OAKLEAF, OVILLA, PALESTINE, PANTEGO, PARIS, PARKER, PECAN HILL, PETROLIA, PLANO, PONDER, POTTSBORO, PROSPER, QUITMAN, RED OAK, RENO (PARKER COUNTY), RICHARDSON, RICHLAND, RICHLAND HILLS, ROANOKE, ROBINSON, ROCKWALL, ROSCOE, ROWLETT, ROYSE CITY, SACHSE, SAGINAW, SANSOM PARK, SEAGOVILLE, SHERMAN, SNYDER, SOUTHLAKE, SPRINGTOWN, STAMFORD, STEPHENVILLE, SULPHUR SPRINGS, SWEETWATER, TEMPLE, TERRELL, THE COLONY, TROPHY CLUB, TYLER, UNIVERSITY PARK, VENUS, VERNON, WACO, WATAUGA, WAXAHACHIE, WESTLAKE, WHITE SETTLEMENT, WHITESBORO, WICHITA FALLS, WOODWAY, AND WYLIE.

By:   
Geoffrey Gay\*

\* Subject to approval by ACSC City Councils

**MID-TEX DIVISION  
ATMOS ENERGY CORPORATION**

**RRC Tariff No:**

<b>RATE SCHEDULE:</b>	<b>C – COMMERCIAL SALES</b>	
<b>APPLICABLE TO:</b>	<b>ALL CUSTOMERS IN THE MID-TEX DIVISION EXCEPT THE CITY OF DALLAS AND UNINCORPORATED AREAS</b>	
<b>EFFECTIVE DATE:</b>	<b>Bills Rendered on or after 06/01/2015</b>	<b>PAGE:</b>

**Application**

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

**Type of Service**

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

**Monthly Rate**

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

<b>Charge</b>	<b>Amount</b>
Customer Charge per Bill	\$ 40.00 per month
Rider CEE Surcharge	\$ 0.00 per month <sup>1</sup>
<b>Total Customer Charge</b>	<b>\$ 40.00 per month</b>
Commodity Charge – All Ccf	\$ 0.08020 per Ccf

Gas Cost Recovery: Plus an amount for gas costs and upstream transportation costs calculated in accordance with Part (a) and Part (b), respectively, of Rider GCR.

Weather Normalization Adjustment: Plus or Minus an amount for weather normalization calculated in accordance with Rider WNA.

Franchise Fee Adjustment: Plus an amount for franchise fees calculated in accordance with Rider FF. Rider FF is only applicable to customers inside the corporate limits of any incorporated municipality.

Tax Adjustment: Plus an amount for tax calculated in accordance with Rider TAX.

Surcharges: Plus an amount for surcharges calculated in accordance with the applicable rider(s).

**Agreement**

An Agreement for Gas Service may be required.

**Notice**

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

<sup>1</sup> Reference Rider CEE - Conservation And Energy Efficiency as approved in GUD 10170. Surcharge billing effective July 1, 2014.

**MID-TEX DIVISION  
ATMOS ENERGY CORPORATION**

**RRC Tariff No:**

<b>RATE SCHEDULE:</b>	<b>I – INDUSTRIAL SALES</b>	
<b>APPLICABLE TO:</b>	<b>ALL CUSTOMERS IN THE MID-TEX DIVISION EXCEPT THE CITY OF DALLAS AND UNINCORPORATED AREAS</b>	
<b>EFFECTIVE DATE:</b>	<b>Bills Rendered on or after 06/01/2015</b>	<b>PAGE:</b>

**Application**

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

**Type of Service**

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

**Monthly Rate**

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

<b>Charge</b>	<b>Amount</b>
Customer Charge per Meter	\$ 700.00 per month
First 0 MMBtu to 1,500 MMBtu	\$ 0.2937 per MMBtu
Next 3,500 MMBtu	\$ 0.2151 per MMBtu
All MMBtu over 5,000 MMBtu	\$ 0.0461 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.

**MID-TEX DIVISION  
ATMOS ENERGY CORPORATION**

**RRC Tariff No:**

<b>RATE SCHEDULE:</b>	<b>I – INDUSTRIAL SALES</b>	
<b>APPLICABLE TO:</b>	<b>ALL CUSTOMERS IN THE MID-TEX DIVISION EXCEPT THE CITY OF DALLAS AND UNINCORPORATED AREAS</b>	
<b>EFFECTIVE DATE:</b>	<b>Bills Rendered on or after 06/01/2015</b>	<b>PAGE:</b>

**Agreement**

An Agreement for Gas Service may be required.

**Notice**

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

**Special Conditions**

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

**MID-TEX DIVISION  
ATMOS ENERGY CORPORATION**

**RRC Tariff No:**

<b>RATE SCHEDULE:</b>	<b>R – RESIDENTIAL SALES</b>	
<b>APPLICABLE TO:</b>	<b>ALL CUSTOMERS IN THE MID-TEX DIVISION EXCEPT THE CITY OF DALLAS AND UNINCORPORATED AREAS</b>	
<b>EFFECTIVE DATE:</b>	<b>Bills Rendered on or after 06/01/2015</b>	<b>PAGE:</b>

**Application**

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

**Type of Service**

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

**Monthly Rate**

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

<b>Charge</b>	<b>Amount</b>
Customer Charge per Bill	\$ 18.60 per month
Rider CEE Surcharge	\$ 0.02 per month <sup>1</sup>
<b>Total Customer Charge</b>	<b>\$ 18.62 per month</b>
Commodity Charge – All <u>Ccf</u>	\$0.09931 per Ccf

Gas Cost Recovery: Plus an amount for gas costs and upstream transportation costs calculated in accordance with Part (a) and Part (b), respectively, of Rider GCR.

Weather Normalization Adjustment: Plus or Minus an amount for weather normalization calculated in accordance with Rider WNA.

Franchise Fee Adjustment: Plus an amount for franchise fees calculated in accordance with Rider FF. Rider FF is only applicable to customers inside the corporate limits of any incorporated municipality.

Tax Adjustment: Plus an amount for tax calculated in accordance with Rider TAX.

Surcharges: Plus an amount for surcharges calculated in accordance with the applicable rider(s).

**Agreement**

An Agreement for Gas Service may be required.

**Notice**

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

<sup>1</sup>Reference Rider CEE - Conservation And Energy Efficiency as approved in GUD 10170. Surcharge billing effective July 1, 2014.

**MID-TEX DIVISION  
ATMOS ENERGY CORPORATION**

**RRC Tariff No:**

<b>RATE SCHEDULE:</b>	<b>T – TRANSPORTATION</b>	
<b>APPLICABLE TO:</b>	<b>ALL CUSTOMERS IN THE MID-TEX DIVISION EXCEPT THE CITY OF DALLAS AND UNINCORPORATED AREAS</b>	
<b>EFFECTIVE DATE:</b>	<b>Bills Rendered on or after 06/01/2015</b>	<b>PAGE:</b>

**Application**

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

**Type of Service**

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

**Monthly Rate**

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

<b>Charge</b>	<b>Amount</b>
Customer Charge per Meter	\$ 700.00 per month
First 0 MMBtu to 1,500 MMBtu	\$ 0.2937 per MMBtu
Next 3,500 MMBtu	\$ 0.2151 per MMBtu
All MMBtu over 5,000 MMBtu	\$ 0.0461 per MMBtu

Upstream Transportation Cost Recovery: Plus an amount for upstream transportation costs in accordance with Part (b) of Rider GCR.

Retention Adjustment: Plus a quantity of gas as calculated in accordance with Rider RA.

Franchise Fee Adjustment: Plus an amount for franchise fees calculated in accordance with Rider FF. Rider FF is only applicable to customers inside the corporate limits of any incorporated municipality.

Tax Adjustment: Plus an amount for tax calculated in accordance with Rider TAX.

Surcharges: Plus an amount for surcharges calculated in accordance with the applicable rider(s).

**Imbalance Fees**

All fees charged to Customer under this Rate Schedule will be charged based on the quantities determined under the applicable Transportation Agreement and quantities will not be aggregated for any Customer with multiple Transportation Agreements for the purposes of such fees.

**Monthly Imbalance Fees**

Customer shall pay Company the greater of (i) \$0.10 per MMBtu, or (ii) 150% of the difference per MMBtu between the highest and lowest "midpoint" price for the Katy point listed in *Platts Gas Daily* in the table entitled "Daily Price Survey" during such month, for the MMBtu of Customer's monthly Cumulative Imbalance, as defined in the applicable Transportation Agreement, at the end of each month that exceeds 10% of Customer's receipt quantities for the month.

**MID-TEX DIVISION  
ATMOS ENERGY CORPORATION**

**RRC Tariff No:**

<b>RATE SCHEDULE:</b>	<b>T – TRANSPORTATION</b>	
<b>APPLICABLE TO:</b>	<b>ALL CUSTOMERS IN THE MID-TEX DIVISION EXCEPT THE CITY OF DALLAS AND UNINCORPORATED AREAS</b>	
<b>EFFECTIVE DATE:</b>	<b>Bills Rendered on or after 06/01/2015</b>	<b>PAGE:</b>

**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**

<b>RIDER:</b>	<b>WNA – WEATHER NORMALIZATION ADJUSTMENT</b>	
<b>APPLICABLE TO:</b>	<b>ALL CUSTOMERS IN THE MID-TEX DIVISION EXCEPT THE CITY OF DALLAS AND UNINCORPORATED AREAS</b>	
<b>EFFECTIVE DATE:</b>	<b>Bills Rendered on or after 11/01/2015</b>	<b>PAGE:</b>

Provisions for Adjustment

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

Computation of Weather Normalization Adjustment

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

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

Where

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

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

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

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

**MID-TEX DIVISION  
ATMOS ENERGY CORPORATION**

<b>RIDER:</b>	<b>WNA – WEATHER NORMALIZATION ADJUSTMENT</b>	
<b>APPLICABLE TO:</b>	<b>ALL CUSTOMERS IN THE MID-TEX DIVISION EXCEPT THE CITY OF DALLAS AND UNINCORPORATED AREAS</b>	
<b>EFFECTIVE DATE:</b>	<b>Bills Rendered on or after 11/01/2015</b>	<b>PAGE:</b>

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	10.22	0.1404	98.80	0.6372
Austin	11.59	0.1443	213.62	0.7922
Dallas	14.12	0.2000	208.11	0.9085
Waco	9.74	0.1387	130.27	0.6351
Wichita Falls	11.79	0.1476	122.35	0.5772

Weather Normalization Adjustment (WNA) Report

On or before June 1 of each year, the company posts on its website at [atmosenergy.com/mtx-wna](http://atmosenergy.com/mtx-wna), in Excel format, a *Weather Normalization Adjustment (WNA) Report* to show how the company calculated its WNAs factor during the preceding winter season. Additionally, on or before June 1 of each year, the company files one hard copy and a 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  
PROOF OF REVENUES AND PROPOSED TARIFF STRUCTURE  
TEST YEAR ENDING DECEMBER 31, 2014**

(a)	(b)	(c)	(d)	(e)	(f)	(g)
1	Proposed Change in Rates:	\$21,066,527	Schedule A			
2	Proposed Change in Rates without Revenue Related Taxes:	\$19,757,254	Lr. 1 divided by factor on WP_F-5.1			
3						
4						
5						
6		Revenue				
7	Residential	Requirements	Allocations			
8	Commercial	\$ 338,431,486	77.95%	Per GUD 10170 Final Order		
9	Industrial and Transportation	\$ 84,223,022	19.40%	Per GUD 10170 Final Order		
10	Net Revenue Requirements GUD No. 10170	\$ 11,400,316	2.65%	Per GUD 10170 Final Order		
11		\$ 434,145,424				
12						
17						
18	Rate Class	Current	Proposed Change	Proposed Rates	Proposed Change in Revenues	Proposed Rates with Rate Class Expenses
19						
20	Residential Base Charge	\$ 18.20	\$ 0.36	\$ 18.56	\$ 6,351,350	\$ 327,447,398
21	Residential Consumption Charge	\$ 0.08819	\$ 0.01112	\$ 0.09931	\$ 9,049,383	\$ 80,817,829
22	Commercial Base Charge	\$ 38.50	\$ 1.37	\$ 39.87	\$ 2,000,584	\$ 58,221,364
23	Commercial Consumption Charge	\$ 0.07881	\$ 0.00338	\$ 0.08220	\$ 1,834,968	\$ 43,411,339
24	I&T Base Charge	\$ 675.00	\$ 22.35	\$ 697.35	\$ 220,192	\$ 6,870,292
25	I&T Consumption Charge Tier 1 MMBTU	\$ 0.2807	\$ 0.0130	\$ 0.2937	\$ 142,055	\$ 3,209,350
26	I&T Consumption Charge Tier 2 MMBTU	\$ 0.2056	\$ 0.0095	\$ 0.2151	\$ 117,051	\$ 2,850,282
27	I&T Consumption Charge Tier 3 MMBTU	\$ 0.0441	\$ 0.0020	\$ 0.0461	\$ 42,703	\$ 984,314
28						
29						
					\$ 18,758,287	\$ 523,612,169

Data Sources:  
GUD10170\_FINAL.xlsm

**ATMOS ENERGY CORP., MID-TEX DIVISION  
PROOF OF REVENUES AND PROPOSED TARIFF STRUCTURE  
TEST YEAR ENDING DECEMBER 31, 2014**

(a)	(b)	(c)	(d)	(e)	(f)	(g)
1	Proposed Change in Rates:		\$21,066,527	Schedule A		
2	Proposed Change in Rates without Revenue Related Taxes:		\$19,757,254	Lr. 1 divided by factor on WP_F-5.1		
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5						
6		Revenue				
7	Residential	Requirements	Allocations			
8	Commercial	\$ 338,431,486	77.95%	Per GUD 10170 Final Order		
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18	Rate Class	Current	Proposed Change	Proposed Rates	Proposed Change in Revenues	Proposed Rates with Rate Class Expenses
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28						
29						
					\$ 18,758,287	\$ 523,612,169

Data Sources:  
GUD10170\_FINAL.xlsm

<b>RATE SCHEDULE:</b>	<b>C – COMMERCIAL SALES</b>	
<b>APPLICABLE TO:</b>	<b>ALL CUSTOMERS IN THE MID-TEX DIVISION EXCEPT THE CITY OF DALLAS AND UNINCORPORATED AREAS</b>	
<b>EFFECTIVE DATE:</b>	<b>Bills Rendered on or after 06/01/2015</b>	<b>PAGE:</b>

**Application**

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

**Type of Service**

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

**Monthly Rate**

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

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<b>Total Customer Charge</b>	\$ 40.00 per month
Commodity Charge – All Ccf	\$ 0.08020 per Ccf

Gas Cost Recovery: Plus an amount for gas costs and upstream transportation costs calculated in accordance with Part (a) and Part (b), respectively, of Rider GCR.

Weather Normalization Adjustment: Plus or Minus an amount for weather normalization calculated in accordance with Rider WNA.

Franchise Fee Adjustment: Plus an amount for franchise fees calculated in accordance with Rider FF. Rider FF is only applicable to customers inside the corporate limits of any incorporated municipality.

Tax Adjustment: Plus an amount for tax calculated in accordance with Rider TAX.

Surcharges: Plus an amount for surcharges calculated in accordance with the applicable rider(s).

**Agreement**

An Agreement for Gas Service may be required.

**Notice**

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

<sup>1</sup> Reference Rider CEE - Conservation And Energy Efficiency as approved in GUD 10170. Surcharge billing effective July 1, 2014.

<b>RATE SCHEDULE:</b>	<b>I – INDUSTRIAL SALES</b>	
<b>APPLICABLE TO:</b>	<b>ALL CUSTOMERS IN THE MID-TEX DIVISION EXCEPT THE CITY OF DALLAS AND UNINCORPORATED AREAS</b>	
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**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.

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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.

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**Replacement Index**

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<b>RATE SCHEDULE:</b>	<b>I – INDUSTRIAL SALES</b>	
<b>APPLICABLE TO:</b>	<b>ALL CUSTOMERS IN THE MID-TEX DIVISION EXCEPT THE CITY OF DALLAS AND UNINCORPORATED AREAS</b>	
<b>EFFECTIVE DATE:</b>	<b>Bills Rendered on or after 06/01/2015</b>	<b>PAGE:</b>

**Agreement**

An Agreement for Gas Service may be required.

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**Special Conditions**

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

<b>RATE SCHEDULE:</b>	<b>R – RESIDENTIAL SALES</b>	
<b>APPLICABLE TO:</b>	<b>ALL CUSTOMERS IN THE MID-TEX DIVISION EXCEPT THE CITY OF DALLAS AND UNINCORPORATED AREAS</b>	
<b>EFFECTIVE DATE:</b>	<b>Bills Rendered on or after 06/01/2015</b>	<b>PAGE:</b>

**Application**

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

**Type of Service**

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

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<b>Total Customer Charge</b>	<b>\$ 18.62 per month</b>
Commodity Charge – All <u>Ccf</u>	\$0.09931 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).

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<b>RATE SCHEDULE:</b>	<b>T – TRANSPORTATION</b>	
<b>APPLICABLE TO:</b>	<b>ALL CUSTOMERS IN THE MID-TEX DIVISION EXCEPT THE CITY OF DALLAS AND UNINCORPORATED AREAS</b>	
<b>EFFECTIVE DATE:</b>	<b>Bills Rendered on or after 06/01/2015</b>	<b>PAGE:</b>

**Application**

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

**Type of Service**

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

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<b>Charge</b>	<b>Amount</b>
Customer Charge per Meter	\$ 700.00 per month
First 0 MMBtu to 1,500 MMBtu	\$ 0.2937 per MMBtu
Next 3,500 MMBtu	\$ 0.2151 per MMBtu
All MMBtu over 5,000 MMBtu	\$ 0.0461 per MMBtu

Upstream Transportation Cost Recovery: Plus an amount for upstream transportation costs in accordance with Part (b) of Rider GCR.

Retention Adjustment: Plus a quantity of gas as calculated in accordance with Rider RA.

Franchise Fee Adjustment: Plus an amount for franchise fees calculated in accordance with Rider FF. Rider FF is only applicable to customers inside the corporate limits of any incorporated municipality.

Tax Adjustment: Plus an amount for tax calculated in accordance with Rider TAX.

Surcharges: Plus an amount for surcharges calculated in accordance with the applicable rider(s).

**Imbalance Fees**

All fees charged to Customer under this Rate Schedule will be charged based on the quantities determined under the applicable Transportation Agreement and quantities will not be aggregated for any Customer with multiple Transportation Agreements for the purposes of such fees.

**Monthly Imbalance Fees**

Customer shall pay Company the greater of (i) \$0.10 per MMBtu, or (ii) 150% of the difference per MMBtu between the highest and lowest "midpoint" price for the Katy point listed in *Platts Gas Daily* in the table entitled "Daily Price Survey" during such month, for the MMBtu of Customer's monthly Cumulative Imbalance, as defined in the applicable Transportation Agreement, at the end of each month that exceeds 10% of Customer's receipt quantities for the month.

<b>RATE SCHEDULE:</b>	<b>T – TRANSPORTATION</b>	
<b>APPLICABLE TO:</b>	<b>ALL CUSTOMERS IN THE MID-TEX DIVISION EXCEPT THE CITY OF DALLAS AND UNINCORPORATED AREAS</b>	
<b>EFFECTIVE DATE:</b>	<b>Bills Rendered on or after 06/01/2015</b>	<b>PAGE:</b>

**Curtailment Overpull Fee**

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

**Replacement Index**

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

**Agreement**

A transportation agreement is required.

**Notice**

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

**Special Conditions**

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

**MID-TEX DIVISION  
ATMOS ENERGY CORPORATION**

<b>RIDER:</b>	<b>WNA – WEATHER NORMALIZATION ADJUSTMENT</b>	
<b>APPLICABLE TO:</b>	<b>ALL CUSTOMERS IN THE MID-TEX DIVISION EXCEPT THE CITY OF DALLAS AND UNINCORPORATED AREAS</b>	
<b>EFFECTIVE DATE:</b>	<b>Bills Rendered on or after 11/01/2015</b>	<b>PAGE:</b>

Provisions for Adjustment

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

Computation of Weather Normalization Adjustment

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

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

Where

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

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

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

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

**MID-TEX DIVISION  
ATMOS ENERGY CORPORATION**

<b>RIDER:</b>	<b>WNA – WEATHER NORMALIZATION ADJUSTMENT</b>	
<b>APPLICABLE TO:</b>	<b>ALL CUSTOMERS IN THE MID-TEX DIVISION EXCEPT THE CITY OF DALLAS AND UNINCORPORATED AREAS</b>	
<b>EFFECTIVE DATE:</b>	<b>Bills Rendered on or after 11/01/2015</b>	<b>PAGE:</b>

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	10.22	0.1404	98.80	0.6372
Austin	11.59	0.1443	213.62	0.7922
Dallas	14.12	0.2000	208.11	0.9085
Waco	9.74	0.1387	130.27	0.6351
Wichita Falls	11.79	0.1476	122.35	0.5772

Weather Normalization Adjustment (WNA) Report

On or before June 1 of each year, the company posts on its website at [atmosenergy.com/mtx-wna](http://atmosenergy.com/mtx-wna), in Excel format, a *Weather Normalization Adjustment (WNA) Report* to show how the company calculated its WNAs factor during the preceding winter season. Additionally, on or before June 1 of each year, the company files one hard copy and a 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  
PENSIONS AND RETIREE MEDICAL BENEFITS FOR CITIES APPROVAL  
TEST YEAR ENDING DECEMBER 31, 2014**

Line No.	Description (a)	Shared Services (b)		Mid-Tex Direct (c)		Mid-Tex Direct (e)		Adjustment Total (g)
		Pension Account Plan ("PAP")	Post-Retirement Medical Plan ("FAS 106")	Pension Account Plan ("PAP")	Post-Retirement Medical Plan ("FAS 106")	Supplemental Executive Benefit Plan ("SERP")	Post-Retirement Medical Plan ("FAS 106")	
1	Fiscal Year 2014 Towers Watson Report (excluding Removed Cost Centers)	\$ 6,388,826	\$ 4,542,023	\$ 9,481,670	\$ 165,758	\$ 165,758	\$ 8,736,645	
2	Allocation to Mid-Tex	46.26%	46.26%	71.70%	100.00%	100.00%	71.70%	
3	FY14 Towers Watson Benefit Costs (excluding Removed Cost Centers) Allocated to MTX (Ln 1 x Ln 2)	\$ 2,955,304	\$ 2,101,021	\$ 6,798,531	\$ 165,758	\$ 165,758	\$ 6,264,334	
4	O&M and Capital Allocation Factor	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	
5	FY14 Towers Watson Benefit Costs To Approve (excluding Removed Cost Centers) (Ln 3 x Ln 4)	\$ 2,955,304	\$ 2,101,021	\$ 6,798,531	\$ 165,758	\$ 165,758	\$ 6,264,334	\$ 18,284,949
6								
7								
8	<b>Summary of Costs to Approve:</b>							
9								
10	Total Pension Account Plan ("PAP")	\$ 2,955,304	\$ 2,101,021	\$ 6,798,531			\$ 9,753,835	
11	Total Post-Retirement Medical Plan ("FAS 106")				\$ 6,264,334	\$ 6,264,334	\$ 8,365,356	
12	Total Supplemental Executive Retirement Plan ("SERP")				\$ 165,758	\$ 165,758	\$ 165,758	
13	Total (Ln 10 + Ln 11 + Ln 12)	\$ 2,955,304	\$ 2,101,021	\$ 6,798,531	\$ 165,758	\$ 165,758	\$ 18,284,949	
14								
15								
16	O&M Expense Factor	95.82%	95.82%	43.03%	21.00%	43.03%		
17	Expense Portion (Ln 13 x Ln 16)	\$ 2,831,859	\$ 2,013,260	\$ 2,925,600	\$ 34,809	\$ 2,695,721	\$ 10,501,250	
18	Capital Factor	4.18%	4.18%	56.97%	79.00%	56.97%		
19	Capital Portion (Ln 13 x Ln 20)	\$ 123,445	\$ 87,761	\$ 3,872,930	\$ 130,949	\$ 3,568,614	\$ 7,783,699	
20								
21								
22	Total (Ln 18 + Ln 22)	\$ 2,955,304	\$ 2,101,021	\$ 6,798,531	\$ 165,758	\$ 165,758	\$ 18,284,949	
23								
24								

## **CITY COUNCIL MEMORANDUM**

**City Council Meeting:** June 8, 2015  
**Department:** City Secretary  
**Subject:** Boards and Commissions  
Resignation of Members

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### **BACKGROUND**

The City Council will consider action regarding the resignations from Boards and Commissions.

### **FISCAL IMPACT**

None.

### **RECOMMENDATION**

None.

### **ATTACHMENT**

None.

## CITY COUNCIL MEMORANDUM

**City Council Meeting:** June 8, 2015  
**Department:** City Secretary  
**Subject:** Boards and Commissions  
Appointments/Reappointments

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### BACKGROUND

The City Council will consider action regarding the appointment/reappointment of board and commission members.

### FISCAL IMPACT

None.

### RECOMMENDATION

None.

### ATTACHMENTS

*Appointment applications:* Diana Williams, David Wood, Phillip Harris, Donna Peterson, Wayne Clowers, Suzanne Norris, Troy Dunn, Bette Bronstad, and Trenton Tidwell.

*Vacancies:*

Beautification (Place 2)  
Charter Review (Place 4)  
Library (Place 2)  
Park and Recreation (Place 8)  
Planning and Zoning (Alternate 1/Mayor)  
Zoning Board of Adjustment (Place 2)

*Reappointments:*

Beautification (Place 1, 3, 7 and Mayor)  
Civil Service Commission (Position 3 – Mayor appoints)  
CCPD/Redlight Camera (Place 1, 2, 3, 5, and 7)  
Fire Services (Place 1, 2, 7, and Mayor)  
Housing Authority (Patricia, Sandra, Don, Willis – Mayor appoints all members)  
Library (Place 1, 7, and Mayor)  
Park & Recreation (Place 7)  
Planning and Zoning (Place 1, 2, 4, 7, Alternate 2)  
Zoning Board of Adjustment (Place 1, 7, 8/Mayor, Alternate/Mayor)