

The Regular Meeting of the Town of Westlake Town Council will begin immediately following the conclusion of the Town Council Workshop but not prior to the posted start time.



TOWN OF WESTLAKE, TEXAS

Vision Statement

An oasis of natural beauty that maintains our open spaces in balance with distinctive development, trails, and quality of life amenities amidst an ever expanding urban landscape.

TOWN COUNCIL MEETING

AGENDA

May 18, 2015

**3 VILLAGE CIRCLE, SUITE 202
2ND FLOOR, COUNCIL CHAMBER
WESTLAKE, TX 76262**

Workshop Session: 6:30 p.m.

Regular Session: 7:00 p.m.

Mission Statement

Westlake is a unique community blending preservation of our natural environment and viewsapes, while serving our residents and businesses with superior municipal and academic services that are accessible, efficient, cost-effective, and transparent.

Westlake, Texas – "One-of-a-kind community; natural oasis – providing an exceptional level of service."

Work Session

1. CALL TO ORDER

2. REVIEW OF CONSENT AGENDA ITEMS FOR THE MAY 18, 2015, TOWN COUNCIL REGULAR MEETING AGENDA. (10 min)

3. DISCUSSION ITEMS

- a. Discussion of the naming policies for Town owned facilities and guidelines from the Arts & Sciences Project. (30 min)
- b. ***Standing Item:*** Update and discussion regarding the Granada Development.
- c. ***Standing Item:*** Update and discussion regarding the Entrada Development.

4. EXECUTIVE SESSION

The Council will conduct a closed session pursuant to Texas Government Code, annotated, Chapter 551, Subchapter D for the following:

- a. Section 551.087. Deliberation Regarding Economic Development Negotiations (1) to discuss or deliberate regarding commercial or financial information that the governmental body has received from a business prospect that the governmental body seeks to have locate, stay, or expand in or near the territory of the governmental body and with which the governmental body is conducting economic development negotiations; or (2) to deliberate the offer of a financial or other incentive to a business prospect described by Subdivision (1). Maguire Partners-Solana Land, L.P., related to Centurion's development known as Entrada and Granada
- b. Section 551.071 (2) Consultation with Attorney on a matter in which the duty of the attorney to the governmental body under the Texas Disciplinary Rules of Professional Conduct of the State Bar of Texas clearly conflicts with the Chapter including but are not limited to the following: Town of Westlake Certificate of Convenience & Necessity (CCN) for water and sewer service.
- c. Section 551.071(2) Consultation with Attorney - to seek advice of counsel on legal matters involving pending or contemplated litigation, settlement offers, or other legal matters not related directly to litigation or settlement. Pending or contemplated litigation and settlement offers include but are not limited to the following: Trophy Club Municipal District Number 1
- d. Section 551.072 to deliberate the purchase, exchange, lease, or value of real property regarding possible fire station sites

5. RECONVENE MEETING

6. TAKE ANY ACTION, IF NEEDED, FROM EXECUTIVE SESSION ITEMS.

7. COUNCIL RECAP / STAFF DIRECTION

8. ADJOURNMENT

Regular Session

1. CALL TO ORDER

2. CITIZEN PRESENTATIONS AND RECOGNITIONS: This is an opportunity for citizens to address the Council on any matter whether or not it is posted on the agenda. The Council cannot by law take action nor have any discussion or deliberations on any presentation made to the Council at this time concerning an item not listed on the agenda. The Council will receive the information, ask staff to review the matter, or an item may be noticed on a future agenda for deliberation or action.

3. CONSENT AGENDA: All items listed below are considered routine by the Town Council and will be enacted with one motion. There will be no separate discussion of items unless a Council Member or citizen so requests, in which event the item will be removed from the general order of business and considered in its normal sequence.

- a. Consider approval of the minutes from the April 27, 2015, meeting.
- b. Consider approval of **Resolution 15-11**, Appointments to Westlake Academy Foundation.
- c. Consider approval of **Ordinance 749**, 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.

4. CONDUCT A PUBLIC HEARING AND CONSIDER RESOLUTION 15-12, A PRELIMINARY PLAT OF THE PROPERTY ADDRESSED AS 1480 DOVE ROAD, DIVIDING THE EXISTING LOT INTO EIGHT (8) RESIDENTIAL LOTS THAT ARE ALL ONE-ACRE OR MORE IN SIZE.

5. EXECUTIVE SESSION

The Council will conduct a closed session pursuant to Texas Government Code, annotated, Chapter 551, Subchapter D for the following:

- a. Section 551.087. Deliberation Regarding Economic Development Negotiations (1) to discuss or deliberate regarding commercial or financial information that the governmental body has received from a business prospect that the governmental body seeks to have locate, stay, or expand in or near the territory of the governmental body and with which the governmental body is conducting economic development negotiations; or (2) to deliberate the offer of a financial or other incentive to a business prospect described by Subdivision (1). Maguire Partners-Solana Land, L.P., related to Centurion's development known as Entrada and Granada
- b. Section 551.071 (2) Consultation with Attorney on a matter in which the duty of the attorney to the governmental body under the Texas Disciplinary Rules of Professional Conduct of the State Bar of Texas clearly conflicts with the Chapter

including but are not limited to the following: Town of Westlake Certificate of Convenience & Necessity (CCN) for water and sewer service.

- c. Section 551.071(2) Consultation with Attorney - to seek advice of counsel on legal matters involving pending or contemplated litigation, settlement offers, or other legal matters not related directly to litigation or settlement. Pending or contemplated litigation and settlement offers include but are not limited to the following: Trophy Club Municipal District Number 1
- d. Section 551.072 to deliberate the purchase, exchange, lease, or value of real property regarding possible fire station sites.

6. RECONVENE MEETING

7. TAKE ANY ACTION, IF NEEDED, FROM EXECUTIVE SESSION ITEMS.

- 8. FUTURE AGENDA ITEMS:** Any Council member may request at a workshop and / or Council meeting, under "Future Agenda Item Requests", an agenda item for a future Council meeting. The Council Member making the request will contact the Town Manager with the requested item and the Town Manager will list it on the agenda. At the meeting, the requesting Council Member will explain the item, the need for Council discussion of the item, the item's relationship to the Council's strategic priorities, and the amount of estimated staff time necessary to prepare for Council discussion. If the requesting Council Member receives a second, the Town Manager will place the item on the Council agenda calendar allowing for adequate time for staff preparation on the agenda item.

9. COUNCIL CALENDAR

10. ADJOURNMENT

ANY ITEM ON THIS POSTED AGENDA COULD BE DISCUSSED IN EXECUTIVE SESSION AS LONG AS IT IS WITHIN ONE OF THE PERMITTED CATEGORIES UNDER SECTIONS 551.071 THROUGH 551.076 AND SECTION 551.087 OF THE TEXAS GOVERNMENT CODE.

CERTIFICATION

I certify that the above notice was posted at the Town Hall of the Town of Westlake, 3 Village Circle, May 13, 2015, by 5:00 p.m. under the Open Meetings Act, Chapter 551 of the Texas Government Code.

Kelly Edwards, TRMC, Town Secretary

If you plan to attend this public meeting and have a disability that requires special needs, please advise the Town Secretary 48 hours in advance at 817-490-5710 and reasonable accommodations will be made to assist you.

Town of Westlake

Item # 2 – Review of Consent Agenda Items

CONSENT AGENDA: All items listed below are considered routine by the Town Council and will be enacted with one motion. There will be no separate discussion of items unless a Council Member or citizen so requests, in which event the item will be removed from the general order of business and considered in its normal sequence.

- a. Consider approval of the minutes from the April 27, 2015, meeting.
- b. Consider approval of **Resolution 15-11**, Appointments to Westlake Academy Foundation.
- c. Consider approval of **Ordinance 749**, 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.

Town of Westlake

Item # 3 – Discussion Items

DISCUSSION ITEMS

- a. Discussion of the naming policies for Town owned facilities and guidelines from the Arts & Sciences Project. (30 min)
- b. ***Standing Item:*** Update and discussion regarding the Granada Development.
- c. ***Standing Item:*** Update and discussion regarding the Entrada Development.



TYPE OF ACTION

Workshop - Discussion Item

**Westlake Town Council Meeting
Monday, May 18, 2015**

TOPIC: Discussion of the naming policies for Town owned facilities and guidelines from the Arts & Sciences Project

STAFF CONTACT: Amanda DeGan, Assistant Town Manager
Troy Meyer, Director of Facilities and Parks/Recreation

Strategic Alignment

<u>Vision, Value, Mission</u>	<u>Perspective</u>	<u>Strategic Theme & Results</u>	<u>Outcome Objective</u>
Transparent / Integrity-driven Government	Citizen, Student & Stakeholder	Exemplary Service & Governance - We set the standard by delivering unparalleled municipal and educational services at the lowest cost.	Preserve Desirability & Quality of Life
<u>Strategic Initiative</u>			
Outside the Scope of Identified Strategic Initiatives			

Time Line - Start Date: May 18, 2015 **Completion Date:** N/A

Funding Amount: N/A **Status -** **Not Funded** **Source -** N/A

EXECUTIVE SUMMARY (INCLUDING APPLICABLE ORGANIZATIONAL HISTORY)

The Town currently has a policy as it relates to the naming of town owned facilities and parks that was approved in 2009. The purpose of the plan was to “establish the proper procedures to recognize the dedication, accomplishment or generosity of individuals and entities whose support is a valuable and integral component of the mission of the Town of Westlake and, by extension, Westlake Academy.” A separate set of guidelines were approved in 2008 during the building of the Arts & Sciences building project. This resolution provides guidance as to the monetary donations for naming items such as a black box theater, art classroom, science wing, conference room, etc. Both resolutions approving the policy and guidelines are included in the packet for Council review.

This item is placed on the agenda for review and possible update at the request of the Council during the meeting in April.

RECOMMENDATION

Staff recommends discussion and update as applicable.

ATTACHMENTS

Resolution 09-02 – Naming of Town Owned Facilities & Parks

Resolution 08-32 – Arts & Sciences Project Naming Guidelines

TOWN OF WESTLAKE

RESOLUTION NO. 08-32

APPROVING THE ACCEPTANCE OF A GENEROUS GIFT TO ASSIST THE FUNDING OF THE CONSTRUCTION OF THE NEW WESTLAKE ACADEMY ARTS & SCIENCES CENTER BUILDING PROJECT, APPROVING THE APPLICATION OF THE GIFT TOWARDS THE ARTS PORTION OF THE ARTS & SCIENCES BUILDING PROJECT, APPROVING THE NAMING OF A PORTION OF THE ARTS & SCIENCES BUILDING PROJECT, AUTHORIZING THE INTERIM USE OF THE WESTLAKE ACADEMY FOUNDATION NAMING GUIDELINES FOR THE ARTS & SCIENCES BUILDING PROJECT, AND DIRECTING THE TOWN MANAGER TO PREPARE A DRAFT POLICY FOR NAMING OF ALL TOWN FACILITIES FOR THE BOARD'S CONSIDERATION.

WHEREAS, the Town of Westlake will be constructing a new Arts & Sciences Building at its Westlake Academy campus; and

WHEREAS, the Town of Westlake desires to encourage broad community support and involvement in this project through utilization of private donations, gifts, and other private funding sources to enhance this project, as well as ensure its success via the use of a public/private partnerships; and

WHEREAS, an anonymous donor has come forward and expressed a desire to provide a generous gift for this project; and

WHEREAS, the Board of Aldermen finds that acceptance of this generous gift for this project is in the best interests of the Town of Westlake and its citizens; and

WHEREAS, in addition to accepting this generous gift, the Board of Aldermen desires to approve naming rights for a portion of this project and provide direction to the Town Manager regarding an interim and permanent Town facilities naming policy;

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF ALDERMEN TO THE TOWN OF WESTLAKE, TEXAS:

SECTION 1. THAT, all matters stated in the Recitals hereinabove are found to be true and correct and are incorporated herein by reference as if copied in their entirety.

SECTION 2. THAT, the Board of Aldermen (the **Board**) of the Town of Westlake, Texas, hereby accepts a generous gift of \$500,000.00 to the Town from a donor wishing to remain anonymous to the extent allowed by law and while respecting the donor's wishes to remain anonymous, the Board acknowledges the desire of this donor to apply these funds to the Arts portion of the planned Arts & Sciences Building at Westlake Academy, and hereby approves the application of the funds to the construction of the Arts portion of the planned Arts & Sciences Building.

SECTION 3. THAT, the Board hereby decrees that the portion of the Arts & Sciences Building currently referred to as Black Box shall be named the "Sam W. Lee Theatre" in memory, honor and recognition of Sam. W. Lee, who was a loyal, generous, honorable and supportive citizen of the Town of Westlake for almost thirty years.

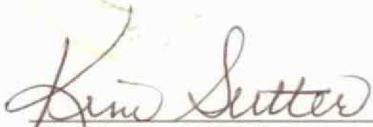
SECTION 4. THAT, the Board hereby approves the Westlake Academy Foundation naming guidelines (attached as Exhibit A) as an interim Town policy for the Arts & Sciences Building Project, and directs the Town Manager to research, draft and present to the Board for its consideration a proposed policy for the naming of all Town facilities.

PASSED AND APPROVED ON THIS ¹⁹~~15~~TH DAY OF MAY 2008.

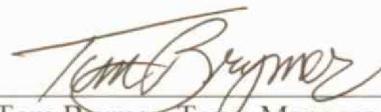


Laura L. Wheat, Mayor

ATTEST:

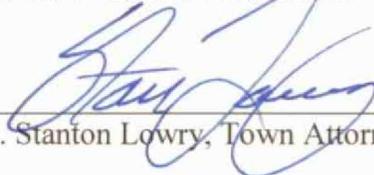


Kim Sutter TRMC, Town Secretary



Tom Brymer, Town Manager

APPROVED AS TO FORM:



L. Stanton Lowry, Town Attorney

The Westlake Academy Foundation would like to propose the following naming opportunities and guidelines to the Board of Alderman.

Proposed Naming Opportunities for the Arts and Sciences Center:

Arts & Sciences Center Complex Naming Rights	\$1,000,000
Black Box Theater	\$500,000
Sciences Wing	\$500,000
Art Classroom	\$300,000
Commons Area	\$250,000
Science Laboratory (2)	\$100,000 each
Science Classroom	\$50,000
Conference Room	\$50,000
Offices (6) for Staff	\$25,000 each

** Other naming opportunities such as brick pavers, seats in the theater will arise depending on what alternatives are chosen. These additional naming opportunities will be presented to the Board of Aldermen at such time.

Guidelines for consideration in regards to all naming opportunities now and in the future:

1. All Naming Opportunities and amounts will be presented for approval and acceptance by the Board of Alderman.
2. Donors can specify another name other than their own. For example, their family foundation or in honor of someone else.

TOWN OF WESTLAKE

RESOLUTION NO. 09-02

APPROVING THE NAMING POLICY FOR TOWN OWNED FACILITIES, RECREATION AREAS AND SPORTS FIELDS, HIKE AND BIKE TRAILS AND/OR MUNICIPAL BUILDINGS, ETC.; PROVIDING GUIDELINES AND CRITERIA FOR THE SUBMISSION OF INDIVIDUALS OR NAMES FOR CONSIDERATION.

WHEREAS, the Mayor and Town Council desires to encourage broad community support, enhancement and involvement in the Town and Academy through private donations, gifts and other private funding sources; and

WHEREAS, to ensure that recognition is afforded to those who have made extraordinary commitments, donations and achievements on behalf of the Town and/or Academy; and

WHEREAS, the need arose to provide a uniform policy for submitting naming requests to the Town Council for consideration; and

WHEREAS, We have developed a policy, attached as Exhibit "A", establishing the guidelines for name submission;

THEREFORE, BE IT RESOLVED BY THE TOWN COUNCIL OF THE TOWN OF WESTLAKE, TEXAS:

SECTION 1. All matters stated in the Resolution above are found to be true and correct and are incorporated herein by reference as copied in their entirety.

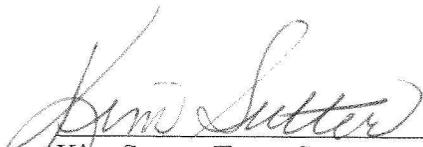
SECTION 2. The Town Council of the Town of Westlake hereby approves the Policy for the Naming of Town Owned Facilities and Parks (**Exhibit "A"**).

PASSED AND APPROVED ON THIS 12 DAY OF JANUARY 2009.

ATTEST:



Laura Wheat, Mayor

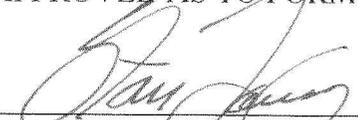


Kim Sutter, Town Secretary



Thomas E. Brymer, Town Manager

APPROVED AS TO FORM:



L. Stanton Lowry, Town Attorney

Town of Westlake

Item # 3b – No
Supporting
documentation

Standing Item: Update and discussion regarding the Granada Development.

Town of Westlake

Item # 3c – No
Supporting
documentation

Standing Item: Update and discussion regarding the Entrada Development.

Town of Westlake

Item # 4 – Executive Session

EXECUTIVE SESSION

- a. Section 551.087. Deliberation Regarding Economic Development Negotiations (1) to discuss or deliberate regarding commercial or financial information that the governmental body has received from a business prospect that the governmental body seeks to have locate, stay, or expand in or near the territory of the governmental body and with which the governmental body is conducting economic development negotiations; or (2) to deliberate the offer of a financial or other incentive to a business prospect described by Subdivision (1). Maguire Partners-Solana Land, L.P., related to Centurion's development known as Entrada and Granada
- b. Section 551.071 (2) Consultation with Attorney on a matter in which the duty of the attorney to the governmental body under the Texas Disciplinary Rules of Professional Conduct of the State Bar of Texas clearly conflicts with the Chapter including but are not limited to the following: Town of Westlake Certificate of Convenience & Necessity (CCN) for water and sewer service.
- c. Section 551.071(2) Consultation with Attorney - to seek advice of counsel on legal matters involving pending or contemplated litigation, settlement offers, or other legal matters not related directly to litigation or settlement. Pending or contemplated litigation and settlement offers include but are not limited to the following: Trophy Club Municipal District Number 1
- d. Section 551.072 to deliberate the purchase, exchange, lease, or value of real property regarding possible fire station sites.

Town of Westlake

Item # 5– Reconvene
Meeting

Town of Westlake

Item # 6 – Take any Necessary Action, if necessary

The Council will conduct a closed session pursuant to Texas Government Code, annotated, Chapter 551, Subchapter D for the following:

- a. Section 551.087. Deliberation Regarding Economic Development Negotiations (1) to discuss or deliberate regarding commercial or financial information that the governmental body has received from a business prospect that the governmental body seeks to have locate, stay, or expand in or near the territory of the governmental body and with which the governmental body is conducting economic development negotiations; or (2) to deliberate the offer of a financial or other incentive to a business prospect described by Subdivision (1). Maguire Partners-Solana Land, L.P., related to Centurion's development known as Entrada and Granada
- b. Section 551.071 (2) Consultation with Attorney on a matter in which the duty of the attorney to the governmental body under the Texas Disciplinary Rules of Professional Conduct of the State Bar of Texas clearly conflicts with the Chapter including but are not limited to the following: Town of Westlake Certificate of Convenience & Necessity (CCN) for water and sewer service.
- c. Section 551.071(2) Consultation with Attorney - to seek advice of counsel on legal matters involving pending or contemplated litigation, settlement offers, or other legal matters not related directly to litigation or settlement. Pending or contemplated litigation and settlement offers include but are not limited to the following: Trophy Club Municipal District Number 1
- d. Section 551.072 to deliberate the purchase, exchange, lease, or value of real property regarding possible fire station sites

Town of Westlake

Item #7
Council Recap /
Staff Direction

COUNCIL RECAP / STAFF DIRECTION

Town of Westlake

Item # 8 –
Workshop
Adjournment

Town of Westlake

Item # 2 – Citizen's Presentations and recognitions

CITIZEN PRESENTATIONS AND RECOGNITIONS: This is an opportunity for citizens to address the Council on any matter whether or not it is posted on the agenda. The Council cannot by law take action nor have any discussion or deliberations on any presentation made to the Council at this time concerning an item not listed on the agenda. The Council will receive the information, ask staff to review the matter, or an item may be noticed on a future agenda for deliberation or action.

Town of Westlake

Item # 3 – Consent Agenda

CONSENT AGENDA: All items listed below are considered routine by the Town Council and will be enacted with one motion. There will be no separate discussion of items unless a Council Member or citizen so requests, in which event the item will be removed from the general order of business and considered in its normal sequence.

- a. Consider approval of the minutes from the April 27, 2015, meeting.
- b. Consider approval of **Resolution 15-11**, Appointments to Westlake Academy Foundation.
- c. Consider approval of **Ordinance 749**, 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.



**MINUTES OF THE
TOWN OF WESTLAKE, TEXAS
TOWN COUNCIL MEETING**

April 27, 2015

PRESENT: Mayor Laura Wheat and Council Members, Carol Langdon, Rick Rennhack and Wayne Stoltenberg.

ABSENT: Michael Barrett and Alesa Belvedere

OTHERS PRESENT: Town Secretary Kelly Edwards, Town Attorney L. Stanton Lowry, Assistant Town Manager Amanda DeGan, Fire Chief Richard Whitten, Planning and Development Director Eddie Edwards, Director of Public Works Jarrod Greenwood, Finance Director Debbie Piper, Director of Facilities and Parks & Recreation Troy Meyer, Jason Power Director of Information Technology, Communications & Community Affairs Director Ginger Awtry, Director of Human Resources & Administration Services Todd Wood, and Susan McFarland, Communications Specialist.

Work Session

1. CALL TO ORDER

Mayor Wheat called the work session to order at 5:28 p.m.

2. PLEDGE OF ALLEGIANCE

Mayor Wheat led the pledge of allegiance to the United States and Texas flags.

3. REVIEW OF CONSENT AGENDA ITEMS FOR THE APRIL 27, 2015, TOWN COUNCIL REGULAR MEETING AGENDA.

No additional discussion.

4. REPORTS

- a. Accepting a Donation to the Fire Station.

5. DISCUSSION ITEMS

- a. Presentation and discussion of 1st and 2nd Quarter Performance Measures and 2nd Quarter Financial Dashboard as well as Capital Projects for the Quarter ending March 31, 2015.

Assistant Town Manager DeGan provided a presentation an overview of the Performance Measures.

Discussion ensued regarding academy recruiting, categorization of regrettable losses, municipal staff survey results, Capital Improvement Projects, timing of student withdrawals and the Leavers Report.

- b. *Standing Item:* Update and discussion regarding the Granada Development.

Town Manager Brymer, Director Greenwood, and Director Edwards provided an overview of the subdivision. Director Edwards stated that seventeen (17) home plans have been submitted, seven (7) homes have been permitted, landscaping scheduled to be completed over the next five (5) weeks weather permitting, sidewalk connection to Glenwyck would be completed soon and Phase 2 could start within six (6) months.

- c. *Standing Item:* Update and discussion regarding the Entrada Development.

Town Manager Brymer provided an overview regarding weekly project meetings, discussions with two proposed builders for the residential buildings, Trophy Club waterline which has been relocated, engineering firms, Public Improvement District (PID) expense draws/invoices.

Discussion ensued regarding the color scheme transition of Solana and Entrada developments, and E.B. 5 Funding.

6. EXECUTIVE SESSION

The Council convened into executive session at 6:37 p.m.

The Council will conduct a closed session pursuant to Texas Government Code, annotated, Chapter 551, Subchapter D for the following:

- a. Section 551.087. Deliberation Regarding Economic Development Negotiations (1) to discuss or deliberate regarding commercial or financial information that

the governmental body has received from a business prospect that the governmental body seeks to have locate, stay, or expand in or near the territory of the governmental body and with which the governmental body is conducting economic development negotiations; or (2) to deliberate the offer of a financial or other incentive to a business prospect described by Subdivision (1). Maguire Partners-Solana Land, L.P., related to Centurion's development known as Entrada and Granada

- b. Section 551.071 (2) Consultation with Attorney on a matter in which the duty of the attorney to the governmental body under the Texas Disciplinary Rules of Professional Conduct of the State Bar of Texas clearly conflicts with the Chapter including but are not limited to the following: Town of Westlake Certificate of Convenience & Necessity (CCN) for water and sewer service.
- c. Section 551.071(2) Consultation with Attorney - to seek advice of counsel on legal matters involving pending or contemplated litigation, settlement offers, or other legal matters not related directly to litigation or settlement. Pending or contemplated litigation and settlement offers include but are not limited to the following: Trophy Club Municipal District Number 1

7. RECONVENE MEETING

Mayor Wheat reconvened the meeting at 7:10 p.m.

8. TAKE ANY ACTION, IF NEEDED, FROM EXECUTIVE SESSION ITEMS.

No action taken.

9. COUNCIL RECAP / STAFF DIRECTION

Review of Dashboard suggestions.

Continue working with Entrada developers ensuring design standards.

10. ADJOURNMENT

Mayor Wheat adjourned the work session at 7:11 p.m.

Regular Session

1. CALL TO ORDER

Mayor called the regular session to order at 7:11 p.m.

2. CITIZEN PRESENTATIONS AND RECOGNITIONS

Mayor Wheat announced the dates for National Day of Prayer and Arbor Day.

3. CONSENT AGENDA

- a. Consider approval of the minutes from the March 23, 2015, joint meeting.
- b. Consider approval of the minutes from the March 30, 2015, meeting.
- c. Consider approval of **Resolution 15-10**, Accepting unsolicited materials to be used for the repairs and reconstruction of the Fire and Medical Emergency Services department temporary station at 2900 Dove Road.

MOTION: Council Member Stoltenberg made a motion to approve consent agenda. Council Member Rennhack seconded the motion. The motion carried by a vote of 3-0.

4. EXECUTIVE SESSION

The Council did not convene into executive session.

The Council will conduct a closed session pursuant to Texas Government Code, annotated, Chapter 551, Subchapter D for the following:

- a. Section 551.087. Deliberation Regarding Economic Development Negotiations (1) to discuss or deliberate regarding commercial or financial information that the governmental body has received from a business prospect that the governmental body seeks to have locate, stay, or expand in or near the territory of the governmental body and with which the governmental body is conducting economic development negotiations; or (2) to deliberate the offer of a financial or other incentive to a business prospect described by Subdivision (1). Maguire Partners-Solana Land, L.P., related to Centurion's development known as Entrada and Granada
- b. Section 551.071 (2) Consultation with Attorney on a matter in which the duty of the attorney to the governmental body under the Texas Disciplinary Rules of Professional Conduct of the State Bar of Texas clearly conflicts with the Chapter including but are not limited to the following: Town of Westlake Certificate of Convenience & Necessity (CCN) for water and sewer service.
- c. Section 551.071(2) Consultation with Attorney - to seek advice of counsel on legal matters involving pending or contemplated litigation, settlement offers, or other legal matters not related directly to litigation or settlement. Pending or contemplated litigation and settlement offers include but are not limited to the following: Trophy Club Municipal District Number 1

5. RECONVENE MEETING

6. TAKE ANY ACTION, IF NEEDED, FROM EXECUTIVE SESSION ITEMS.

7. FUTURE AGENDA ITEMS

Council Member Rennhack – Discussion of the Parker County Hospital District (PCHD) Nolan Queen Lifecare Station 4.

- Council Member Rennhack provided an overview of his request.

The Council agreed that this item should be discussed after the Town has purchased land.

- Council Member Rennhack – Discussion of Town Council's facilities naming policy, naming of Westlake Academy facilities, including naming in honor of former founding Head of School.

Council Member Rennhack provided an overview of his request.

Council Member Stoltenberg seconded his request to review and discuss the current policy.

8. COUNCIL CALENDAR

Town Manager Brymer provided an overview of the calendar.

9. ADJOURNMENT

There being no further business before the Council, Mayor Wheat asked for a motion to adjourn the meeting.

MOTION: Council Member Rennhack made a motion to adjourn the meeting. Council Member Langdon seconded the motion. The motion carried by a vote of 3-0.

Mayor Wheat adjourned the meeting at 7:21 p.m.

APPROVED BY THE TOWN COUNCIL ON MAY 18, 2015.

ATTEST:

Laura Wheat, Mayor

Kelly Edwards, Town Secretary



TYPE OF ACTION

Regular Meeting - Consent

**Westlake Town Council Meeting
Monday, May 18, 2015**

TOPIC: Consider approval of a Resolution appointing two (2) members to the Westlake Academy Foundation board.

STAFF CONTACT: Kelly Edwards, Town Secretary

Strategic Alignment

<u>Vision, Value, Mission</u>	<u>Perspective</u>	<u>Strategic Theme & Results</u>	<u>Outcome Objective</u>
Informed & Engaged Citizens / Sense of Community	Citizen, Student & Stakeholder	Exemplary Education - Westlake is an international educational leader where each individual's potential is maximized.	Increase CSS Satisfaction
<u>Strategic Initiative</u>			
Comprehensive Plan Project Review			

Time Line - Start Date: May 7, 2015 **Completion Date:** May 18, 2015

Funding Amount: N/A **Status -** **Not Funded** **Source -** N/A

EXECUTIVE SUMMARY (INCLUDING APPLICABLE ORGANIZATIONAL HISTORY)

The Town received applications from the Foundation requesting approval of Wendy Greenwood and Deanna Titzler to be appointed to the board. Current view of the board members:

Westlake Academy Foundation (7 to 15 members Res 14-27 3-yr stag terms)			
Member	New Term Expires		
Ken Gordon	June-15	Deanna Titzler	Jun-18
Vacant	June-15		
Leah Rennhack	June-15	Reappointment - June	
Bill Greenwood	June-15	Wendy Greenwood	Jun-18
Andy Sedino	June-15	Reappointment - June	
Karen Stoltenberg	June-16		
Vacant	June-16		
Andrew Grieser	June-16		
Kevin Hansen	June-16		
Deborah Kraska	June-16		
Zan Jones	June-17		
Sean Shope	June-17		
Jeff Watson	June-17		
Vacant - K Cox	June-17		
Vacant	June-17		
Vacant - R Neidich	June-17		

RECOMMENDATION

The Foundation recommends approval of this resolution to appoint two (2) new members to its Board of Directors.

ATTACHMENTS

Applications
Resolution



APPLICATION FOR APPOINTMENT

This application and its contents is a Public Record

Town of Westlake * 3 Village Circle, Suite 202 * Westlake Tx 76262

Tel: (817) 430-0941 * Fax (817) 430-1812

www.westlake-tx.org

Email: townhall@westlake-tx.org

Position Sought (please indicate 1st, 2nd and 3rd choice):

- | | | | |
|-------------------------------------|-----------------------------------|--------------------------|---------------------------------|
| <input type="checkbox"/> | Economic Development Corporation | <input type="checkbox"/> | Historical Preservation Society |
| <input type="checkbox"/> | Planning and Zoning Commission | <input type="checkbox"/> | Texas Student Housing Authority |
| <input type="checkbox"/> | Tree City USA Advisory Committee | <input type="checkbox"/> | Public Art Society of Westlake |
| <input checked="" type="checkbox"/> | Westlake Academy Foundation Board | <input type="checkbox"/> | Other: _____ |

Applicant Information

Applicant's Name: Deanna W. Titzler

Address: _____

City, State, Zip: _____

How Long Have You Lived At This Address? 7.5 years

Email Address: _____

Home Phone #: _____ Fax #: _____

Work Phone #: _____ Cell #: _____

Occupation, Experience/Degrees held: Currently seeking employment. Previously, served as president of association in India and as project manager at Lockheed Martin.

Degrees: MA, Communication & Leadership Studies; BBA, Business-Journalism

Why do you want to serve on this committee? I am a big supporter of the WA Foundation and the services it provides to the students at Westlake Academy. I want to play a role in how the funds are allocated to the school.

Do you have any political conflicts of interest? N/A

Do you have any related experience? Past experience developing strategy and goals for NGO. Fundraising experience as coordinator of employee giving campaigns at Lockheed Martin for 5+ years. (resume attached) 2015 WAF Gallery Night volunteer

What do you feel you have to offer this committee? I can provide perspective as a new parent at Westlake Academy. There has been an influx of new families. I can help craft the messages to these families so they understand the importance of the WAF.

Signature of Applicant: *Deanna W Titzler*

Dated: 26 March 2015

Office Use Only

Received By: _____ Date: _____



APPLICATION FOR APPOINTMENT

This application and its contents is a Public Record

Town of Westlake * 3 Village Circle, Suite 202 * Westlake Tx 76262

Tel: (817) 430-0941 * Fax (817) 430-1812

www.westlake-tx.org

Email: townhall@westlake-tx.org

Position Sought (please indicate 1st, 2nd and 3rd choice):

- | | |
|---|--|
| <input type="checkbox"/> Economic Development Corporation | <input type="checkbox"/> Historical Preservation Society |
| <input type="checkbox"/> Planning and Zoning Commission | <input type="checkbox"/> Texas Student Housing Authority |
| <input type="checkbox"/> Tree City USA Advisory Committee | <input type="checkbox"/> Public Art Society of Westlake |
| <input checked="" type="checkbox"/> Westlake Academy Foundation Board | <input type="checkbox"/> Other: _____ |

Applicant Information

Applicant's Name: Wendy Greenwood

Address: _____

City, State, Zip: _____

How Long Have You Lived At This Address? 3 years

Email Address: _____

Home Phone #: _____ Fax #: _____

Work Phone #: _____ Cell #: _____

Occupation, Experience/Degrees held: Part-time Administration Assistant at WA for two years however will not be returning next school year in order to pursue more volunteer-like opportunities. Prior to working at WA held key volunteer positions on various school and community boards and committees (see attached resume). Vanderbilt University BA. Former Marketing/Advertising executive (see attached resume).

Why do you want to serve on this committee? Working together with others to help overcome challenges and create value for WA and the community of students, parents and faculty. Also believe my background of professional marketing and communication experience combined with extensive volunteering at Las Colinas Elementary IB World School and volunteer/work experience at WA could serve WAF in a unique way.

Do you have any political conflicts of interest? No

Do you have any related experience? WA HOC board member - 2 years, Las Colinas PTA board member - 3 years, Gallery Night Committee volunteer - 2 years, Hackberry Creek Women's Club board member - Communications Chair 3 years Professional experience - Professionally trained in the communications field for 10 years developing communications/marketing plans for clients.

What do you feel you have to offer this committee? Team-oriented, open minded, creative approach combined with a strong work ethic. Unique perspective having been a WA employee, volunteer and parent. Professional experience holding many high-ranking positions at advertising agencies gaining valuable exposure to the development and execution of Corporate Marketing and Communication strategies.

Signature of Applicant: Wendy Greenwood

Dated: 4/9/15

Office Use Only

Received By: _____ Date: _____

TOWN OF WESTLAKE

RESOLUTION NO. 15-11

A RESOLUTION OF THE TOWN COUNCIL OF THE TOWN OF WESTLAKE, TEXAS, APPOINTING TWO MEMBERS TO THE WESTLAKE ACADEMY FOUNDATION BOARD.

WHEREAS, Currently, vacancies exist on the Westlake Academy Foundation board; and

WHEREAS, the Town Council has received applications for consideration of appointment; and

WHEREAS, the meeting at which this Resolution was considered was open to the public as required by law, and public notice of the time, place, and subject of the meeting has been given in accordance with Chapter 551, Government Code; and

WHEREAS, the Town Council finds that the passage of this Resolution is in the best interest of the citizens of Westlake.

NOW, THEREFORE, BE IT RESOLVED BY THE TOWN COUNCIL OF THE TOWN OF WESTLAKE, TEXAS:

SECTION 1: That, all matters stated in the Recitals hereinabove are found to be true and correct and are incorporated herein by reference as if copied in their entirety.

SECTION 2: That the Town Council of the Town of Westlake does hereby appoint the following individuals to serve as members of the Westlake Academy Foundation board for the term noted below:

Wendy Greenwood – expiring	June 2018
Deanna Titzler – expiring	June 2018

SECTION 3: If any portion of this Resolution shall, for any reason, be declared invalid by any court of competent jurisdiction, such invalidity shall not affect the remaining provisions hereof and the Council hereby determines that it would have adopted this Resolution without the invalid provision.

SECTION 4: That this resolution shall become effective from and after its date of passage.

PASSED AND APPROVED ON THIS 18th DAY OF MAY 2015.

Laura Wheat, Mayor

ATTEST:

Kelly Edwards, Town Secretary

Thomas E. Brymer, Town Manager

APPROVED AS TO FORM:

L. Stanton Lowry, Town Attorney



TYPE OF ACTION

Regular Meeting - Consent

**Westlake Town Council Meeting
Monday, May 18, 2015**

TOPIC: Consideration of an Ordinance Approving a Negotiated Settlement Between the Atmos Cities Steering Committee (“ACSC”) and Atmos Energy Corporation, Mid-Tex Division regarding the Company’s 2014 and 2015 Rate Review Mechanism (RRM) Filings; Approving a Settlement Agreement with Attached Rate Tariffs and Proof of Revenues and Other Documents Connected to these Rate Proceedings..

STAFF CONTACT: Tom Brymer, Town Manager

Strategic Alignment

<u>Vision, Value, Mission</u>	<u>Perspective</u>	<u>Strategic Theme & Results</u>	<u>Outcome Objective</u>
Fiscal Responsibility	Municipal & Academic Operations	High Quality Planning, Design & Development - We are a desirable well planned, high-quality community that is distinguished by exemplary design standards.	Increase Transparency, Accessibility & Communications
<u>Strategic Initiative</u>			
Outside the Scope of Identified Strategic Initiatives			

Time Line - Start Date: May 18, 2015 **Completion Date:** May 18, 2015

Funding Amount: N/A **Status -** **Not Funded** **Source -** N/A

EXECUTIVE SUMMARY (INCLUDING APPLICABLE ORGANIZATIONAL HISTORY)

Previously the Atmos Cities Steering Committee (ACSC) and Atmos (the Company) had 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 the RRM established rates for the ACSC Cities based on the system-wide cost of serving the Atmos Mid-Tex Division. The RRM Tariff was in effect for four (4) years when the ACSC Cities and Atmos Mid-Tex entered into

another settlement agreement and revised the RRM Tariff on the amount of the rate increases to be in effect for the RRM Tariff filings for 2012 and 2013.

However, the 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. 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 Atmos Mid-Tex and ACSC litigated the appeal of the 2014 RRM filing at the Commission. Note: the Westlake Town Council passed a resolution May 19, 2014 denying Atmos' 2014 rate increase request.

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. The 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. Atmos Mid-Tex has now agreed to withdraw its appeal of ACSC's rejection of its 2014 RRM Tariff rate increase and the Executive Committee, as well as ACSC's counsel and consultants, recommend that ACSC Cities approve the attached Settlement Agreement (Attachment A to this Ordinance) 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.

Further detail is contained in the attached Staff Report.

Most municipalities have retained original jurisdiction over gas utility rates and services within their corporate limits. The Atmos Cities Steering Committee ("ACSC") is composed of municipalities, including Westlake, in the service area of Atmos Energy Corporation, Mid-Tex Division regardless of whether original jurisdiction has been retained. Atmos is a monopoly public utility provider of natural gas. Because Atmos has no competitors, regulation of the rates it charges its customers is the only way that cities can insure that natural gas rates are equitable and competitive. Working as a coalition, via the Atmos Cities Steering Committee, to review the rates charged by Atmos allows cities to accomplish more collectively than each city could do acting alone. Cities have more than 100 years' experience in regulating natural gas rates in Texas. See attached Staff Report for background on this particular Atmos rate case. Staff recommends approval of this ordinance establishing this "RRM Rate" mechanism

RECOMMENDATION

Approve this ordinance.

ATTACHMENTS

1. Staff Report 2.) Ordinance Adopting RRM Tariff 3.) Attachment "A" to Ordinance-RRM Rate Schedule

MODEL STAFF REPORT

The City, along with other similarly situated cities served by Atmos Energy Corp., Mid-Tex Division (“Atmos Mid-Tex” or “Company”), is a member of the Atmos Cities Steering Committee (“ACSC”). The RRM Tariff was 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 Rate Review Mechanism (“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 Ordinance 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.

The Ordinance 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%.

The ACSC Executive Committee and its designated legal counsel and consultants recommend that all Cities adopt the Ordinance approving the negotiated Settlement Agreement resolving both the 2014 and the 2015 RRM filings, and implementing the rate change.

RRM Background:

The RRM tariff was originally approved by ACSC Cities as part of the settlement agreement to resolve the Atmos Mid-Tex 2007 system-wide rate filing at the Railroad Commission. In early

2013, the City adopted a renewed RRM tariff for an additional five years. This is the third RRM filing under the renewed tariff. The RRM tariff and the process implementing that tariff were created collaboratively by ACSC and Atmos Mid-Tex as an alternative to the legislatively-authorized GRIP surcharge process. ACSC has opposed GRIP because it constitutes piecemeal ratemaking, does not allow any review of the reasonableness of Atmos' expenditures, and does not allow participation by cities or recovery of cities' rate case expenses. In contrast, the RRM process has allowed for a more comprehensive rate review and annual adjustment as a substitute for GRIP filings. ACSC's consultants have calculated that had Atmos filed its 2015 case under the GRIP provisions, it would have received additional revenues from ratepayers of approximately \$10 million.

Purpose of the Ordinance:

The purpose of the Ordinance is to approve the Settlement Agreement and the resulting rate change under the RRM tariff. As a result of the negotiations, the Executive Committee was able to reduce the Company's requested \$28.8 million rate increase for Mid-Tex cities to \$21,962,784. When added to the settlement of the 2014 RRM filing and the adjustments recommended by the PFD, the Company will receive total additional annual revenues of \$65.7 million. Because the 2014 rates have been in effect since June 1, 2014, the increase to currently-billed rates is \$21 million. Approval of the Ordinance will result in rates that implement an increase in Atmos Mid-Tex's revenues effective June 1, 2015.

Why Approve the Settlement Agreement:

While it is annoying and disconcerting to annually consider rate adjustments from Atmos Mid-Tex, the Texas legislature has granted gas utilities the right, through the GRIP process, to an annual increase based on increases in invested capital. GRIP is piecemeal ratemaking and ignores increases in revenues and declines in O&M expenses that may be associated with plant additions. ACSC found it preferable to negotiate with Atmos to substitute an expedited comprehensive review process that includes consideration of revenues and expenses as well as invested capital for the GRIP process.

Compelling reasons for approving the Settlement include:

1. While the 2015 RRM system-wide filing exceeded \$28 million, a comparable GRIP filing would have been in excess of \$38 million. ACSC has negotiated a reduction to the 2015 filing of approximately \$6 million. Therefore, the 2015 RRM result is approximately \$16 million better for ratepayers within municipal limits than ratepayers within Environs.
2. ACSC counsel is convinced that the Proposal for Decision ("PFD") by Railroad Commission Examiners in the 2014 RRM appeal will not improve if we file Exceptions and Replies to Exceptions. Counsel recommends action to avoid the PFD becoming a final order that would serve as precedent in future rate proceedings.
3. The token benefit to ratepayers authorized in the PFD to the 2014 appeal has been incorporated into the Settlement Agreement.
4. Atmos will file its formal withdrawal of its 2014 appeal only after all ACSC members approve the Settlement Agreement.

5. The alternative to approval of the Settlement Agreement would be another contested case hearing on appeal of the 2015 filing, implementation of interim rates on June 1, 2015 at the full value of the Company's request (or \$6 million higher than proposed by the Settlement) and continuation of the 2014 appeal with resulting rate case expenses borne by ratepayers.

Explanation of "Be It Ordained" Sections:

1. This section approves all findings in the Ordinance.
2. This section finds the Settlement Agreement (attached to the Ordinance) to be a comprehensive settlement of gas utility rate issues arising from Atmos Mid-Tex's 2014 and 2015 RRM filings, and that such settlement is in the public interest and consistent with the City's statutory authority.
3. This section finds the existing Atmos Mid-Tex rates to be unreasonable, and approves the new tariffed rates providing for additional revenues over currently-billed rates of \$21 million and adopts the attached new rate tariffs.
4. This section establishes the baseline for pensions and other post-employment benefits for future rate cases.
5. This section renews the Atmos Mid-Tex RRM Tariff for an additional period of time, commencing with the filing to be made on March 1, 2016, and continuing until the RRM Tariff is suspended by ordinance of the City.
6. This section requires the Company to reimburse Cities for reasonable ratemaking costs associated with reviewing and processing the RRM filing.
7. This section repeals any resolution or ordinance that is inconsistent with this Ordinance.
8. This section finds that the meeting was conducted in compliance with the Texas Open Meetings Act, Texas Government Code, Chapter 551.
9. This section is a savings clause, which provides that if any section(s) is later found to be unconstitutional or invalid, that finding shall not affect, impair or invalidate the remaining provisions of this Ordinance. This section further directs that the remaining provisions of the Ordinance are to be interpreted as if the offending section or clause never existed.
10. This section provides for an effective date upon passage which, according to the Cities' ordinance that adopted the RRM process, is June 1, 2015.
11. This paragraph directs that a copy of the signed Ordinance be sent to a representative of the Company and legal counsel for the Steering Committee.

ORDINANCE NO. 749

AN ORDINANCE OF THE CITY COUNCIL OF THE TOWN OF WESTLAKE, 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 ORDINANCE WAS PASSED IN ACCORDANCE WITH THE REQUIREMENTS OF THE TEXAS OPEN MEETINGS ACT; ADOPTING A SAVINGS CLAUSE; DECLARING AN EFFECTIVE DATE; AND REQUIRING DELIVERY OF THIS ORDINANCE TO THE COMPANY AND THE ACSC’S LEGAL COUNSEL.

WHEREAS, the Town of Westlake, 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 Town 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 Ordinance) 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 ORDAINED BY THE TOWN COUNCIL OF THE TOWN OF WESTLAKE, TEXAS:

SECTION 1: That the findings set forth in this Ordinance are hereby in all things approved.

SECTION 2: That the City Council finds that the Settlement Agreement (Attachment A to this Ordinance) 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 or ordinance previously adopted by the Council is inconsistent with this Ordinance, it is hereby repealed.

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

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

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

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

PASSED AND APPROVED ON THIS 18th DAY OF MAY 2015.

ATTEST:

Laura Wheat, Mayor

Kelly Edwards, Town Secretary

Thomas E. Brymer, Town Manager

APPROVED AS TO FORM:

L. Stanton Lowry, Town 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

Attachment A

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.

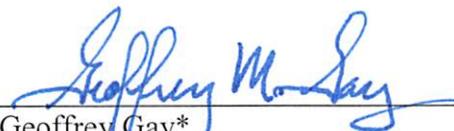
ATMOS ENERGY CORP., MID-TEX DIVISION

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

Attachment A

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:

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

Application

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

Type of Service

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

Monthly Rate

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

Charge	Amount
Customer Charge per Bill	\$ 40.00 per month
Rider CEE Surcharge	\$ 0.00 per month ¹
Total Customer Charge	\$ 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.

¹ 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:

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

Application

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

Type of Service

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

Monthly Rate

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

Charge	Amount
Customer Charge per Meter	\$ 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 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.

**MID-TEX DIVISION
ATMOS ENERGY CORPORATION**

RRC Tariff No:

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

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:

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

Application

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

Type of Service

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

Monthly Rate

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

Charge	Amount
Customer Charge per Bill	\$ 18.60 per month
Rider CEE Surcharge	\$ 0.02 per month ¹
Total Customer Charge	\$ 18.62 per month
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.

¹Reference 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:

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

Application

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

Type of Service

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

Monthly Rate

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

Charge	Amount
Customer Charge per Meter	\$ 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:

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

Curtailement Overpull Fee

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

Replacement Index

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

Agreement

A transportation agreement is required.

Notice

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

Special Conditions

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

**MID-TEX DIVISION
ATMOS ENERGY CORPORATION**

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

Provisions for Adjustment

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

Computation of Weather Normalization Adjustment

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

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

Where

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

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

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

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

**MID-TEX DIVISION
ATMOS ENERGY CORPORATION**

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

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, 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	Ln 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	\$ 84,223,622	19.40%	Per GUD 10170 Final Order		
10	Net Revenue Requirements GUD No. 10170	\$ 11,490,316	2.65%	Per GUD 10170 Final Order		
11		\$ 434,145,424				
12						
17						
18						
19						
20	Residential Base Charge	Current	Proposed Change	Proposed Rates	Proposed Change In Revenues	Proposed Rates with Rate Case Expenses
21	Residential Consumption Charge	\$ 18.20	\$ 0.36	\$ 18.56	\$ 6,351,350	\$ 18.60
22	Commercial Base Charge	\$ 0.08819	\$ 0.01112	\$ 0.09931	\$ 9,049,383	\$ 0.09931
23	Commercial Consumption Charge	\$ 38.50	\$ 1.37	\$ 39.87	\$ 2,000,584	\$ 40.00
24	I&T Base Charge	\$ 0.07681	\$ 0.00339	\$ 0.08020	\$ 1,834,968	\$ 0.08020
25	I&T Consumption Charge Tier 1 MMBTU	\$ 675.00	\$ 22.35	\$ 697.35	\$ 220,192	\$ 700.00
26	I&T Consumption Charge Tier 2 MMBTU	\$ 0.2807	\$ 0.0130	\$ 0.2937	\$ 142,055	\$ 0.2937
27	I&T Consumption Charge Tier 3 MMBTU	\$ 0.2056	\$ 0.0095	\$ 0.2151	\$ 117,051	\$ 0.2151
28		\$ 0.0441	\$ 0.0020	\$ 0.0461	\$ 42,703	\$ 0.0461
29				\$	\$ 19,758,287	\$ 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 Ln 1 divided by factor on WP_F-5.1
 3
 4
 5

Revenue Requirements	Allocations
7 Residential \$ 338,431,486	77.95% Per GUD 10170 Final Order
8 Commercial \$ 84,223,622	19.40% Per GUD 10170 Final Order
9 Industrial and Transportation \$ 11,490,316	2.65% Per GUD 10170 Final Order
10 Net Revenue Requirements GUD No. 10170	
11 \$ 434,145,424	

Rate Class	Current	Proposed Change	Proposed Rates	Proposed Change In Revenues	Proposed Revenues	Proposed Rates with Rate Case Expenses
20 Residential Base Charge	\$ 18.20	\$ 0.36	\$ 18.56	\$ 6,351,350	\$ 327,447,398	\$ 18.60
21 Residential Consumption Charge	\$ 0.08819	\$ 0.01112	\$ 0.09931	\$ 9,049,383	\$ 80,817,829	\$ 0.09931
22 Commercial Base Charge	\$ 38.50	\$ 1.37	\$ 39.87	\$ 2,000,584	\$ 58,221,364	\$ 40.00
23 Commercial Consumption Charge	\$ 0.07681	\$ 0.00339	\$ 0.08020	\$ 1,834,968	\$ 43,411,339	\$ 0.08020
24 I&T Base Charge	\$ 675.00	\$ 22.35	\$ 697.35	\$ 220,192	\$ 6,870,292	\$ 700.00
25 I&T Consumption Charge Tier 1 MMBTU	\$ 0.2807	\$ 0.0130	\$ 0.2937	\$ 142,055	\$ 3,209,350	\$ 0.2937
26 I&T Consumption Charge Tier 2 MMBTU	\$ 0.2056	\$ 0.0095	\$ 0.2151	\$ 117,051	\$ 2,650,282	\$ 0.2151
27 I&T Consumption Charge Tier 3 MMBTU	\$ 0.0441	\$ 0.0020	\$ 0.0461	\$ 42,703	\$ 984,314	\$ 0.0461
28			\$	\$ 19,758,287	\$ 523,612,169	
29						

Data Sources:
 GUD10170_FINAL.xlsm

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

Application

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

Type of Service

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

Monthly Rate

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

Charge	Amount
Customer Charge per Bill	\$ 40.00 per month
Rider CEE Surcharge	\$ 0.00 per month ¹
Total Customer Charge	\$ 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.

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

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

Application

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

Type of Service

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

Monthly Rate

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

Charge	Amount
Customer Charge per Meter	\$ 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.

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

Agreement

An Agreement for Gas Service may be required.

Notice

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

Special Conditions

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

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

Application

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

Type of Service

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

Monthly Rate

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

Charge	Amount
Customer Charge per Bill	\$ 18.60 per month
Rider CEE Surcharge	\$ 0.02 per month ¹
Total Customer Charge	\$ 18.62 per month
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.

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

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

Application

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

Type of Service

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

Monthly Rate

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

Charge	Amount
Customer Charge per Meter	\$ 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.

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

Curtailement Overpull Fee

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

Replacement Index

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

Agreement

A transportation agreement is required.

Notice

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

Special Conditions

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

**MID-TEX DIVISION
ATMOS ENERGY CORPORATION**

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

Provisions for Adjustment

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

Computation of Weather Normalization Adjustment

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

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

Where

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

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

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

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

**MID-TEX DIVISION
ATMOS ENERGY CORPORATION**

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

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, 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	\$ 8,736,645	\$ 165,758	\$ 8,736,645	
2	Allocation to Mid-Tex	46.26%	46.26%	71.70%	71.70%	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	\$ 6,264,334	\$ 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	\$ 6,264,334	\$ 165,758	\$ 6,264,334	\$ 18,284,949
6								
7								
8	Summary of Costs to Approve:							
9								
10	Total Pension Account Plan ("PAP")	\$ 2,955,304	\$ 2,101,021	\$ 6,798,531	\$ 6,264,334	\$ 165,758	\$ 6,264,334	\$ 9,753,835
11	Total Post-Retirement Medical Plan ("FAS 106")							8,365,356
12	Total Supplemental Executive Retirement Plan ("SERP")							165,758
13	Total (Ln 10 + Ln 11 + Ln 12)	\$ 2,955,304	\$ 2,101,021	\$ 6,798,531	\$ 6,264,334	\$ 165,758	\$ 6,264,334	\$ 18,284,949
14								
15								
16	O&M Expense Factor	95.82%	95.82%	43.03%	43.03%	21.00%	43.03%	
17								
18	Expense Portion (Ln 13 x Ln 16)	\$ 2,831,859	\$ 2,013,260	\$ 2,925,600	\$ 2,695,721	\$ 34,809	\$ 2,695,721	\$ 10,501,250
19								
20	Capital Factor	4.18%	4.18%	56.97%	56.97%	79.00%	56.97%	
21								
22	Capital Portion (Ln 13 x Ln 20)	\$ 123,445	\$ 87,761	\$ 3,872,930	\$ 3,568,614	\$ 130,949	\$ 3,568,614	\$ 7,783,699
23								
24	Total (Ln 18 + Ln 22)	\$ 2,955,304	\$ 2,101,021	\$ 6,798,531	\$ 6,264,334	\$ 165,758	\$ 6,264,334	\$ 18,284,949



TYPE OF ACTION

Regular Meeting - Action Item

**Westlake Planning and Zoning Commission
Monday, May 4, 2015**

**Westlake Town Council Meeting
Monday, May 18, 2015**

TOPIC: Conduct a public Hearing and consider an application for approval of a Preliminary Plat of the property addressed as 1480 Dove Road, dividing the existing lot into eight residential lots that are all one-acre or more in size. The property is currently zoned R-1 “Estate Residential.” The property is approximately 10.18 acres and is located on the north side of Dove Road, between the Glenwyck Farms and Terra Bella subdivisions.

STAFF CONTACT: Eddie Edwards, Director of Planning and Development

Strategic Alignment

<u>Vision, Value, Mission</u>	<u>Perspective</u>	<u>Strategic Theme & Results</u>	<u>Outcome Objective</u>
Planned / Responsible Development	N/A	High Quality Planning, Design & Development - We are a desirable well planned, high-quality community that is distinguished by exemplary design standards.	Preserve Desirability & Quality of Life
<u>Strategic Initiative</u>			
Outside the Scope of Identified Strategic Initiatives			

Time Line - Start Date: May 4, 2015 **Completion Date:** May 18, 2015

Funding Amount: Status - **Not Funded** **Source -** N/A

EXECUTIVE SUMMARY (INCLUDING APPLICABLE ORGANIZATIONAL HISTORY)

The proposed Preliminary Plat is in compliance with the Comprehensive Plan and town ordinances. The utilities and roadways will be installed in accordance with town ordinances by the developer.

Thoroughfare Plan – The proposed roadway will tie into Dove Road, an arterial roadway. The traffic counts generated by this subdivision will not require modifications to Dove Road.

Land Use Plan – Land Use is not being changed and is in line with the recommendations in the Comprehensive Plan.

Open Space & Trail plan – The proposed Preliminary Plat is in compliance with the Open Space & Trail Plan. Trail connectivity of existing trails is being accomplished with this development.

Parkland dedication – Dedication requirements: “*Residential developments.* Park and recreational areas, meeting the requirements contained within this article, shall be dedicated to the town at a ratio of one acre of park land for every 30 residential dwelling units or prorated portion thereof.” (8/30 = 0.266 required; 0.43 provided.)

Right-of-way dedication – All required right-of-way dedications are included in the proposed Preliminary Plat. Right-of-way for future widening of Dove Road was dedicated when the original lot was platted.

Tree mitigation - Tree mitigation requirements will be addressed prior to issuance of the Grading Permit.

RECOMMENDATION

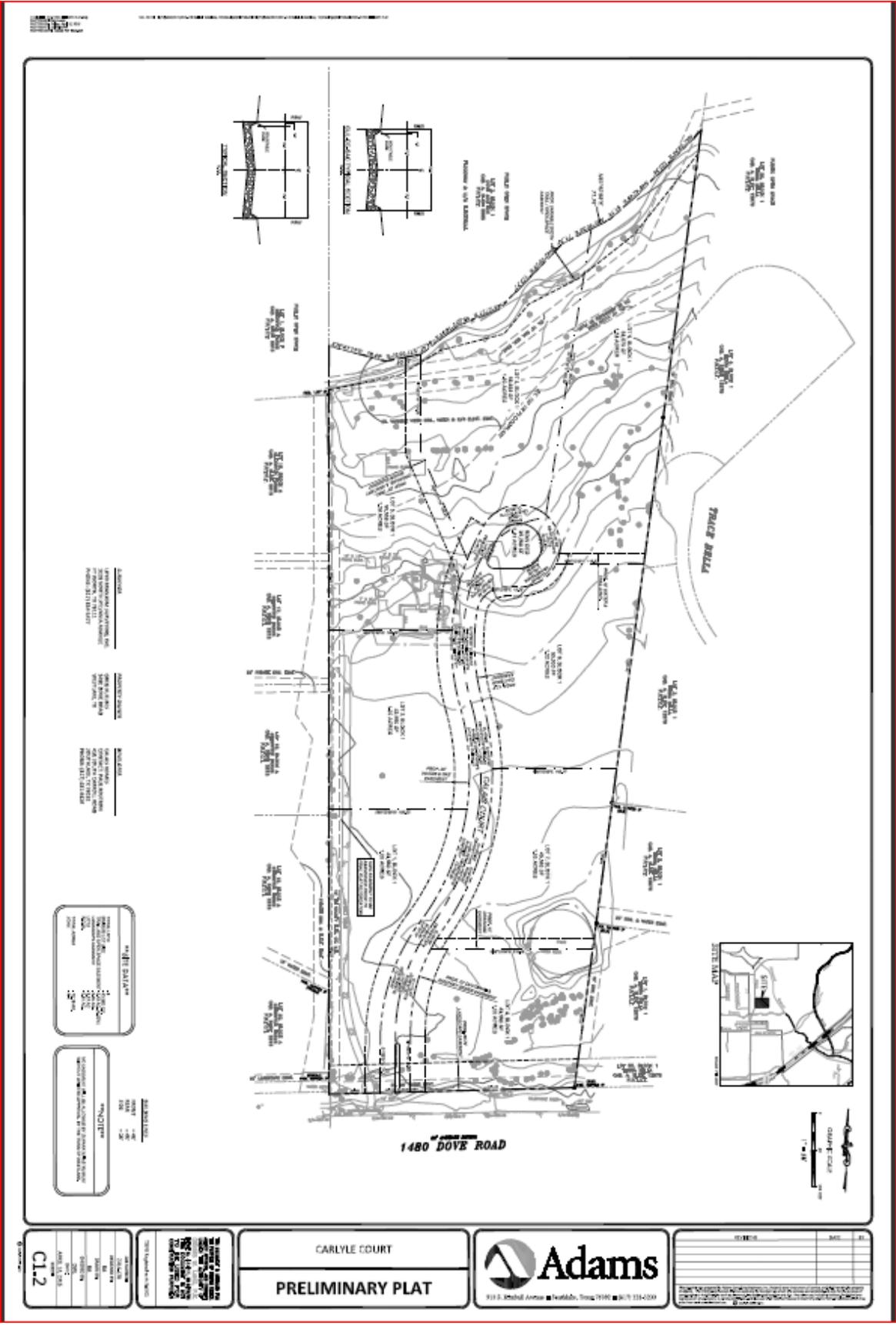
The Planning and Zoning Commission considered this application at the May 4th meeting and voted unanimously to recommend that the Town Council approve the preliminary plat as submitted.

ATTACHMENTS:

1. VICINITY MAP
2. PRELIMINARY PLAT
3. AERIAL PHOTO

Vicinity Map







TOWN OF WESTLAKE

RESOLUTION 15-12

A RESOLUTION OF THE TOWN COUNCIL OF THE TOWN OF WESTLAKE, TEXAS, APPROVING A PRELIMINARY PLAT SUBDIVIDING LOT 1, BLOCK 1 OF THE DOVE ADDITION; THE PROPERTY IS ADDRESSED AND COMMONLY KNOWN AS 1480 DOVE ROAD, BEING A LOT TOTALING APPROXIMATELY 10.18 ACRES, GENERALLY LOCATED ON THE NORTH SIDE OF DOVE ROAD BETWEEN THE GLENWYCK FARMS AND TERRA BELLA SUBDIVISIONS, IN TARRANT COUNTY TEXAS.

WHEREAS, the Planning and Zoning commission held a public hearing on May 4th, 2015 and voted unanimously to recommend approval of the preliminary plat; and

WHEREAS, the Town Council finds that the preliminary plat conforms generally with the goals and policies of the town Comprehensive Plan and the Thoroughfare Plan incorporated therein; and

WHEREAS, the Town Council finds that the passage of this Resolution is in the best interests of the citizens of Westlake.

NOW, THEREFORE, BE IT RESOLVED BY THE TOWN COUNCIL OF THE TOWN OF WESTLAKE, TEXAS:

SECTION 1: All matters stated in the Recitals above are found to be true and correct and are incorporated herein by reference as if copied in their entirety.

SECTION 2: That the Town Council of the Town of Westlake, Texas, after considering the recommendation for approval from the Planning and Zoning Commission on May 4th, 2015, and after holding a public hearing, does hereby approve the Preliminary Plat for the Carlyle subdivision, as attached. The preliminary plat is attached as *Exhibit "A"*.

SECTION 3: If any portion of this Resolution shall, for any reason, be declared invalid by any court of competent jurisdiction, such invalidity shall not affect the remaining provisions hereof and the Council hereby determines that it would have adopted this Resolution without the invalid provision.

SECTION 4: That this resolution shall become effective from and after its date of passage.

PASSED AND APPROVED ON THIS 18th DAY OF MAY, 2015.

]

ATTEST:

Laura L. Wheat, Mayor

Kelly Edwards, Town Secretary

Thomas E. Brymer, Town Manager

APPROVED AS TO FORM:

L. Stanton Lowry, Town Attorney

Town of Westlake

Item # 5 – Executive Session

EXECUTIVE SESSION

- a. Section 551.087. Deliberation Regarding Economic Development Negotiations (1) to discuss or deliberate regarding commercial or financial information that the governmental body has received from a business prospect that the governmental body seeks to have locate, stay, or expand in or near the territory of the governmental body and with which the governmental body is conducting economic development negotiations; or (2) to deliberate the offer of a financial or other incentive to a business prospect described by Subdivision (1). Maguire Partners-Solana Land, L.P., related to Centurion's development known as Entrada and Granada
- b. Section 551.071 (2) Consultation with Attorney on a matter in which the duty of the attorney to the governmental body under the Texas Disciplinary Rules of Professional Conduct of the State Bar of Texas clearly conflicts with the Chapter including but are not limited to the following: Town of Westlake Certificate of Convenience & Necessity (CCN) for water and sewer service.
- c. Section 551.071(2) Consultation with Attorney - to seek advice of counsel on legal matters involving pending or contemplated litigation, settlement offers, or other legal matters not related directly to litigation or settlement. Pending or contemplated litigation and settlement offers include but are not limited to the following: Trophy Club Municipal District Number 1
- d. Section 551.072 to deliberate the purchase, exchange, lease, or value of real property regarding possible fire station sites.

Town of Westlake

Item # 6– Reconvene
Meeting

Town of Westlake

Item # 7 – Take any Necessary Action, if necessary

The Council will conduct a closed session pursuant to Texas Government Code, annotated, Chapter 551, Subchapter D for the following:

- a. Section 551.087. Deliberation Regarding Economic Development Negotiations (1) to discuss or deliberate regarding commercial or financial information that the governmental body has received from a business prospect that the governmental body seeks to have locate, stay, or expand in or near the territory of the governmental body and with which the governmental body is conducting economic development negotiations; or (2) to deliberate the offer of a financial or other incentive to a business prospect described by Subdivision (1). Maguire Partners-Solana Land, L.P., related to Centurion's development known as Entrada and Granada
- b. Section 551.071 (2) Consultation with Attorney on a matter in which the duty of the attorney to the governmental body under the Texas Disciplinary Rules of Professional Conduct of the State Bar of Texas clearly conflicts with the Chapter including but are not limited to the following: Town of Westlake Certificate of Convenience & Necessity (CCN) for water and sewer service.
- c. Section 551.071(2) Consultation with Attorney - to seek advice of counsel on legal matters involving pending or contemplated litigation, settlement offers, or other legal matters not related directly to litigation or settlement. Pending or contemplated litigation and settlement offers include but are not limited to the following: Trophy Club Municipal District Number 1
- d. Section 551.072 to deliberate the purchase, exchange, lease, or value of real property regarding possible fire station sites

Town of Westlake

Item #8 - Future Agenda Items

FUTURE AGENDA ITEMS: Any Council member may request at a workshop and / or Council meeting, under "Future Agenda Item Requests", an agenda item for a future Council meeting. The Council Member making the request will contact the Town Manager with the requested item and the Town Manager will list it on the agenda. At the meeting, the requesting Council Member will explain the item, the need for Council discussion of the item, the item's relationship to the Council's strategic priorities, and the amount of estimated staff time necessary to prepare for Council discussion. If the requesting Council Member receives a second, the Town Manager will place the item on the Council agenda calendar allowing for adequate time for staff preparation on the agenda item.

Town of Westlake

Item # 9 – Council Calendar

- ✓ WHPS Annual Decoration Day
Monday, May 25, 2015; 6:00 - 8:00 p.m. (Program begins at 6:30 p.m.)
Westlake I.O.O. F. Cemetery
Special Guest Speaker- Ret. Lieutenant General Rick Lynch
- ✓ WA Primary Years Program (PYP) Exhibition
Thursday, May 28, 2015; 9:00 a.m. – 2:00 p.m. (come & go)
WA Campus-multiple locations; sign in front office
- ✓ WA National Honor Society Induction Ceremony
Wednesday, May 27 2015; 6:00 – 8:00 p.m.
WA Campus- MPH (multi-purpose hall)
- ✓ WA Secondary Award Ceremony; 2015 Baccalaureate; and, Alumni Walkway Ceremony
Friday, May 29, 2015
WA Gymnasium
- ✓ WAF Inaugural Family Campout (Grades K-6)
Friday, May 29, 2015
WA Athletic Field
- ✓ WA 2015 Senior Banquet
Thursday, June 4, 2015; 6:30 – 10:00 p.m.
DFW Marriott Hotel & Golf Club – SH 114 at Championship Pkwy
*RSVP is required by May 29, 2015

Future Dates to Note/Calendar:

- ✓ WA Annual Year End All School Picnic
Friday, June 5, 2015; 12:00 p.m.
WA Campus-Town Green
- ✓ WA Commencement Ceremony
Saturday, June 6, 2015; 2:00 p.m. (Council reports at 1 p.m. for VIP reception)
Hilton Dallas/Southlake Town Square

Town of Westlake

Item # 10 –
Adjournment
