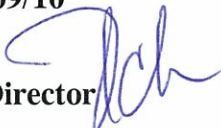


City Council
Agenda Memo



City Council
Meeting Date: 09/09/10

TO: Larry D. Gilley, City Manager
FROM: Ronnie C. Kidd, Managing Director for Administration & 9-1-1 District Director 
SUBJECT: Oral Resolution Accepting the 9-1-1 Emergency Communications District Revised FY 2010 and Proposed FY 2011 budgets

GENERAL INFORMATION:

The City of Abilene manages the Abilene/Taylor County 9-1-1 District (“the District”), via contractual agreement with the District’s Board of Governors. The V.T.C.A. Health & Safety Code, Section 772, provides that an annual budget be prepared for the District and reviewed and accepted by the Taylor County Commissioners Court, Abilene City Council, and governing bodies of other participating jurisdictions prior to adoption by the District Board. Attached is the District Budget (revised 2010 and Proposed 2011) as proposed to the District Board. Highlights in the District’s budget include:

- Increased land line revenues due to AT&T’s increasing its base rate charged to its residential and commercial customers (revised and proposed)
- Wireless provider network buildout payment settlement (revised)
- Anticipated compensation adjustments for both City and County positions for which the District provides funding, in accordance with those entities’ budgets. (proposed)
- Equipment for the backup PSAP in the Emergency Operations Center (EOC) for the Taylor County Sheriff’s office dispatchers, funding for CODE RED reverse 9-1-1 notification system, funding for GIS aerial photography project in collaboration with Central Appraisal District (proposed)

SPECIAL CONSIDERATIONS:

The District Board is expected to approve the Revised FY 2010 budget and the Proposed FY 2011 budget at its meeting on September 30, 2010.

FUNDING/FISCAL IMPACT:


N/A

STAFF RECOMMENDATION:

Staff recommends that the Council accept the Revised 2010 and Proposed 2011 9-1-1 District Budgets as proposed to the 9-1-1 District Board of Managers, contingent upon the 9-1-1 District Board’s approval of the budgets at its meeting on September 30,2010.

ATTACHMENTS

Abilene/Taylor County 9-1-1 District Budget (2010 Revised and 2011 Proposed).

Prepared by: Name <u>Mark L. Hoover</u>  Title <u>Asst Dir of Administrative Services</u>	Item No. <u>6.1</u>	Disposition by City Council <input type="checkbox"/> Approved Ord/Res# _____ <input type="checkbox"/> Denied <input type="checkbox"/> Other _____ City Secretary
--	---------------------	--

Abilene/Taylor County 9-1-1 District			
Line Item Description	FY 2010 Original Budget	FY 2010 Revised	FY 2011 Proposed
Beginning Balance	\$2,133,878	\$2,129,114	\$2,485,744
Revenues			
9-1-1 Surcharge	625,000	724,000	800,000
Interest Income	20,000	7,400	7,500
Misc Recoveries/Revenues			
Wireless Service Fee Revenue	595,000	590,000	600,000
Total Revenues	\$1,240,000	\$1,321,400	\$1,407,500
Total Resources	\$3,373,878	\$3,450,514	\$3,893,244
Expenditures			
Office Supplies	600	900	900
Educational Supplies	2,000	2,000	2,000
Postage	230	230	230
Communications Maintenance	0	6,620	3,000
Traffic Sign Maintenance	1,500	1,600	1,600
Phone Service	200,000	200,000	190,000
Equipment Use Charges	4,600	6,600	5,140
Technology Fund Transfer	7,530	7,580	6,210
Professional/Contractual	108,306	7,500	9,000
Printing	3,600	3,900	3,900
Other Services/Materials	150,635	147,770	194,067
Employee Development	2,000	2,000	2,000
Dues/Subscriptions	300	300	300
General Services/Charges	460,000	463,870	523,753
Indirect Cost Allocation	41,440	41,400	41,440
Communications Equipment	33,500	5,500	325,000
Contingency	5,000	5,000	5,000
Wireless			
Monthly Recurring Costs (MRC)	50,000	20,000	25,000
Settlement Payments	0	42,000	0
Wireless Equipment	0	0	0
Total Expenditures	\$1,071,241	\$964,770	\$1,338,540
Ending Balance	\$2,302,637	2,485,744	\$2,554,704


6.1 pg. 2

City Council
Agenda Memo



City Council
Meeting Date: September 9, 2010

TO: Larry D. Gilley, City Manager

FROM: Ronnie C. Kidd, Managing Director for Administration and Civil Service Director 

SUBJECT: Oral Resolution Ratifying Amendment 2 to the Meet and Confer Agreement between the City of Abilene and the Abilene Professional Fire Fighters Association

GENERAL INFORMATION

The Meet and Confer Agreement currently in effect between the City of Abilene (the City) and the Abilene Professional Fire Fighters Association (APFFA) is for the period October 1, 2008 through September 30, 2010. Council ratified the current agreement on September 11, 2008. This Amendment 2 to the agreement provides for extending the term of the agreement for one (1) year to **September 30, 2011**, taking into consideration the City's current economic and budgetary challenges.

SPECIAL CONSIDERATIONS

The APFFA representatives and the City's management team representatives met and reached tentative agreement on the amendment language to extend the agreement on August 20, 2010. There are no monetary or other conditions associated with the mutually agreed upon extension of the term of the agreement. APFFA leadership indicated that they expected to obtain APFFA ratification of the amendment prior to the City Council meeting scheduled for September 9, 2010. Assuming this occurs, this amendment item will be presented for ratification by the City Council on September 9, 2010.

FUNDING/FISCAL IMPACT

None.

STAFF RECOMMENDATION

Staff recommends that the City Council ratify Amendment 2 to the Meet and Confer Agreement between the City of Abilene and the Abilene Professional Fire Fighters Association, thereby extending the term of the agreement for one (1) year to September 30, 2011.

ATTACHMENTS

Amendment 2 to the Meet and Confer Agreement between the City of Abilene and the Abilene Professional Fire Fighters Association.

Prepared by:

Name Ronnie C. Kidd 

Title Managing Director for Administration

Item No. 6.2

Disposition by City Council

- Approved Ord/Res# _____
- Denied _____
- Other _____

City Secretary

AMENDMENT 2 TO THE MEET AND CONFER AGREEMENT BETWEEN THE CITY OF ABILENE AND THE ABILENE PROFESSIONAL FIRE FIGHTERS ASSOCIATION

WHEREAS, the City of Abilene and the Abilene Professional Fire Fighters Association negotiated a Meet and Confer Agreement to be effective for the fiscal years 2008-2009 and 2009-2010; and,

WHEREAS, said Agreement was negotiated and entered by both parties in good faith and by utilizing financial projections that both parties believed to be prudent and reasonable; and,

WHEREAS, unforeseeable financial circumstances beyond the control of either party have made the negotiation of a new Agreement unfeasible for the fiscal year 2010-2011 without potentially having a negative impact on the delivery of other City services in the immediate future; and,

WHEREAS, the parties are committed to ensuring the continuation of the same level of City services in all departments as currently provided to the citizenry; and,

WHEREAS, the parties remain committed to the meet and confer process and to the terms and conditions of the existing Agreement; and,

WHEREAS, Article 16, Savings Clause and Preemption Provision, provides in part that "this Agreement may be amended by written mutual agreement."

NOW THEREFORE, THE CITY OF ABILENE AND THE ABILENE PROFESSIONAL FIRE FIGHTERS ASSOCIATION AGREE TO THE FOLLOWING AMENDMENTS TO THE AGREEMENT:

Part 1:

Article 15: is amended as set forth below:

ARTICLE 15

TERM OF AGREEMENT

This Agreement shall have an effective date of October 1, 2008, and shall remain in full force and effect through September 30, 2011, and extended thereafter until superceded by a new Agreement or until April 1, 2012, whichever occurs first.

Part 2: All other provisions of the Agreement and subsequent Amendments remain unchanged and in effect for the period of time specified by Article 15, Term of Agreement.

Part 3: This Amendment shall become effective upon ratification by the parties.

6. 2 pg. 2

**MEET AND CONFER AGREEMENT BETWEEN THE CITY OF ABILENE AND
THE ABILENE PROFESSIONAL FIRE FIGHTERS ASSOCIATION,
AMENDMENT 2, FISCAL YEAR 2010-2011**

EXECUTED THIS _____ DAY OF _____, 2010

FOR THE CITY OF ABILENE, TEXAS:

LARRY D. GILLEY
CITY MANAGER

Date: _____

ATTEST:

DANETTE DUNLAP
CITY SECRETARY

APPROVED:

APPROVED AS TO FORM:

KEN DOZIER, FIRE CHIEF



DAN SANTEE, CITY ATTORNEY

**FOR THE ABILENE PROFESSIONAL FIRE FIGHTERS ASSOCIATION,
IAFF, LOCAL #1044:**

(Ratified by APFFA Membership on _____ 2010)

KEVIN JOHNSON
PRESIDENT

Date: _____

JESS MADISON
SECRETARY

Date: _____

6.2 pg. 3

City Council
Agenda Memo



City Council
Meeting Date: 09/09/10

TO: Larry D. Gilley, City Manager
FROM: Megan Santee, Interim Director of Public Works *MRS*
SUBJECT: An Oral Resolution approving a Street Use License for McMurry University to close a portion of Ross Ave. for the "McMurry Celebration Luncheon"

GENERAL INFORMATION

A request for a Street Use License has been received from McMurry University for the purpose of blocking off the 1500 and 1600 blocks of Ross Avenue for the "McMurry Celebration Luncheon" on Saturday, October 16, 2010. The luncheon is scheduled to be held from 11:00 a.m. to 2:00 p.m. One thousand attendees are estimated for the luncheon.

The Street Use License permits McMurry to close the 1500 and 1600 blocks of Ross Avenue from 10:00 a.m. to 3:00 p.m., beginning one hour before the luncheon and ending one hour after the luncheon.

STAFF RECOMMENDATION

Staff recommends that City Council approve, by oral resolution, the Street Use License agreement with McMurry University.

ATTACHMENTS

Copy of Application and attached map available for review in City Secretary's office.

Prepared by:

Name: Travis McClure

Title: Land Agent

Item No. 6.3

Disposition by City Council

- Approved Ord/Res# _____
 Denied
 Other

City Secretary

City of Abilene, Texas

MEMORANDUM

August 13, 2010

TO: Mark Hoover, Risk Management
Stanley Smith, Legal
Cody Marshall, Engineering
James Condry, Traffic & Transportation
Tony Neitzler, Community Services
Bill Whitley, Code Enforcement
Jim Winward, Public Works
Ed Williams, Fire Marshall
APD Traffic Division

FROM: Travis McClure, Land Agent

SUBJECT: Street Use License for McMurry University

McMurry has scheduled a "McMurry Celebration Luncheon" on Saturday, October 16, 2010 at 11:00 am to 2:00 pm. One thousand attendees is estimated for the luncheon. They are requesting to block off the 1500 and 1600 blocks of Ross Ave during this event to facilitate safer access.

Attached is a copy of the application and required attachments, and a draft SUL agreement with Conditions and Covenants for this event. Please advise me of the acceptability of the requested SUL and any revisions you suggest to the conditions and covenants.

6.3 pg. 2



STREET USE LICENSE AGREEMENT
SHORT TERM

APPLICATION

Applicant: McMurry University Phone: 325-793-3800

Address: McM Station Box 248 Abilene, TX 79697

Agent: Brad Poorman Phone: 325-793-4910

Event name: McMurry Celebration Luncheon Event type: Luncheon

Description of public right-of-way proposed for the event/activity: Block off the 1500 and 1600 blocks of Ross Ave. during event to facilitate safer access

Activities that will occur in the public right-of-way: Pedestrian traffic

Date & time period of event: Sat, Oct. 16, 2010 - 11:00 - 2:00

Date & time period of street closure: Sat, Oct 16, 2010 - 10:00 - 3:00

Expected peak attendance: 1,000

Circle items to be offered at event: Food Beverages Alcohol

Preferred City Council meeting for request to be considered: _____

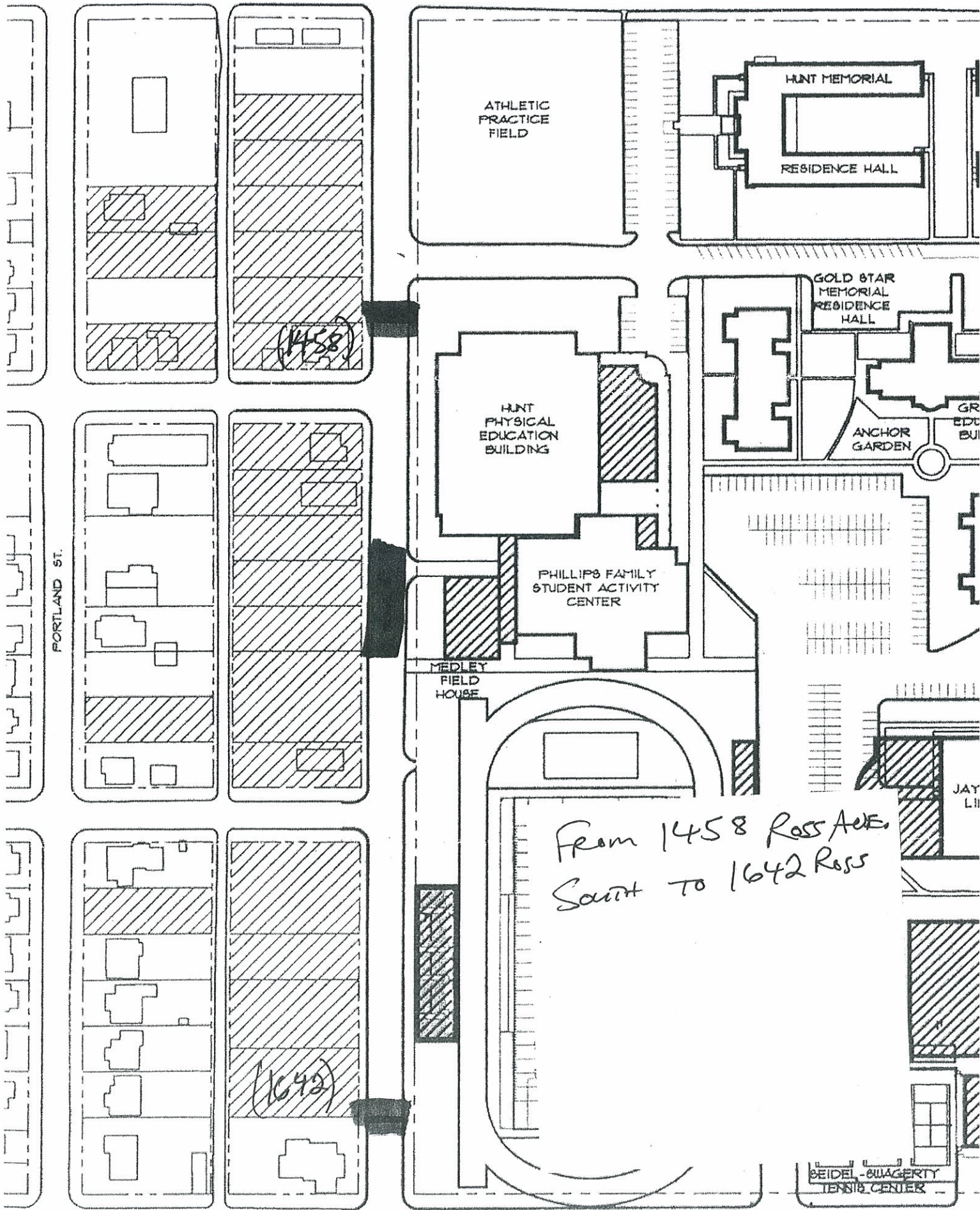
Application is not complete unless all of the following are included:

- Application Fee - \$300
- Certificate or other evidence of insurance
- A dimensioned drawing showing public right-of-way, adjacent property in the vicinity of the proposed event, and locations of activity in right-of-way.

Nancy Smith
Signature of Applicant or Agent

1/27/10
Date

Return Application To:
~~Traffic Engineering~~ Land Agent
City of Abilene
P. O. Box 60
Abilene, Texas 79604



ACORD™ CERTIFICATE OF LIABILITY INSURANCE		Certificate Number 537679695	DATE (MM/DD/YYYY) 07/28/2010
PRODUCER College Risk Retention Group, Inc. 100 Bank Street, Suite 610 Burlington VT 05401		THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.	
INSURED McMurry University Box 308, McMurry Station Abilene TX 79697		INSURERS AFFORDING COVERAGE INSURER A: College Risk Retention Group, Inc. INSURER B: INSURER C: INSURER D: INSURER E:	NAIC # 13613


COVERAGES

THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. AGGREGATE LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR	ADD'L	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YY)	POLICY EXPIRATION DATE (MM/DD/YY)	LIMITS	
A		GENERAL LIABILITY <input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS MADE <input checked="" type="checkbox"/> OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input checked="" type="checkbox"/> LOC	GL090109	09/01/2009	09/01/2010	EACH OCCURRENCE	\$ 1,000,000
						DAMAGE TO RENTED PREMISES (Ea occurrence)	\$
						MED EXP (Any one person)	\$
						PERSONAL & ADV INJURY	\$ 1,000,000
						GENERAL AGGREGATE	\$ 2,000,000
						PRODUCTS - COMP/OP AGG	\$ 2,000,000
						Fire Legal Liability	50,000
		AUTOMOBILE LIABILITY <input type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> HIRED AUTOS <input type="checkbox"/> NON-OWNED AUTOS				COMBINED SINGLE LIMIT (Ea accident)	\$
						BODILY INJURY (Per person)	\$
						BODILY INJURY (Per accident)	\$
						PROPERTY DAMAGE (Per accident)	\$
		GARAGE LIABILITY <input type="checkbox"/> ANY AUTO				AUTO ONLY - EA ACCIDENT	\$
						OTHER THAN EA ACC	\$
						AUTO ONLY: AGG	\$
		EXCESS/UMBRELLA LIABILITY <input type="checkbox"/> OCCUR <input type="checkbox"/> CLAIMS MADE <input type="checkbox"/> DEDUCTIBLE <input type="checkbox"/> RETENTION \$				EACH OCCURRENCE	\$
						AGGREGATE	\$
							\$
							\$
							\$
		WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER INCL <input type="checkbox"/> EXCL <input type="checkbox"/>				WC STATUTORY LIMITS	OTHER
						E.L. EACH ACCIDENT	\$
						E.L. DISEASE - EA EMPLOYEE	\$
						E.L. DISEASE - POLICY LIMIT	\$
		OTHER					

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES / EXCLUSIONS ADDED BY ENDORSEMENT / SPECIAL PROVISIONS

Evidence of General Liability maintained by the above Insured Institution for: Its activities and operations during the policy term; Obligations of the Insured under a lease or rental agreement; Use of facilities by the Insured during the policy term; Students in practicum while participating within the scope of their curriculum requirements and assignments; Liquor Liability Insurance for operations of the Insureds; Contractual Liability; Additional Insured status as required by written agreement.

CERTIFICATE HOLDER City of Abilene Atten: Traffic Engineering P.O. Box 60 Abilene Tx 79604	CANCELLATION SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING INSURER WILL ENDEAVOR TO MAIL <u>30</u> DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT, BUT FAILURE TO DO SO SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE INSURER, ITS AGENTS OR REPRESENTATIVES. AUTHORIZED REPRESENTATIVE 
---	---

6.3 pg. 5

CollegeRRG

Risk Retention Group

Effective March 25, 2009 128 higher education institutions affiliated with either the United Methodist Church, the Evangelical Lutheran Church in America, the Presbyterian Church (USA) or the American Baptists Churches, organized a new insurance company, College Risk Retention Group, Inc. under the Federal Liability Risk Retention Act of 1986. The Federal Act permits like insureds to combine their resources for the purpose of underwriting and insuring their liability risks.

The enclosed certificate identifies College Risk Retention Group, Inc. as the general liability insurer for primary limits of \$1 Million per occurrence and \$2 Million aggregate. Lexington Insurance Company (A. M. Best Rating AXV) supports College Risk Retention Group, Inc. as the reinsurer. Lexington Insurance Company is also the underwriter for the excess liability coverage over College Risk Retention Group, Inc.

As you may be unfamiliar with evidences of insurance from risk retention groups we welcome any questions you may have regarding the attached certificate of insurance. Should you need any further information regarding the renewal certificate please do not hesitate to contact our administrator's office. The following is the contact information:

Ms. Dena Robertson
Educational & Institutional Insurance Administrators, Inc.
200 S. Wacker Dr. Suite 1000
Chicago, IL 60606
E-mail: d Robertson@eiia.org
(312) 648-0914 X: 212

THE STATE OF TEXAS

**STREET USE LICENSE AGREEMENT
SHORT TERM**

COUNTY OF TAYLOR

THIS STREET USE LICENSE AGREEMENT, hereinafter referred to as "License", executed this ___ day of _____, A.D., _____, by and between the CITY OF ABILENE, a municipal corporation situated in Taylor and Jones Counties, Texas, hereinafter referred to as "City", and **McMurry University** hereinafter referred to as "Licensee".

WITNESSETH:

That City, pursuant to Chapter 29, "Streets and Sidewalks", Article V, "Street Use License", does hereby grant to Licensee the privilege of using the following described public property, to-wit::

Ross Ave, from 1458 Ross Ave southward to 1642 Ross Ave, as shown on the attached map

for and in consideration of THREE HUNDRED AND NO/100 (\$300.00) DOLLARS, commencing the date of execution unless otherwise specified, and upon the conditions and covenants set forth in this License and in Exhibit A, incorporated by reference for all purposes herein.

I. Purpose:

The purpose of this License is to permit Licensee to: close the indicated portion of Ross Ave. during the McMurry Celebration Luncheon on Saturday, October 16, 2010.

II. Term of Agreement/Termination

- I. This License shall be in effect only for the following time period:
10:00 a.m. to 3:00 p.m., Saturday, October 16, 2010
2. The City shall have the right to cancel this License at any time.

II. Indemnity:

A. Definitions

For the purpose of this section the following definitions apply:

“City” shall mean all officers, agents and employees of the City of Abilene.

“Claims” shall mean all claims, liens, suits, demands, accusations, allegations, assertions, complaints, petitions, proceedings and causes of action of every kind and description brought for damages.

“Licensee” includes the corporation, company, partnership, or other entity, its owners, officers, and/or partners, and their agents, successors, and assigns.

“Licensee’s employees” shall mean any employees, officers, agents, subcontractors, licensee and invitees of Licensee.

“Damages” shall mean each and every injury, wound, hurt, harm, fee, damage, cost, expense, outlay, expenditure or loss of any and every nature, including but not limited to:

injury or damage to any property or right

injury, damage, or death to any person or entity

attorneys fees, witness fees, expert witness fees and expenses, and

all other costs and expenses of litigation

“Premise Defects” shall mean any defect, real or alleged, which now exists or which may hereafter arise upon the premises.

“Proven” shall mean that a court of competent jurisdiction has entered a final unappealable judgment on a claim adjudging an entity or person liable for a monetary judgment.

“Sole negligence” shall mean negligence of a party that is unmixed with the fault of any other person or entity.

B. Indemnity

The Licensee agrees to indemnify, hold harmless, and defend the City from and against liability for any claims arising out of the Licensee's occupancy or use of the premises described above and/or activities conducted in connection with this License.

Licensee must at all times exercise reasonable precautions on behalf of, and be solely responsible for, the safety of Licensee's employees while in the vicinity where the work is being done. The City is not liable or responsible for the negligence or intentional acts or omissions of the Licensee or Licensee's employees.

The City assumes no responsibility or liability for damages which are directly or indirectly attributable to premise defects which may now exist or which may hereafter arise on the premises, whether or not caused in whole or in part by improvements constructed by the Licensee. Responsibility for all such defects is expressly assumed by the Licensee.

The City and Licensee must provide the other prompt and timely notice of any covered event which in any way affects or might affect the Licensee or City. The City has the right to compromise and defend the same to the extent of its own interests.

BOTH CITY AND LICENSEE EXPRESSLY INTEND THIS LICENSE'S INDEMNITY PROVISION TO REQUIRE LICENSEE TO INDEMNIFY AND

PROTECT THE CITY FROM THE CONSEQUENCES OF THE CITY'S OWN NEGLIGENCE WHILE CITY IS PARTICIPATING IN THIS CONTRACT, WHERE THAT NEGLIGENCE IS A CONCURRING CAUSE OF THE DAMAGES. THIS CONTRACT'S INDEMNITY PROVISION DOES NOT APPLY TO ANY CLAIM WHERE DAMAGE IS PROVEN TO RESULT FROM THE SOLE NEGLIGENCE OF THE CITY.

IV. Insurance.

Licensee agrees to secure and maintain the following types and amount of insurance, for the term of this license:

<u>Type</u>	<u>Amount</u>
Comprehensive General Liability to include (but not limited to) the following:	\$250,000 - Per Person \$500,000 - Per Occurrence for Bodily Injury, and \$500,000 - Per Occurrence for Property Damage
a) Premises/Operations Coverage	
b) Contractual Liability Coverage (insuring above indemnity provision)	

The preceding insurance requirements notwithstanding, the City reserves the right to revise the types and amounts of insurance required by this License prior to approval of the License or if the License is already in effect, to be effective thirty (30) days after notice is sent to the address provided herein.

All insurance policies or certificates shall contain the following provisions:

6.3 pg. 9

- a. That the City of Abilene, Texas, is named as an additional insured.
- b. That such insurance shall not be cancelled or materially changed without a minimum of thirty (30) day's advance notice in writing to the City.

All insurance policies shall be subject to the examination and approval of the Office of Risk Management, City of Abilene, Texas, for their adequacy as to form and content, form of protection, and insurance company. Licensee shall furnish to City Secretary for her License file certificates or copies of the policies, plainly and clearly evidencing such insurance at the time of application, and thereafter, new certificates prior to the expiration date of any prior certificate.

Licensee understands that it is its sole responsibility to provide this necessary information and that failure to timely comply with the requirements of this article shall be a cause for termination of this License.

IV. License Requirements and Restrictions:

1. During the term of this License, Licensee shall maintain the premises licensed herein in a good and safe condition at all times. If the street surface, parkway, or facilities in the parkway, including landscaping, are damaged or disturbed by any activity associated with this License, the Licensee shall at its expense restore the same to as good a condition as before the activity, to the satisfaction of the Director of Public Works or designee.

2. All traffic control signing and barricading in the public right-of-way shall comply with the Texas Manual On Uniform Traffic Control Devices.

3. In the performance or permitting of work consistent with its normal course of duty within the right-of-way, the City shall not be liable for any damages to the Licensee's facilities or equipment or injury to Licensee, all such claim for damage or injury being expressly waived by Licensee.

4. Control of the public right-of-way within the area included in this License shall not supersede the rights already granted by other permits and authorizations to other parties unless specifically stated herein.

5. The City Manager, Police Chief, Fire Chief, or a designee of such officials, shall have the authority to order immediate removal of any objects or materials placed on the premises by Licensee if, in the City's opinion, removal is necessary to protect the health, safety, and welfare of the public.

CITY OF ABILENE, TEXAS

NAME OF LICENSEE:

Mayor

McMurry University
By: Nancy Smith
Signature

ATTEST:

City Secretary

APPROVED:



City Attorney

Nancy Smith, Director-University Relat.
Printed Name and Title

Business Address: 5.14th & Sayles Blvd.
Abilene, TX 79697

**MCMURRY UNIVERSITY, FOR USE OF ROSS AVENUE FROM 1458 ROSS AVE.
SOUTHWARD TO 1642 ROSS AVE. ON 10/16/10**

CONDITIONS AND COVENANTS

EXHIBIT A

The Street Use license Agreement is subject to the following conditions and covenants:

1. Control of the right-of-way may begin at 10:00 a.m. on Saturday, October 16, 2010 and will end at 3:00 p.m. on Saturday, October 16, 2010.
2. Ross Avenue shall be barricaded to normal vehicular access from 1458 Ross Ave. southward to 1642 Ross Ave. Appropriate traffic control signs shall be installed with the barricades. The required barricades shall be manned at all times by a uniformed peace officer employed by or under contract with McMurry University.
3. All property owners and/or tenants on Ross Avenue within the boundaries of the street closure, as well as their guests, shall be allowed access to their property during the time of street closure. Licensee shall contact the affected property owners/tenants to advise them of the planned closure and to make arrangements to accommodate their access needs.
4. Licensee shall clear the sidewalks and pavement area of obstructions to pedestrian and vehicular traffic before ending control of the area. The Licensee assumes all responsibility for warning and/or protecting pedestrians and motorists from obstructions and hazards if they are allowed to enter the controlled area before it is cleared of such obstructions and hazards.
5. The City shall retain the right to perform any necessary emergency repair work within the right-of-way during the time of street closure.
6. The granting of this Street Use License by the City of Abilene to McMurry University shall not constitute appointment of any campus police officers as adjunct police officers of the City of Abilene. The campus police officers shall at all times remain employees of McMurry University.
7. The granting of this Street Use License by the City of Abilene in no way enhances, expands, endorses, or encourages any enforcement of, or jurisdiction granted by, any laws of the State of Texas.

City Council
Agenda Memo



City Council
Meeting Date: 09/09/10

TO: Larry D. Gilley, City Manager
FROM: Megan Santee, Interim Director of Public Works *MRS*
SUBJECT: An Oral Resolution approving a Street Use License from Hardin-Simmons University to Control Vehicular Access on Simmons Avenue

GENERAL INFORMATION

A request for a Street Use License has been received from Hardin-Simmons University (HSU) for the purpose of controlling vehicular access to Simmons Avenue between Ambler Avenue and Vogel Avenue during football games. The HSU football stadium is located on the east side of Simmons Avenue near Vogel Avenue. Some of the primary parking areas for the stadium lie across Simmons Avenue, to the west and south.

The Street Use License permits HSU to control the traffic on this stretch of Simmons Avenue for football games during the 2010 football season. Control of the street may begin two hours before each football game and may be maintained until two hours after the game. A similar Street Use License was granted for each of the last fourteen football seasons beginning with 1993.

STAFF RECOMMENDATION

Staff recommends that City Council approve, by oral resolution, the Street Use License agreement with Hardin-Simmons University.

ATTACHMENTS

Street Use License
Map of SUL area

Prepared by:

Name: Travis McClure

Title: Land Agent

Item No. 4.4

Disposition by City Council

Approved Ord/Res# _____

Denied _____

Other _____

City Secretary

City of Abilene, Texas

MEMORANDUM

August 23, 2010

TO: Mark Hoover, Risk Management
Stanley Smith, Legal
James Condry, Traffic & Transportation
Tony Neitzler, Community Services
Bill Whitley, Code Enforcement
Jim Winward, Public Works
Ed Williams, Fire Marshall
APD Traffic Division

FROM: Travis McClure, Land Agent

SUBJECT: Street Use License for Hardin-Simmons University

A request for SUL has been received from Hardin-Simmons University for the purpose of controlling vehicular access to Simmons Avenue between Ambler Avenue and Vogel Avenue during the football games. A similar SUL was granted for each of the last fifteen football seasons beginning with 1993.

Attached is a copy of the application and required attachments, and a draft SUL agreement with Conditions and Covenants for this event. Please advise me of the acceptability of the requested SUL and any revisions you suggest to the conditions and covenants.

6.4 pg. 2



**STREET USE LICENSE AGREEMENT
SHORT TERM**

APPLICATION

Applicant: HARDIN-SIMMONS UNIVERSITY POLICE **Phone:** 325-670-1461

Address: 2200 HICHORY BOX 14163 ABILENE, TEXAS 79698

Agent: FRANK LOZA, Jr. **Phone:** (325)- 670-1461

Event name: HSU-SHELTON STADIUM **Event type:** FOOTBALL GAMES

Description of public right-of-way proposed for the event/activity: CONTROL OF VEHICULAR ACCESS TO SIMMONS AVE. BETWEEN SANDEFER & VOGEL STREETS.

Activities that will occur in the public right-of-way: FANS WALKING TO AND FROM THE STADIUM FROM THE PARKING LOTS.

Date & time period of event: 09-11-10 & 09-18-10 & 10-02-10 & 10-16-10 & 10-30-10

Date & time period of street closure: SAME AS ABOVE SET-UP AT NOON UNTIL 1800

Expected peak attendance: 5,000

Circle items to be offered at event: Food Beverages Alcohol

Preferred City Council meeting for request to be considered: _____

Application is not complete unless all of the following are included:

- Application Fee - \$300
- Certificate or other evidence of insurance
- A dimensioned drawing showing public right-of-way, adjacent property in the vicinity of the proposed event, and locations of activity in right-of-way.

Frank Loza, Jr.
Signature of Applicant or Agent

08-18-10
Date

Return Application To:
Traffic Engineering
City of Abilene
P. O. Box 60
Abilene, Texas 79604

6.4 pg. 3

THE STATE OF TEXAS

STREET USE LICENSE AGREEMENT
SHORT TERM

COUNTY OF TAYLOR

THIS STREET USE LICENSE AGREEMENT, hereinafter referred to as "License", executed this 9th day of **September**, A.D., 2010, by and between the CITY OF ABILENE, a municipal corporation situated in Taylor and Jones Counties, Texas, hereinafter referred to as "City", and Hardin-Simmons University hereinafter referred to as "Licensee".

WITNESSETH:

That City, pursuant to Chapter 29, "Streets and Sidewalks", Article V, "Street Use License", does hereby grant to Licensee the privilege of using the following described public property, to-wit:

Simmons Avenue from the north right-of-way line of Ambler Avenue to the south right-of-way line of Vogel Avenue

for and in consideration of THREE HUNDRED AND NO/100 (\$300.00) DOLLARS, commencing the date of execution unless otherwise specified, and upon the conditions and covenants set forth in this License and in Exhibit A, incorporated by reference for all purposes herein.

I. Purpose:

The purpose of this License is to permit Licensee to:

Control vehicular access to the above described public right-of-way during football games at the H-SU football stadium during the 2010 football season.

II. Term of Agreement/Termination

I. This License shall be in effect only for the following time period:

From 12:00 p.m. to 6:00 pm. on
September 11 & 18, 2010 and October 2, 16 & 30, 2010

2. The City shall have the right to cancel this License at any time.

II. Indemnity:

A. Definitions

For the purpose of this section the following definitions apply:

“City” shall mean all officers, agents and employees of the City of Abilene.

“Claims” shall mean all claims, liens, suits, demands, accusations, allegations, assertions, complaints, petitions, proceedings and causes of action of every kind and description brought for damages.

“Licensee” includes the corporation, company, partnership, or other entity, its owners, officers, and/or partners, and their agents, successors, and assigns.

“Licensee’s employees” shall mean any employees, officers, agents, subcontractors, licensee and invitees of Licensee.

“Damages” shall mean each and every injury, wound, hurt, harm, fee, damage, cost, expense, outlay, expenditure or loss of any and every nature, including but not limited to:

injury or damage to any property or right

injury, damage, or death to any person or entity

attorneys fees, witness fees, expert witness fees and expenses, and

all other costs and expenses of litigation

“Premise Defects” shall mean any defect, real or alleged, which now exists or which may hereafter arise upon the premises.

“Proven” shall mean that a court of competent jurisdiction has entered a final unappealable judgment on a claim adjudging an entity or person liable for a monetary judgment.

“Sole negligence” shall mean negligence of a party that is unmixed with the fault of any other person or entity.

B. Indemnity

The Licensee agrees to indemnify, hold harmless, and defend the City from and against liability for any claims arising out of the Licensee’s occupancy or use of the premises described above and/or activities conducted in connection with this License.

Licensee must at all times exercise reasonable precautions on behalf of, and be solely responsible for, the safety of Licensee's employees while in the vicinity where the work is being done. The City is not liable or responsible for the negligence or intentional acts or omissions of the Licensee or Licensee's employees.

The City assumes no responsibility or liability for damages which are directly or indirectly attributable to premise defects which may now exist or which may hereafter arise on the premises, whether or not caused in whole or in part by improvements constructed by the Licensee. Responsibility for all such defects is expressly assumed by the Licensee.

The City and Licensee must provide the other prompt and timely notice of any covered event which in any way affects or might affect the Licensee or City. The City has the right to compromise and defend the same to the extent of its own interests.

BOTH CITY AND LICENSEE EXPRESSLY INTEND THIS LICENSE'S INDEMNITY PROVISION TO REQUIRE LICENSEE TO INDEMNIFY AND

PROTECT THE CITY FROM THE CONSEQUENCES OF THE CITY'S OWN NEGLIGENCE WHILE CITY IS PARTICIPATING IN THIS CONTRACT, WHERE THAT NEGLIGENCE IS A CONCURRING CAUSE OF THE DAMAGES. THIS CONTRACT'S INDEMNITY PROVISION DOES NOT APPLY TO ANY CLAIM WHERE DAMAGE IS PROVEN TO RESULT FROM THE SOLE NEGLIGENCE OF THE CITY.

IV. Insurance.

Licensee agrees to secure and maintain the following types and amount of insurance, for the term of this license:

<u>Type</u>	<u>Amount</u>
Comprehensive General Liability to include (but not limited to) the following:	\$250,000 - Per Person \$500,000 - Per Occurrence for Bodily Injury, and \$500,000 - Per Occurrence for Property Damage
a) Premises/Operations Coverage	
b) Contractual Liability Coverage (insuring above indemnity provision)	

The preceding insurance requirements notwithstanding, the City reserves the right to revise the types and amounts of insurance required by this License prior to approval of the License or if the License is already in effect, to be effective thirty (30) days after notice is sent to the address provided herein.

All insurance policies or certificates shall contain the following provisions:

6.4 pg. 6

- a. That the City of Abilene, Texas, is named as an additional insured.
- b. That such insurance shall not be cancelled or materially changed without a minimum of thirty (30) day's advance notice in writing to the City.

All insurance policies shall be subject to the examination and approval of the Office of Risk Management, City of Abilene, Texas, for their adequacy as to form and content, form of protection, and insurance company. Licensee shall furnish to City Secretary for her License file certificates or copies of the policies, plainly and clearly evidencing such insurance at the time of application, and thereafter, new certificates prior to the expiration date of any prior certificate.

Licensee understands that it is its sole responsibility to provide this necessary information and that failure to timely comply with the requirements of this article shall be a cause for termination of this License.

IV. License Requirements and Restrictions:

1. During the term of this License, Licensee shall maintain the premises licensed herein in a good and safe condition at all times. If the street surface, parkway, or facilities in the parkway, including landscaping, are damaged or disturbed by any activity associated with this License, the Licensee shall at its expense restore the same to as good a condition as before the activity, to the satisfaction of the Director of Public Works or designee.

2. All traffic control signing and barricading in the public right-of-way shall comply with the Texas Manual On Uniform Traffic Control Devices.

3. In the performance or permitting of work consistent with its normal course of duty within the right-of-way, the City shall not be liable for any damages to the Licensee's facilities or equipment or injury to Licensee, all such claim for damage or injury being expressly waived by Licensee.

4. Control of the public right-of-way within the area included in this License shall not supersede the rights already granted by other permits and authorizations to other parties unless specifically stated herein.

5. The City Manager, Police Chief, Fire Chief, or a designee of such officials, shall have the authority to order immediate removal of any objects or materials placed on the premises by Licensee if, in the City's opinion, removal is necessary to protect the health, safety, and welfare of the public.

CITY OF ABILENE, TEXAS

NAME OF LICENSEE:

Mayor

ATTEST:

By: _____
Signature

City Secretary

Printed Name and Title

APPROVED:

Business Address: _____

[Handwritten Signature]

City Attorney

**STREET USE LICENSE AGREEMENT WITH HARDIN-SIMMONS UNIVERSITY FOR
CONTROL OF VEHICULAR ACCESS TO SIMMONS AVENUE BETWEEN AMBLER
AVENUE & VOGEL AVENUE FOR FOOTBALL GAMES AT H-SU STADIUM DURING THE
2010 FOOTBALL SEASON**

CONDITIONS AND COVENANTS

EXHIBIT A

The Street Use license Agreement is subject to the following conditions and covenants:

1. Control of the right-of-way may begin two (2) hours before the beginning of the football game and shall end no later than two (2) hours after the conclusion of the football game.
2. Simmons Avenue shall be barricaded to normal vehicular access at Ambler Avenue and Vogel Avenue, and may be barricaded at other locations within these boundaries. Barricades shall be manned at all times by a uniformed peace officer employed by or under contract with H-SU.
3. Licensee shall clear the sidewalks and pavement area of obstructions to pedestrian and vehicular traffic before ending control of the area. The Licensee assumes all responsibility for warning and/or protecting pedestrians and motorists from obstructions and hazards if they are allowed to enter the controlled area before it is cleared of such obstructions and hazards.
4. All property owners/tenants who reside on Simmons Avenue within the boundaries of the street closure, as well as their guests, shall be allowed access to their property during the time of street closure. Licensee shall contact these property owners/tenants to advise them of the planned closures and to make arrangements to accommodate their access needs.
5. The City shall retain the right to perform emergency work/repairs within the right-of-way during the time of street closure.
6. The granting of this Street Use License by the City of Abilene to Hardin-Simmons University shall not constitute appointment of any campus police officers as adjunct police officers of the City of Abilene. The campus police officers shall at all time remain employees of Hardin-Simmons University.
7. The granting of this Street Use License by the City of Abilene in no way enhances, expands, endorses, or encourages any enforcement of, or jurisdiction granted by, any laws of the State of Texas.



MEN'S SPORTS

WOMEN'S SPORTS

SCHEDULES

PROSPECTIVE STUDENTS

MULTIMEDIA

ATHLETIC DEPARTMENT

FACILITIES

HSUTX.EDU

football

[HOME](#) | [ROSTER](#) | [SCHEDULE/RESULTS](#) | [STATISTICS](#) | [NEWS](#) | [COACHES](#) | [MEDIA GUIDE](#)

Overall	Pct.	Conf.	Pct.	Streak	Home	Away	Neutral
0-0	.000	0-0	.000	-	0-0	0-0	0-0

Date	Opponent	Result	Time/Status	Links
Sep. 4	at Whitworth		3:00 PM	
Sep. 11	Willamette		6:00 PM	
Sep. 18	Mississippi College *		2:00 PM	
Sep. 25	at Mary Hardin-Baylor *		6:00 PM	
Oct. 2	East Texas Baptist *		2:00 PM	
Oct. 9	at Howard Payne *		2:00 PM	
Oct. 16	Sul Ross State *		2:00 PM	
Oct. 23	at Texas Lutheran *		1:00 PM	Live stats Video
Oct. 30	McMurry *		2:00 PM	
Nov. 13	at Louisiana College *		1:00 PM	
Nov. 20	TBA NCAA First Round		12:00 PM	
Nov. 27	TBA NCAA Second Round		12:00 PM	
Dec. 4	TBA NCAA Quarterfinals		12:00 PM	
Dec. 11	TBA NCAA Semifinals		12:00 PM	
Dec. 18	vs. TBA @ Salem, Va. Amos Alonzo Stagg Bowl		10:00 AM	

[iCalendar](#) [RSS Feed](#)



08/23/10

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER Perry Hunter Hall, Inc. P.O. Box 1400 Abilene TX 79604 Phone: 325-673-6414 Fax: 325-673-4413		CONTACT NAME: Stomi J. Callaway, CIC PHONE (A/C, No, Ext): 325-673-6414 FAX (A/C, No): 325-673-4411 E-MAIL ADDRESS: callaway@perryhunterhall.com PRODUCER CUSTOMER ID #: HARDI-2	
INSURED Hardin-Simmons University Inc. Box 16005, HSU Station Abilene TX 79698		INSURER(S) AFFORDING COVERAGE INSURER A: United Educators Insurance INSURER B: Travelers Indemnity Company INSURER C: Texas Mutual Insurance Company INSURER D: INSURER E: INSURER F:	
		NAIC # 25658	

COVERAGES

CERTIFICATE NUMBER:

REVISION NUMBER:

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL SUBR INSR	WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	GENERAL LIABILITY	X		CGL201000167400	06/01/10	06/01/11	EACH OCCURRENCE \$ 1,000,000
	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: <input checked="" type="checkbox"/> POLICY <input type="checkbox"/> PROJECT <input type="checkbox"/> LOC						DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 1,000,000 MED EXP (Any one person) \$ 5,000 PERSONAL & ADV INJURY \$ 1,000,000 GENERAL AGGREGATE \$ 3,000,000 PRODUCTS - COMP/OP AGG \$ 3,000,000
B	AUTOMOBILE LIABILITY	X		BA134D9355	06/01/10	06/10/11	COMBINED SINGLE LIMIT (Ea accident) \$ 1,000,000
	<input checked="" type="checkbox"/> ANY AUTO <input checked="" type="checkbox"/> ALL OWNED AUTOS <input checked="" type="checkbox"/> SCHEDULED AUTOS <input checked="" type="checkbox"/> HIRED AUTOS <input checked="" type="checkbox"/> NON-OWNED AUTOS						BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$
A	UMBRELLA LIAB	X		GLX201000167400	06/01/10	06/01/11	EACH OCCURRENCE \$ 1,000,000
	EXCESS LIAB DEDUCTIBLE <input checked="" type="checkbox"/> RETENTION \$ 25,000						AGGREGATE \$ 1,000,000
C	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY	Y/N	N/A	TSF0011577901	06/01/10	06/01/11	<input checked="" type="checkbox"/> WC STATUTORY LIMITS <input type="checkbox"/> OTHER
	ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below						E.L. EACH ACCIDENT \$ 1,000,000 E.L. DISEASE - EA EMPLOYEE \$ 1,000,000 E.L. DISEASE - POLICY LIMIT \$ 1,000,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (Attach ACORD 101, Additional Remarks Schedule, if more space is required)
 General Liability and Automobile policies include blanket additional insured when required by written contract

CERTIFICATE HOLDER

CANCELLATION

ATTN: Travis McClure
 CITYOFA
 City of Abilene
 P.O. Box 60
 Abilene TX 79604

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE
Philip A. Bruce

L.4 pg. 12

ACORD CERTIFICATE OF LIABILITY INSURANCE

OP ID SC
HARDI-2

DATE (MM/DD/YYYY)
08/24/09

PRODUCER
Perry Hunter Hall, Inc.
P.O. Box 1400
Abilene TX 79604
Phone: 325-673-6414 Fax: 325-673-4413

INSURED
Hardin-Simmons University
Box 16005 HSU Station
Abilene TX 79698

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.

INSURERS AFFORDING COVERAGE	NAIC #
INSURER A: United Educators Insurance	
INSURER B: Travelers Indemnity Company	25658
INSURER C: Texas Mutual Insurance Company	
INSURER D:	
INSURER E:	

COVERAGES

THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. AGGREGATE LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR ADD'L LTR	INSRD	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YY)	POLICY EXPIRATION DATE (MM/DD/YY)	LIMITS	
A		GENERAL LIABILITY	CGL200900167400	06/01/09	06/01/10	EACH OCCURRENCE	
		<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY				DAMAGE TO RENTED PREMISES (Ea occurrence)	\$ 1,000,000
		<input type="checkbox"/> CLAIMS MADE <input checked="" type="checkbox"/> OCCUR				MED EXP (Any one person)	\$ 5,000
		GENTL AGGREGATE LIMIT APPLIES PER:				PERSONAL & ADV INJURY	\$ 1,000,000
<input checked="" type="checkbox"/> POLICY	<input type="checkbox"/> PRO-JECT	<input type="checkbox"/> LOC				GENERAL AGGREGATE	\$ 3,000,000
						PRODUCTS - COMP/OP AGG	\$ 3,000,000
B		AUTOMOBILE LIABILITY	BA134D9355	06/01/09	06/01/10	COMBINED SINGLE LIMIT (Ea accident)	\$ 1,000,000
		<input checked="" type="checkbox"/> ANY AUTO				BODILY INJURY (Per person)	\$
		<input checked="" type="checkbox"/> ALL OWNED AUTOS				BODILY INJURY (Per accident)	\$
		<input checked="" type="checkbox"/> SCHEDULED AUTOS				PROPERTY DAMAGE (Per accident)	\$
<input checked="" type="checkbox"/> HIRED AUTOS							
<input checked="" type="checkbox"/> NON-OWNED AUTOS							
		GARAGE LIABILITY				AUTO ONLY - EA ACCIDENT	\$
		<input type="checkbox"/> ANY AUTO				OTHER THAN AUTO ONLY: EA ACC	\$
						AGG	\$
A		EXCESS/UMBRELLA LIABILITY	GLX200900167400	06/01/09	06/01/10	EACH OCCURRENCE	\$ 1,000,000
		<input checked="" type="checkbox"/> OCCUR <input type="checkbox"/> CLAIMS MADE				AGGREGATE	\$ 1,000,000
		<input type="checkbox"/> DEDUCTIBLE					\$
<input checked="" type="checkbox"/> RETENTION	\$ 25,000		\$		\$		
C		WORKERS COMPENSATION AND EMPLOYERS' LIABILITY	TSF0011577901	06/01/09	06/01/10	<input checked="" type="checkbox"/> WC STATUTORY LIMITS	OTHER
		ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED?				E.L. EACH ACCIDENT	\$ 1,000,000
		If yes, describe under SPECIAL PROVISIONS below				E.L. DISEASE - EA EMPLOYEE	\$ 1,000,000
OTHER						E.L. DISEASE - POLICY LIMIT	\$ 1,000,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES / EXCLUSIONS ADDED BY ENDORSEMENT / SPECIAL PROVISIONS

General Liability and Automobile policies include blanket additional insured when required by written contract

CERTIFICATE HOLDER

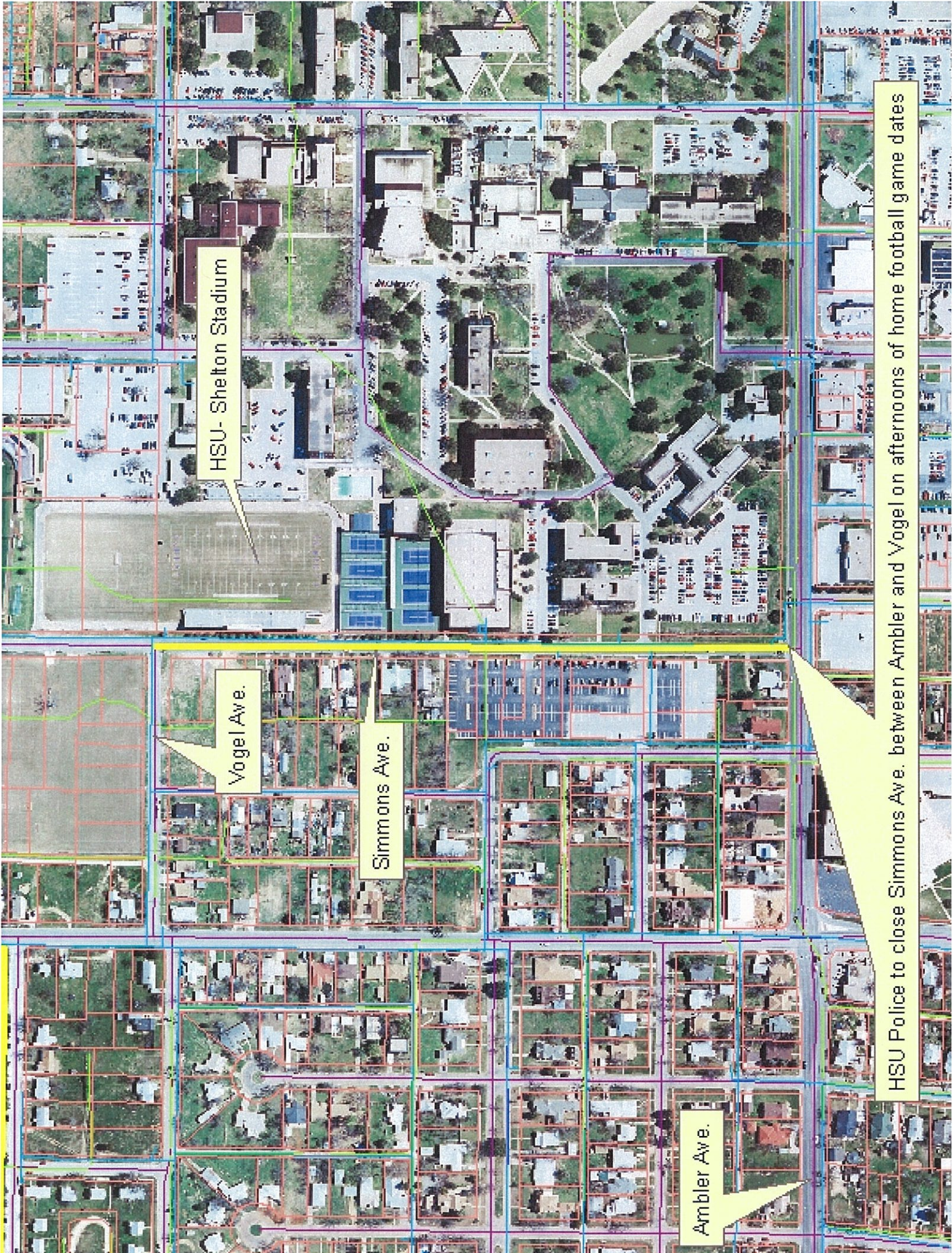
CANCELLATION

CITYOFA

City of Abilene
P.O. Box 60
Abilene TX 79604

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING INSURER WILL ENDEAVOR TO MAIL 30 DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT, BUT FAILURE TO DO SO SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE INSURER, ITS AGENTS OR REPRESENTATIVES.

AUTHORIZED REPRESENTATIVE
Thelip A. Bruce



HSU Police to close Simmons Ave. between Ambler and Vogel on afternoons of home football game dates



City Council
Agenda Memo

City Council
Meeting Date: 9-9-2010

TO: Larry D. Gilley, City Manager

FROM: Mindy Patterson, Director of Finance

Mindy

SUBJECT: FIRST READING OF ORDINANCE APPROVING A NEGOTIATED RESOLUTION BETWEEN THE ATMOS CITIES STEERING COMMITTEE (“ACSC” OR “STEERING COMMITTEE”) AND ATMOS ENERGY CORP., MID-TEX DIVISION (“ATMOS MID-TEX” OR “COMPANY”) REGARDING THE COMPANY’S THIRD RATE REVIEW MECHANISM (“RRM”) FILING IN ALL CITIES EXERCISING ORIGINAL JURISDICTION; DECLARING EXISTING RATES TO BE UNREASONABLE; REQUIRING THE COMPANY TO REIMBURSE CITIES’ REASONABLE RATEMAKING EXPENSES; ADOPTING TARIFFS THAT REFLECT RATE ADJUSTMENTS CONSISTENT WITH THE NEGOTIATED SETTLEMENT AND FINDING THE RATES TO BE SET BY THE ATTACHED TARIFFS TO BE JUST AND REASONABLE; APPROVING ATMOS MID-TEX’S PROOF OF REVENUES; EXTENDING THE RRM PROCESS FOR TWO CYCLES AND ADOPTING A NEW RRM TARIFF; RATIFYING THE SETTLEMENT AGREEMENT, INCLUDING COST RECOVERY FOR A STEEL SERVICE LINE REPLACEMENT PROGRAM; ADOPTING A SAVINGS CLAUSE; DETERMINING THAT THIS ORDINANCE WAS PASSED IN ACCORDANCE WITH THE REQUIREMENTS OF THE TEXAS OPEN MEETINGS ACT; DECLARING AN EFFECTIVE DATE; AND REQUIRING DELIVERY OF THIS ORDINANCE TO THE COMPANY AND THE STEERING COMMITTEE’S LEGAL COUNSEL.

GENERAL INFORMATION - The Atmos Cities Steering Committee (“ACSC”) and Atmos Mid-Tex created the Rate Review Mechanism (“RRM”) as an alternative to the GRIP surcharge process. The RRM process has allowed for a more comprehensive rate review and annual adjustment and as a substitute for future GRIP filings during the three-year trial period.

There are two components to the RRM adjustment. The prospective component adjusts rates for known and measurable changes in O&M and net plant investment. Atmos Mid-Tex and ACSC agreed to cap changes to expenses and invested capital at no more than 5% per year. The true-up component evaluates whether the Company has over or under recovered its earnings for the previous year. For purposes of the RRM true-up component, the Atmos Mid-Tex rate of return on equity and its capital structure are frozen to avoid the parent company from manipulating the overall rate of return.

The purpose of the attached Ordinance is to approve rate tariffs and Proof of Revenues that reflect the negotiated rate change pursuant to the RRM process and to ratify a Settlement Agreement recommended by the ACSC Settlement Committee and Executive Committee. As a result of the negotiations, ACSC was able to reduce the Company's requested \$70.2 million RRM increase to \$27 million. Approval of the Ordinance will result in rates in the implementation of new rates that increase in Atmos' revenues effective October 1, 2010.

The Settlement Agreement to be ratified by the Ordinance authorizes an extension of the RRM process, in modified form to eliminate the true-up component, for an additional two annual filings. The Settlement Agreement also addresses the Atmos Mid-Tex steel service line replacement program and authorizes current cost recovery via an adder to residential and commercial customer charges.

STAFF RECOMMENDATION - Staff recommends passing the first reading of the proposed ordinance.

ATTACHMENT - Ordinance

Prepared by:

Name Theresa James / Odis Dolton

Title Asst. City Atty. / Asst. Dir. of Finance

Item No. 4.5

Disposition by City Council

Approved Ord/Res# _____

Denied _____

Other _____

City Secretary

ORDINANCE NO. _____

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF ABILENE, TEXAS, (“CITY”) APPROVING A NEGOTIATED RESOLUTION BETWEEN THE ATMOS CITIES STEERING COMMITTEE (“ACSC” OR “STEERING COMMITTEE”) AND ATMOS ENERGY CORP., MID-TEX DIVISION (“ATMOS MID-TEX” OR “COMPANY”) REGARDING THE COMPANY’S THIRD RATE REVIEW MECHANISM (“RRM”) FILING IN ALL CITIES EXERCISING ORIGINAL JURISDICTION; DECLARING EXISTING RATES TO BE UNREASONABLE; REQUIRING THE COMPANY TO REIMBURSE CITIES’ REASONABLE RATEMAKING EXPENSES; ADOPTING TARIFFS THAT REFLECT RATE ADJUSTMENTS CONSISTENT WITH THE NEGOTIATED SETTLEMENT AND FINDING THE RATES TO BE SET BY THE ATTACHED TARIFFS TO BE JUST AND REASONABLE; APPROVING ATMOS MID-TEX’S PROOF OF REVENUES; EXTENDING THE RRM PROCESS FOR TWO CYCLES AND ADOPTING A NEW RRM TARIFF; RATIFYING THE SETTLEMENT AGREEMENT, INCLUDING COST RECOVERY FOR A STEEL SERVICE LINE REPLACEMENT PROGRAM; ADOPTING A SAVINGS CLAUSE; DETERMINING THAT THIS ORDINANCE WAS PASSED IN ACCORDANCE WITH THE REQUIREMENTS OF THE TEXAS OPEN MEETINGS ACT; DECLARING AN EFFECTIVE DATE; AND REQUIRING DELIVERY OF THIS ORDINANCE TO THE COMPANY AND THE STEERING COMMITTEE’S LEGAL COUNSEL.

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

WHEREAS, the City is a member of the Atmos Cities Steering Committee (“ACSC” or “Steering Committee”), a coalition of approximately 148 similarly situated cities served by Atmos Mid-Tex 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 (such participating cities are referred to herein as “ACSC Cities”); and

WHEREAS, pursuant to the terms of the agreement settling the Company’s 2007 Statement of Intent to increase rates, ACSC Cities and the Company worked collaboratively to develop a Rate Review Mechanism (“RRM”) tariff that allows for an expedited rate review

6.5 pg. 2

process controlled in a three year experiment by ACSC Cities as a substitute to the current GRIP process instituted by the Legislature; and

WHEREAS, the City took action in 2008 to approve a Settlement Agreement with Atmos Mid-Tex resolving the Company's 2007 rate case and authorizing the RRM Tariff; and

WHEREAS, the 2008 Settlement Agreement contemplates reimbursement of ACSC Cities' reasonable expenses associated with RRM applications; and

WHEREAS, on or about March 15, 2010, Atmos Mid-Tex filed with the City its third application pursuant to the RRM tariff to increase natural gas base rates by approximately \$70.2 million, such increase to be effective in every municipality that has adopted the RRM tariff within its Mid-Tex Division; and

WHEREAS, ACSC Cities coordinated its review of Atmos Mid-Tex's RRM filing by designating a Settlement Committee made up of ACSC representatives, assisted by ACSC attorneys and consultants, to resolve issues identified by ACSC in the Company's RRM filing; and

WHEREAS, the Company has filed evidence that existing rates are unreasonable and should be changed; and

WHEREAS, independent analysis by ACSC's rate expert concluded that Atmos Mid-Tex is able to justify an increase over current rates of \$21 million; and

WHEREAS, Atmos Mid-Tex has commenced a program to replace steel service lines based on a relative leak repair risk analysis; and

WHEREAS, the Steering Committee has entered a Settlement Agreement ("Attachment C" to this Ordinance) with Atmos Mid-Tex to: (1) increase base rate revenues by \$27 million; (2) extend the RRM process, with modifications for an additional two cycles and to thereafter

6.5pg.3

require the filing of a system-wide Statement of Intent rate case on or before June 1, 2013; and (3) in the interim to allow current recovery of incremental direct costs of the steel service line replacement program in rates set via this ordinance and in future RRM; and

WHEREAS, the ACSC Executive Committee, as well as ACSC lawyers and consultants, recommend that ACSC members approve the attached rate tariffs (“Attachment A” to this Ordinance), which will increase the Company’s revenue requirement by \$27 million; and

WHEREAS, the attached tariffs implementing new rates and Atmos Mid-Tex’s Proof of Revenues (“Attachment B” to this Ordinance) are consistent with the negotiated resolution reached by ACSC Cities and are just, reasonable, and in the public interest; and

WHEREAS, it is the intention of the parties that if the City determines any rates, revenues, terms and conditions, or benefits resulting from a Final Order or subsequent negotiated settlement approved in any proceeding addressing the issues raised in the Company’s Third RRM filing would be more beneficial to the City than the terms of the attached tariff, then the more favorable rates, revenues, terms and conditions, or benefits shall additionally accrue to the City; and

WHEREAS, the negotiated resolution of the Company’s RRM filing and the resulting rates are, as a whole, in the public interest.

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

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

Section 2. That the City Council finds the existing rates for natural gas service provided by Atmos Mid-Tex are unreasonable and new tariffs and Atmos Mid-Tex’s Proof of Revenues,

L.5 pg. 4

which are attached hereto and incorporated herein as Attachments A and B, are just and reasonable and are hereby adopted.

Section 3. That Atmos Mid-Tex shall reimburse the reasonable ratemaking expenses of the ACSC Cities in processing the Company's rate application.

Section 4. That the Settlement Agreement, attached as Attachment C, which includes in addition to resolution of the Third RRM: (1) extension of a modified RRM process; (2) requirement that Atmos Mid-Tex file a system-wide Statement of Intent rate case on or before June 1, 2013; and (3) current recovery of incremental direct costs for a steel service line replacement program, is hereby ratified.

Section 5. That to the extent any resolution or ordinance previously adopted by the Council is inconsistent with this Ordinance, it is hereby repealed.

Section 6. 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 7. 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 8. That if the City determines any rates, revenues, terms and conditions, or benefits resulting from a Final Order or subsequent negotiated settlement approved in any proceeding addressing the issues raised in the Company's Third RRM filing would be more beneficial to the City than the terms of the attached tariff, then the more favorable rates, revenues, terms and conditions, or benefits shall additionally accrue to the City.

4.5 pg. 5

Section 9. That 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 October 1, 2010.

Section 10. That a copy of this Ordinance shall be sent to Atmos Mid-Tex, care of David Park, Vice President Rates and Regulatory Affairs, at Atmos Energy Corporation, 5420 LBJ Freeway, Suite 1862, Dallas, Texas 75240, and to Geoffrey Gay, General Counsel to ACSC, at Lloyd Gosselink Rochelle & Townsend, P.C., P.O. Box 1725, Austin, Texas 78767-1725.

PASSED on FIRST READING this 9th day of September, 2010.

A notice of the time and place said ordinance would be given a public hearing and considered for final passage was published in the Abilene Reporter-News on September 5th, a daily newspaper of general circulation in the City of Abilene, the same being more than ten (10) days prior to the time designated for said hearing. After such opportunity for the public to be heard, said ordinance was passed on its second and final reading.

PASSED on SECOND AND FINAL READING after **PUBLIC HEARING** this 23rd day of September, 2010.

Mayor

ATTEST:

City Secretary

APPROVED AS TO FORM:



City Attorney

U.5 pg. 4

**ATMOS ENERGY CORPORATION
MID-TEX DIVISION**

RATE SCHEDULE:	R – RESIDENTIAL SALES	
APPLICABLE TO:	All Cities except the City of Dallas and all unincorporated areas	
EFFECTIVE DATE:	Bills Rendered on or after 10/01/2010	

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 Mcf charges to the amounts due under the riders listed below:

Charge	Amount
Customer Charge per Bill	\$ 7.15 per month
Commodity Charge – All Mcf	\$2.5246 per Mcf

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.

Rate Review Mechanism: Plus or Minus an amount for rates as calculated in accordance with Rider RRM.

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.

Attachment A
6.5 pg. 7

**ATMOS ENERGY CORPORATION
MID-TEX DIVISION**

RATE SCHEDULE:	C – COMMERCIAL SALES	
APPLICABLE TO:	All Cities except the City of Dallas and all unincorporated areas	
EFFECTIVE DATE:	Bills Rendered on or after 10/01/2010	

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 3,000 Mcf.

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 Mcf charges to the amounts due under the riders listed below:

Charge	Amount
Customer Charge per Bill	\$ 13.91 per month
Commodity Charge - All Mcf	\$ 1.0796 per Mcf

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.

Rate Review Mechanism: Plus or Minus an amount for rates as calculated in accordance with Rider RRM.

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.

**ATMOS ENERGY CORPORATION
MID-TEX DIVISION**

RATE SCHEDULE:	I – INDUSTRIAL SALES	
APPLICABLE TO:	All Cities except the City of Dallas and all unincorporated areas	
EFFECTIVE DATE:	Bills Rendered on or after 10/01/2010	

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	\$ 450.00 per month
First 0 MMBtu to 1,500 MMBtu	\$ 0.2750 per MMBtu
Next 3,500 MMBtu	\$ 0.2015 per MMBtu
All MMBtu over 5,000 MMBtu	\$ 0.0433 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.

Rate Review Mechanism: Plus or Minus an amount for rates as calculated in accordance with Rider RRM.

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."

6.5 pg. 9

**ATMOS ENERGY CORPORATION
MID-TEX DIVISION**

RATE SCHEDULE:	I – INDUSTRIAL SALES	
APPLICABLE TO:	All Cities except the City of Dallas and all unincorporated areas	
EFFECTIVE DATE:	Bills Rendered on or after 10/01/2010	

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

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.

**ATMOS ENERGY CORPORATION
MID-TEX DIVISION**

RATE SCHEDULE:	T – TRANSPORTATION	
APPLICABLE TO:	All Cities except the City of Dallas and all unincorporated areas	
EFFECTIVE DATE:	Bills Rendered on or after 10/01/2010	

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	\$ 450.00 per month
First 0 MMBtu to 1,500 MMBtu	\$ 0.2750 per MMBtu
Next 3,500 MMBtu	\$ 0.2015 per MMBtu
All MMBtu over 5,000 MMBtu	\$ 0.0433 per MMBtu

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

Rate Review Mechanism: Plus or Minus an amount for rates as calculated in accordance with Rider RRM.

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.

**ATMOS ENERGY CORPORATION
MID-TEX DIVISION**

RATE SCHEDULE:	T – TRANSPORTATION	
APPLICABLE TO:	All Cities except the City of Dallas and all unincorporated areas	
EFFECTIVE DATE:	Bills Rendered on or after 10/01/2010	

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.

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.

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.

**ATMOS ENERGY CORPORATION
MID-TEX DIVISION**

RIDER:	WNA – WEATHER NORMALIZATION ADJUSTMENT	
APPLICABLE TO:	All Cities except the City of Dallas and all unincorporated areas	
EFFECTIVE DATE:	Bills Rendered on or after 10/01/2010	

Provisions for Adjustment

The base rate per Mcf (1,000,000 Btu) 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 Mcf 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 Mcf
- R_i = base rate of temperature sensitive sales for the i^{th} schedule or classification approved by the entity exercising original jurisdiction.
- HSF_i = heat sensitive factor for the i^{th} schedule or classification calculated as the slope of the linear regression of average sales per bill (Mcf) and actual heating degree days by month for the test year by schedule or classification and weather station as part of the RRM filing.
- 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 calculated as the y-intercept of the linear regression of average sales per bill (Mcf) and actual heating degree days by month for the test year by schedule or classification and weather station as part of the RRM filing.

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

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

6.5 pg. 13

**ATMOS ENERGY CORPORATION
MID-TEX DIVISION**

RIDER:	WNA – WEATHER NORMALIZATION ADJUSTMENT	
APPLICABLE TO:	All Cities except the City of Dallas and all unincorporated areas	
EFFECTIVE DATE:	Bills Rendered on or after 10/01/2010	

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

Filings with Entities Exercising Original Jurisdiction

As part of its annual RRM filing the Company will file (a) a copy of each computation of the Weather Normalization Adjustment Factor, (b) a schedule showing the effective date of each such Weather Normalization Adjustment, (c) a schedule showing the factors of values used in calculating such Weather Normalization Adjustment and (d) a random sample and audit of thirty (30) actual customer bills, with customer information deleted, for each rate schedule or classification to which the WNA was applied in the preceding 12 month period. To the extent that source data is needed to audit the WNA application, such data will be provided by the Company as part of the annual RRM filing.

If the RRM is discontinued, as provided in the Rider RRM tariff, the information required herein to be filed with the entities exercising original jurisdiction shall be filed on March 1 of each year.

Base Use/Heat Use Factors

<u>Weather Station</u>	<u>Residential</u>		<u>Commercial</u>	
	<u>Base use Mcf</u>	<u>Heat use Mcf/HDD</u>	<u>Base use Mcf</u>	<u>Heat use Mcf/HDD</u>
Abilene	1.06	.0131	9.03	.0588
Austin	1.17	.0138	19.39	.0674
Dallas	1.49	.0191	20.37	.0872
Waco	1.13	.0137	11.81	.0610
Wichita Falls	1.19	.0136	11.21	.0549

Sample WNAF_i Calculation:

$$.3352 \text{ per Mcf} = 2.5246 \times \frac{(.0131 \times (30-17))}{(1.06 + (.0131 \times 17))}$$

Where

- i = Residential Single Block Rate Schedule
- R_i = 2.5246 per MCF
- HSF_i = .0131 (Residential - Abilene Area)
- NDD = 30 HDD (Simple ten-year average of Actual HDD for Abilene Area – 9/15/06 – 10/14/06)
- ADD = 17 HDD (Actual HDD for Abilene Area – 9/15/06 – 10/14/06)
- Bl_i = 1.06 Mcf (Residential - Abilene Area)

6.5 pg. 14

**ATMOS ENERGY CORPORATION
MID-TEX DIVISION**

RIDER:	RRM – RATE REVIEW MECHANISM	
APPLICABLE TO:	All Cities except the City of Dallas and all unincorporated areas	
EFFECTIVE DATE:	Bills Rendered on or after 10/01/2010	

I. Purpose:

This mechanism is designed to provide annual earnings transparency. All rate calculations under this tariff shall be made on a system wide basis. If, through the implementation of the provisions of this mechanism, it is determined that rates should be decreased or increased, then rates will be adjusted accordingly in the manner set forth herein. The rate adjustments implemented under this mechanism will reflect annual changes in the Company's cost of service and rate base. This Rider RRM will be effective for the period commencing with the Company's RRM filing on April 1, 2011, and concluding with the implementation of new, final rates established pursuant to the general rate case that Atmos will file on or before June 1, 2013.

II. Definitions

a) The **Annual Evaluation Date** shall be the date the Company will make its annual filing under this mechanism. The Annual Evaluation Date shall be no later than April 1, of each year. This filing shall be effective in electronic form where practicable.

b) **Audited Financial Data** shall mean the Company's books and records related to the Company's Mid-Tex operating area and shared services operations. Audited Financial Data shall not require the schedules and information provided under this tariff to undergo a separate financial audit by an outside auditing firm similar to the Company's annual financial audit.

c) The **Evaluation Period** is defined as the twelve month period ending December 31, of each calendar year.

d) The **Rate Effective Period** is defined as the later of the twelve month period for which rates determined under this mechanism will be in effect or subsequent rates are implemented.

e) **Per Connection Basis** is defined as the existing average number of Mid-Tex active meters to customers during the Evaluation Period.

f) **Final Order** is defined as the most recent order establishing the Company's latest effective rates for the area in which the mechanism is implemented, and shall include municipal rate ordinances and resolutions.

III. Rate Review Mechanism

The Company shall file with each regulatory authority having original jurisdiction over the Company's rates the schedules specified below for the Evaluation Period, with the filing to be made by the Annual Evaluation Date following the end of the Evaluation Period. The schedules, which will be based upon the Company's Audited Financial Data, as adjusted, and provided in the same format as Atmos' RRM filing with municipalities on March 15, 2010, will exclude a true-up computation, but will include the following:

- a) Evaluation Period ending balances for actual gross plant in service, accumulated depreciation, accumulated deferred income taxes, inventory, working capital, and other rate base components will be used for the calculation of rates for the Rate Effective Period. The ratemaking treatments, principles, findings and adjustments included in the Final Order will apply. Regulatory adjustments due to prior regulatory rate base adjustment disallowances will be maintained. Cash working capital will be calculated using the lead/lag days approved in the Final Order. Accumulated deferred income taxes (ADIT) will be calculated using the methodology used in the Final Order. The RRM Schedules & Information section of this tariff identifies those ADIT components to be included in the calculation of rate base for both the Evaluation Period and Rate Effective Period calculations.

6.5 pg. 15

**ATMOS ENERGY CORPORATION
MID-TEX DIVISION**

RIDER:	RRM – RATE REVIEW MECHANISM	
APPLICABLE TO:	All Cities except the City of Dallas and all unincorporated areas	
EFFECTIVE DATE:	Bills Rendered on or after 10/01/2010	

- b) Depreciation rates booked in the period will be those approved in the Final Order, or the rate most recently approved. All calculation methodologies will be those approved in the Final Order except where noted or included in this tariff, or in the most recent order addressing the methodology. In addition, the Company shall exclude from operating and maintenance expense the discretionary costs to be disallowed from Rider RRM filings listed in the RRM Schedules and Information section of this tariff.
- c) Return on Equity (ROE) shall be maintained at 9.7%.
- d) Cost of debt will reflect actual cost for the Evaluation Period. Evaluation Period ending balances for cost of debt and capital structure will be used for the calculation of rates for the Rate Effective Period. Capital structure will be the actual Evaluation Period ratio of long-term debt and equity, with percentage equity not to exceed 50%, based on the calculation methodology outcomes used above.
- e) All applicable accounting adjustments along with all supporting work papers. Such adjustments may include:
 - 1) Pro-forma adjustments to update and annualize costs and revenue billing determinants for the Rate Effective Period.
 - 2) Pro-forma or other adjustments required to properly account for atypical, unusual, or nonrecurring events recorded during the Evaluation Period.
- f) Shared Services allocation factors shall be recalculated each year based on the latest component factors used during the Evaluation Period, but the methodology used will be that approved in the Final Order.
- g) Any changes to corporate structure or allocation of common costs will include narrative explanations with the filing.

IV. Calculation of Rate Adjustment

- a) The Company shall provide additional schedules indicating the following revenue deficiency/sufficiency calculations using the methodology accepted in the Final Order with the exception of any allowance for a true-up component in the April 1, 2011 or the April 1, 2012 RRM filings. Evaluation Period ending balances will be used for the calculation of rates for the Rate Effective Period. These schedules shall identify the rate adjustments necessary for the setting of prospective rates for the Rate Effective Period. The result shall be reflected in the proposed new rates to be established for the Rate Effective Period. In calculating the required rate adjustments, such adjustments will be made pro-ratably to the customer charge and usage charge based upon actual revenue generated, as adjusted under the Company's approved Weather Normalization Adjustment (WNA) Rider. Provided, however, that neither the Residential nor the Commercial customer charges may increase more than 20% per year.
- b) The Company may also adjust rates for the Rate Effective Period to include recovery of any known and measurable changes to operating and maintenance costs including, but not limited to, payroll and compensation expense, benefit expense, pension expense, insurance costs, materials and supplies, bad debt costs, medical expense, transportation and building and lease costs for the Rate Effective Period. Provided, however, that adjustments may only be made for costs that are reasonable and necessary. Additionally, utility plant and rate base for the Rate

6.5 pg. 14

**ATMOS ENERGY CORPORATION
MID-TEX DIVISION**

RIDER:	RRM – RATE REVIEW MECHANISM	
APPLICABLE TO:	All Cities except the City of Dallas and all unincorporated areas	
EFFECTIVE DATE:	Bills Rendered on or after 10/01/2010	

Effective Period will be established by using the Evaluation Period ending balances, including associated changes in depreciation and amortization expense and taxes. In calculating the Company's known and measurable changes for prospective RRM adjustment purposes, the following limitations will apply, on a Per Connection Basis.

1. Operating and Maintenance expenses per connection for the Rate Effective Period cannot increase more than 5% per year without specific identification and justification. Any proposed adjustment above 5% per year, is subject to the provisions of the Evaluation Procedures of this tariff. Such procedures provide that the regulatory authority will review the proposed adjustment and that the Company and regulatory authority will work collaboratively to seek agreement on the proposed adjustments to the Company's schedules and proposed rates. Justification for such expenditures over the cap shall include an event or combination of events beyond the control of the Company. The beginning adjusted Operation and Maintenance expense per connection for the 2007 RRM Evaluation Period will be limited to not exceed \$151 million divided by the connections for the period. The increase in adjusted Operation and Maintenance expenses per connection for the 2008 Rate Effective Period and the subsequent Rate Effective periods cannot exceed 5% per year, without specific identification and justification.
2. Net plant investment per connection for the Rate Effective Period cannot increase more than 5% per year without specific identification and justification. Any proposed adjustment above 5% per year, is subject to the provisions of the Evaluation Procedures of this tariff. Such procedures provide that the regulatory authority will review the proposed adjustment and that the Company and regulatory authority will work collaboratively to seek agreement on the proposed adjustments to the Company's schedules and proposed rates. However, in performing a cap test to verify compliance, the Company shall exclude any changes in net plant investment associated with federal, state, or local mandates related to safety, compliance, or road moves, including steel service line replacement program costs incurred prior to October 1, 2010. The initial 2008 rate will be set using net plant limited to not exceed [\$1,243,607,206 divided by average active meters for the 12 months ended June 30 2007] times 1.025 times the average active meters for calendar year 2007. Subsequent filing calculations of net plant investment will be made using the same method used in the Company's September 20, 2007 Statement of Intent except that Evaluation Period ending balances will be used for net plant in the calculation of rates for the Rate Effective Period.

The rate increase limitations set forth in this tariff shall not preclude the Company from recovering any excluded net plant costs during a subsequent Evaluation Period in which the 5% limitation for net plant investment is not reached or in a subsequent Statement of Intent case. To the extent that the Company seeks to recover any excluded net plant costs during a subsequent Evaluation Period in which the 5% limitation for net plant investment is not reached or in a subsequent Statement of Intent case, the Company shall identify these costs as a specific line item in the schedule accompanying the RRM rate adjustment filing.

The regulatory authority may disallow any net plant investment that is not shown to be prudently incurred. Approval by the regulatory authority of net plant investment pursuant to the provisions of this tariff shall constitute a finding that such net plant investment was prudently incurred. Such finding of prudence shall not be subject to further review in a subsequent Evaluation Period or Statement of Intent filing.

6.5pg. 17

**ATMOS ENERGY CORPORATION
MID-TEX DIVISION**

RIDER:	RRM – RATE REVIEW MECHANISM	
APPLICABLE TO:	All Cities except the City of Dallas and all unincorporated areas	
EFFECTIVE DATE:	Bills Rendered on or after 10/01/2010	

- c) Notwithstanding the limitations in subparts IV (a) through (b) of this tariff, the Company shall be entitled to separately adjust rates for the Rate Effective Period to include recovery for direct incremental costs associated with a steel service line replacement program incurred on and after October 1, 2010, a return on equity of 9.0% for such incremental costs as capitalized, depreciation, and applicable taxes. Capital structure will be the actual Evaluation Period ratio of long-term debt and equity, with percentage equity not to exceed 50%, based on the calculation methodology outcomes used above. Rate recovery associated with a steel service line replacement program shall be recovered through the Residential and Commercial customer charges and shall not be subject to or included in the rate increase limitations set forth in IV (a) through (b) of this tariff. Current year recovery factors are presumed to be \$0.15 for residential customers and \$0.41 for commercial customers. The rates will be adjusted annually, however, in no case will the per customer monthly cost recovery factors attributable to a steel service line replacement program exceed \$0.44 for residential customers or \$1.22 for commercial customers, prior to or during the pendency of the Company's next Statement of Intent case. Moreover, the per customer amount attributable to cost recovery for a steel service line replacement program shall be subject to review by the regulatory authority in a subsequent Evaluation Period and all costs associated with a steel service line replacement program will be subject to a prudence/reasonableness review in the Company's next Statement of Intent rate case.
- d) The Company shall provide a schedule demonstrating the "proof of revenues" relied upon to calculate the proposed rate for the Rate Effective Period. The proposed rates shall conform as closely as is practicable to the revenue allocation principles approved in the Final Order.

V. Attestation

A sworn statement shall be filed by the Company's Chief Officer in Charge of Mid-Tex Operations affirming that the filed schedules are in compliance with the provisions of this mechanism and are true and correct to the best of his/her knowledge, information and belief. No testimony shall be filed, but a brief narrative explanation shall be provided of any changes to corporate structure or allocation of common costs.

VI. Evaluation Procedures

The regulatory authority having original jurisdiction over the Company's rates shall have no less than ninety (90) days to review the Company's filed schedules and work papers. The Company will be prepared to provide all supplemental information as may be requested to ensure adequate review by the relevant regulatory authority. The Company shall not unilaterally impose any limits upon the provision of supplemental information and such information shall be provided within ten (10) working days of the original request. The regulatory authority may propose any adjustments it determines to be required to bring the schedules into compliance with the above provisions.

During and following the ninety (90) day review period and a thirty (30) day response period, the Company and the regulatory authority will work collaboratively and seek agreement on, the proposed adjustments to the Company's schedule and proposed rates. If agreement has been reached by the Company and the regulatory authority, the regulatory authority shall authorize an increase or decrease to the Company's rates so as to achieve the revenue levels indicated for the Rate Effective Period. If, at the end of the thirty (30) day response period, the Company and the regulatory authority have not reached agreement on the proposed adjustments, the Company shall have the right to appeal the regulatory authority's action or inaction to the Railroad Commission of Texas. Upon the filing of any appeal, the Company shall have the right to implement the proposed RRM rate adjustment, including the adjustment attributable to steel service line replacement program costs, subject to refund.

**ATMOS ENERGY CORPORATION
MID-TEX DIVISION**

RIDER:	RRM – RATE REVIEW MECHANISM	
APPLICABLE TO:	All Cities except the City of Dallas and all unincorporated areas	
EFFECTIVE DATE:	Bills Rendered on or after 10/01/2010	

Rates established pursuant to the Rate Review Mechanism, if approved as provided herein, shall be effective on August 15 of each year.

VII. Reconsideration and Appeal

Orders issued pursuant to this mechanism are ratemaking orders and shall be subject to appeal under Sections 102.001(b) and 103.021, et seq., of the Texas Utilities Code (Vernon 2007).

VIII. Notice

Notice of the annual Rate Review Mechanism filing shall be provided pursuant to Section 104.103, TEX. UTIL. CODE ANN. no later than forty-five (45) days after the Company makes its annual filing pursuant to this tariff. The notice to customers shall include the following information:

- a) a description of the proposed revision of rates and schedules;
- b) the effect the proposed revision of rates is expected to have on the rates applicable to each customer class and on an average bill for each affected customer;
- c) the service area or areas in which the proposed rate adjustment would apply;
- d) the date the proposed rate adjustment was filed with the regulatory authority; and
- e) the Company's address, telephone number and website where information concerning the proposed rate adjustment may be obtained.

IX. RRM Schedules and Information

a. Accumulated Deferred Income Tax ("ADIT") Items To Be Recognized in Rate Base

The following list identifies those ADIT components to be included in the calculation of rate base for both the Evaluation Period and Rate Effective Period calculations:

Mid-Tex:

Gas Plant in Service
Insurance Accruals
Benefit Accruals
Deferred Expense Projects
Allowance for Doubtful Accounts
Customer Advances
UNICAP Section 263A Costs (which shall be removed from Atmos Mid-Tex when these costs are transferred to Atmos Pipeline Texas)
Regulatory Asset - Mid Tex
Regulatory Liability - Mid-Tex
Other Plant

SSU - Customer Support:

Gas Plant in Service

6.5pg.19

**ATMOS ENERGY CORPORATION
MID-TEX DIVISION**

RIDER:	RRM – RATE REVIEW MECHANISM	
APPLICABLE TO:	All Cities except the City of Dallas and all unincorporated areas	
EFFECTIVE DATE:	Bills Rendered on or after 10/01/2010	

SSU - General Office:

Gas Plant in Service
Insurance Accruals
Benefits Accruals
Deferred Expense Projects
Prepaid Expenses
Regulatory Liability - Atmos 109
FAS 115 Adjustment
Treasury Lock Adjustment
Revenue Agent Report Carryforward Adjustments 1990-1985
Tax Net Operating Loss Credit Carryforwards
State Bonus Depreciation
R & D Credit Valuation Allowance
Other Plant

b. Discretionary Costs to Be Disallowed from Rider RRM filings

The following types of employee reimbursed expenses and directly incurred costs are to be removed from all expense and rate base amounts included within Rider RRM filings for the Evaluation Period and for the Rate Effective Period:

Amounts incurred for travel, meals or entertainment of employee spouses.
Amounts for air travel that exceed published commercial coach air fares.
Amounts incurred for hotel rooms exceeding \$250 per night inclusive of taxes and fees assessed on such rooms.
Amounts for alcoholic beverages.
Amounts paid for admission to entertainment, sports, art or cultural events, and all event sponsorship costs.
Amounts for social club dues or fees.

**ATMOS ENERGY CORP., MID-TEX DIVISION
SUMMARY OF CURRENT AND PROPOSED RATE STRUCTURE
TEST YEAR ENDING DECEMBER 31, 2009
(2010 RRM SETTLEMENT PROPOSAL)**

Line No.	Description (a)	Current (b)	Proposed (Beginning Oct 1) (d)
1	Rate R		
2	Customer Charge per month	\$7.00	\$7.00
3			
4	Consumption Charge per MCF	\$2.2647	\$2.5246
5	2008 RRM True-up per MCF	\$0.0000	\$0.0000
6	2009 RRM True-up per MCF	<u>\$0.0060</u>	<u>\$0.0000</u>
7	Total Consumption Charge per MCF	\$2.2707	\$2.5246
8	Rate C		
9	Customer Charge per month	\$13.50	\$13.50
10			
11	Consumption Charge per MCF	\$0.9825	\$1.0796
12	2008 RRM True-up per MCF	\$0.0000	\$0.0000
13	2009 RRM True-up per MCF	<u>\$0.0052</u>	<u>\$0.0000</u>
14	Total Consumption Charge per MCF	\$0.9877	\$1.0796
15	Rate I & T		
16	Customer Charge per month	\$425.00	\$450.00
17			
18	Consumption Charge per MMBTU:		
19	First 1,500 MMBTU	\$0.2496	\$0.2750
20	Next 3,500 MMBTU	\$0.1820	\$0.2015
21	Over 5,000 MMBTU	\$0.0390	\$0.0433
22	2008 RRM True-up per MMBTU:		
23	First 1,500 MMBTU	\$0.0087	\$0.0000
24	Next 3,500 MMBTU	\$0.0064	\$0.0000
25	Over 5,000 MMBTU	\$0.0014	\$0.0000
26	2009 RRM True-up per MMBTU:		
27	First 1,500 MMBTU	\$0.0000	\$0.0000
28	Next 3,500 MMBTU	\$0.0000	\$0.0000
29	Over 5,000 MMBTU	<u>\$0.0000</u>	<u>\$0.0000</u>
30	Total Consumption Charge per MMBTU		
31	First 1,500 MMBTU	\$0.2583	\$0.2750
32	Next 3,500 MMBTU	\$0.1884	\$0.2015
33	Over 5,000 MMBTU	\$0.0404	\$0.0433

Attachment B

6.5 pg. 21

ATMOS ENERGY CORP., MID-TEX DIVISION
CUSTOMER IMPACT OF PROPOSED RATES COMPARED TO CURRENT RATES
TEST YEAR ENDING DECEMBER 31, 2009
(2010 RRM SETTLEMENT PROPOSAL)

Line No.	Description (a)	Prospective Rate Increase (b)
1	Rate R	
2	Consumption Charge per MCF	
3	Change from Current Rate	\$0.2539
4	Billing Units for Specified Period	78,500,000
5	Total Change in Base Revenue	\$19,934,212
6	Associated Revenue Taxes	<u>\$1,490,401</u>
7	Total Rate Impact	\$21,424,613
8	Number of Bills for Specified Period	17,287,740
9	Average Impact per Bill	\$1.24
10	Rate C	
11	Consumption Charge per MCF	
12	Change from Current Rate	\$0.0919
13	Billing Units for Specified Period	49,500,000
14	Total Change in Base Revenue	\$4,547,060
15	Associated Revenue Taxes	<u>\$339,966</u>
16	Total Rate Impact	\$4,887,026
17	Number of Bills for Specified Period	1,445,436
18	Average Impact per Bill	\$3.38
19	Rates I&T - Customer Charge	
20	Customer Charge	
21	Change from Current Rate	\$25.00
22	Billing Units for Specified Period	10,985
23	Total Change in Base Revenue	\$274,625
24	Associated Revenue Taxes	<u>\$20,533</u>
25	Total Rate Impact	\$295,157.61
26	Rates I&T - 1st block	
27	Consumption Charge per MCF	
28	Change from Current Rate	\$0.0167
29	Billing Units for Specified Period	10,597,655
30	Total Change in Base Revenue	\$177,031
31	Associated Revenue Taxes	<u>\$13,236</u>
32	Total Rate Impact	\$190,266
33	Rates I&T - 2nd block	
34	Consumption Charge per MCF	
35	Change from Current Rate	\$0.0131
36	Billing Units for Specified Period	10,791,216
37	Total Change in Base Revenue	\$141,297
38	Associated Revenue Taxes	<u>\$10,564</u>
39	Total Rate Impact	\$151,862
40	Rates I&T - 3rd block	
41	Consumption Charge per MCF	
42	Change from Current Rate	\$0.0029
43	Billing Units for Specified Period	16,585,623
44	Total Change in Base Revenue	\$47,655
45	Associated Revenue Taxes	<u>\$3,563</u>
46	Total Rate Impact	\$51,218
47	Rates I&T - Total	
48	Total Rate Impact	\$688,504
49	Number of Bills for Specified Period	10,985
50	Average Impact per Bill	\$62.68
51		
52	Total Change in Base Revenue	\$25,121,880
53	Total Rate Impact (Inc. Rev. Taxes)	\$27,000,142

6. 5pg. 22

**ATMOS ENERGY CORP., MID-TEX DIVISION
AVERAGE BILL COMPARISON- OCTOBER 1, 2010
TEST YEAR ENDING DECEMBER 31, 2009**

Line						OCTOBER 1, 2010		
						CURRENT	PROPOSED	CHANGE
1	Rate R @ 4.5 Mcf							
2	Customer charge				\$ 7.00			
3	Consumption charge	4.5	MCF	X	\$2.2707 =	10.31		
4	Rider GCR Part A	4.5	MCF	X	\$4.6303 =	21.03		
5	Rider GCR Part B	4.5	MCF	X	\$0.6611 =	3.00		
6								
7	Subtotal				\$ 41.34			
8	Rider FF & Rider TAX	\$41.34		X	0.07477 =	3.09		
9	Total				\$44.43			
10								
11	Customer charge					\$7.00		
12	Consumption charge	4.5	MCF	X	\$2.5246 =	11.46		
13	Rider GCR Part A	4.5	MCF	X	\$4.6303 =	21.03		
14	Rider GCR Part B	4.5	MCF	X	\$0.6611 =	3.00		
15								
16	Subtotal					\$42.49		
17	Revenue-related Tax Reimbursement	\$42.49		X	0.07477 =	3.18		
18	Total					\$45.67		\$1.24
19								2.79%
20								
21	Rate C @ 34.2 Mcf							
22	Customer charge				\$13.50			
23	Consumption charge	34.2	MCF	X	\$0.9877 =	33.82		
24	Rider GCR Part A	34.2	MCF	X	\$4.6303 =	158.57		
25	Rider GCR Part B	34.2	MCF	X	\$0.5542 =	18.98		
26								
27								
28	Subtotal				\$224.87			
29	Revenue-related Tax Reimbursement	\$224.87		X	0.07477 =	16.81		
30	Total				\$241.69			
31								
32	Customer charge					\$13.50		
33	Consumption charge	34.2	MCF	X	\$1.0796 =	36.97		
34	Rider GCR Part A	34.2	MCF	X	\$4.6303 =	158.57		
35	Rider GCR Part B	34.2	MCF	X	\$0.5542 =	18.98		
36								
37	Subtotal					\$228.02		
38	Revenue-related Tax Reimbursement	\$228.02		X	0.07477 =	17.05		
39	Total					\$245.07		\$3.38
40								1.40%
41	Rate I @ 3457 MMBTU							
42	Customer charge				\$425.00			
43	Consumption charge	1,500	MMBTU	X	\$0.2583 =	387.45		
44	Consumption charge	1,957	MMBTU	X	\$0.1884 =	368.69		
45	Consumption charge	0	MMBTU	X	\$0.0404 =	0.00		
46	Rider GCR Part A	3,457	MMBTU	X	\$4.6303 =	16,006.67		
47	Rider GCR Part B	3,457	MMBTU	X	\$0.3062 =	1,058.42		
48								
49	Subtotal				\$18,246.23			
50	Revenue-related Tax Reimbursement	\$18,246.23		X	0.07477 =	1,364.20		
51	Total				\$19,610.43			
52								
53	Customer charge					\$450.00		
54	Consumption charge	1,500	MMBTU	X	\$0.2750 =	412.51		
55	Consumption charge	1,957	MMBTU	X	\$0.2015 =	394.31		
56	Consumption charge	0	MMBTU	X	\$0.0433 =	0.00		
57	Rider GCR Part A	3,457	MMBTU	X	\$4.6303 =	16,006.67		
58	Rider GCR Part B	3,457	MMBTU	X	\$0.3062 =	1,058.42		
59	Subtotal					\$18,321.91		
60	Revenue-related Tax Reimbursement	\$18,321.91		X	0.07477 =	1,369.86		
61	Total					\$19,691.77		\$81.34
62								0.41%
63	Rate T @ 3480 MMBTU							
64	Customer charge				\$425.00			
65	Consumption charge	1,500	MMBTU	X	\$0.2583 =	387.45		
66	Consumption charge	1,957	MMBTU	X	\$0.1884 =	368.69		
67	Consumption charge	0	MMBTU	X	\$0.0404 =	0.00		
68	Rider GCR Part B	3,457	MMBTU	X	\$0.3062 =	1,058.42		
69								
70	Subtotal				\$2,239.56			
71	Revenue-related Tax Reimbursement	\$2,239.56		X	0.07477 =	167.44		
72	Total				\$2,407.00			
73								
74	Customer charge					\$450.00		\$25.00
75	Consumption charge	1,500	MMBTU	X	\$0.2750 =	412.51		\$25.06
76	Consumption charge	1,957	MMBTU	X	\$0.2015 =	394.31		\$25.62
77	Consumption charge	0	MMBTU	X	\$0.0433 =	0.00		
78	Rider GCR Part B	3,457	MMBTU	X	\$0.3062 =	1,058.42		
79	Subtotal					\$2,315.24		
80	Revenue-related Tax Reimbursement	\$2,315.24		X	0.07477 =	173.10		
81	Total					\$2,488.34		\$81.34
								3.38%

6.5 pg. 23

**ATMOS ENERGY CORP., MID-TEX DIVISION
 CUSTOMER IMPACT OF PROPOSED RATES COMPARED TO CURRENT RATES
 (STEEL SERVICE REPLACEMENT PROGRAM)**

Line No.	Description (a)	Prospective Rate Increase (b)
1	Rate R	
2	Monthly Customer Charge	
3	Change from Current Rate	\$0.15
4	Billing Units for Specified Period	17,287,740
5	Total Change in Base Revenue	\$2,593,161
6	Associated Revenue Taxes	<u>\$193,880</u>
7	Total Rate Impact	\$2,787,041
8	Number of Bills for Specified Period	17,287,740
9	Average Impact per Bill	\$0.16
10	Rate C	
11	Monthly Customer Charge	
12	Change from Current Rate	\$0.41
13	Billing Units for Specified Period	1,445,436
14	Total Change in Base Revenue	\$592,629
15	Associated Revenue Taxes	<u>\$44,308</u>
16	Total Rate Impact	\$636,937
17	Number of Bills for Specified Period	1,445,436
18	Average Impact per Bill	\$0.44
19		
20	Total Change in Base Revenue	\$3,185,790
21	Total Rate Impact (Inc. Rev. Taxes)	\$3,423,979

Exhibit B

6.5 pg. 24

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

WHEREAS, this 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, Bedford, Bellmead, Benbrook, Beverly Hills, Blossom, Blue Ridge, Bowie, Boyd, Bridgeport, Brownwood, Buffalo, Burkburnett, Burleson, Caddo Mills, Carrollton, Cedar Hill, Celeste, Celina, Cisco, Cleburne, Clyde, College Station, Colleyville, Colorado City, Comanche, Coolidge, Coppell, 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, Haltom City, Harker Heights, Haskell, Hewitt, Highland Park, Highland Village, Honey Grove, Hurst, Iowa Park, Irving, Justin, Kaufman, Keene, Keller, Kemp, Kennedale, Kerrville, Killeen, Krum, Lakeside, Lake Worth, Lancaster, Lewisville, Lincoln Park, Little Elm, Lorena, Malakoff, Mansfield, McKinney, Melissa, Mesquite, Midlothian, Murphy, Nocona, North Richland Hills, Northlake, Oakleaf, Ovilla, Palestine, Pantego, Paris, Parker, Pecan Hill, Plano, Ponder, Pottsboro, Prosper, Quitman, Red Oak, Reno (Parker County), Richardson, Richland, Richland Hills, Roanoke, Robinson, Rockwall, Roscoe, Rowlett, Sachse, Saginaw, Seagoville, Sherman, Snyder, Southlake, Springtown, Stamford, Stephenville, Sulphur Springs, Sweetwater, Temple, Terrell, The Colony, Tyler, University Park, Venus, Vernon, Waco, Watauga, Waxahachie, Westlake, Whitesboro, White Settlement, Wichita Falls, Woodway, and Wylie.

WHEREAS, on March 15, 2010, Atmos filed with the ACSC Cities an application, hereafter referred to as the 2010 RRM filing, to adjust rates pursuant to Rider RRM - Rate Review Mechanism; and

WHEREAS, ACSC has hired experts and lawyers to analyze the rates proposed by Atmos Energy Corp.'s, Mid-Tex Division ("Atmos" or "Company") in its 2010 RRM filing; and

WHEREAS, the Settlement Agreement resolves all issues between Atmos and ACSC ("the Signatories") regarding the 2010 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 2010 RRM filing can best be accomplished by each ACSC City approving this Settlement Agreement and the rates, terms and conditions reflected in the tariffs attached to this Settlement Agreement as Exhibit A;

NOW, THEREFORE, in consideration of the mutual agreements and covenants established herein, the Signatories, through their undersigned representatives, agree to the following Settlement Terms as a means of fully resolving all issues between the ACSC Cities and Atmos involving the 2010 RRM filing:

Attachment C

L.5 pg. 25

Settlement Terms

1. Upon the execution of this Settlement Agreement, Atmos and the counsel for the ACSC cities will recommend that an ordinance or resolution be adopted to approve this Settlement Agreement and implement the rates, terms and conditions reflected in the tariffs attached to this Settlement Agreement as Exhibit A. (Attachment A to the Ordinance ratifying this Agreement). Said tariffs should allow Atmos an additional, prospective \$27 million in annual revenue 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 this Settlement Agreement shall be effective for bills rendered on or after October 1, 2010.
2. In an effort to streamline the regulatory review process, Atmos and ACSC have agreed to renew the Rate Review Mechanism ("Rider RRM") for a period commencing with the Company's April 1, 2011 filing under this mechanism for the calendar year 2010, effective August 15, 2011, and concluding upon the implementation of new, final rates established pursuant to the general rate case that Atmos will file on or before June 1, 2013. Rider RRM provides for an annual rate adjustment to reflect changes in billing determinants, operating and maintenance expense, depreciation expense, other taxes expense, and revenues as well as changes in capital investment and associated changes in gross revenue related taxes. The revised RRM tariff is included in Exhibit A.
3. Notwithstanding the RRM rate adjustments that will occur pursuant to paragraph 2 of this Settlement Agreement, Atmos and ACSC agree that on or before June 1, 2013, Atmos shall file a general, system-wide rate case for the Mid-Tex Division. During the pendency of the general rate case, Atmos and ACSC agree that rate adjustments associated with the RRM filing for calendar year 2011 shall be implemented on August 15, 2012, and shall remain in effect until the earlier of either the issuance of a final order by the Railroad Commission of Texas in the general rate case to be filed on or before June 1, 2013, or the entry of an agreed upon order resolving all issues involved in the general rate case. The adjustments made or requested in the 5th year RRM shall not be considered precedent during the general rate case.
4. Atmos and ACSC further agree that for the period commencing March 1, 2010 through September 30, 2012, Atmos will expand its existing steel service line replacement program to complete the replacement of 100,000 steel service lines within its Mid-Tex Division during this period. Atmos and ACSC agree that a risk-based approach should be adopted to allow replacement of the highest priority steel service lines within this time period. Atmos agrees to provide the ACSC cities with quarterly reports providing the number and location of the lines replaced during the quarter. Atmos agrees to coordinate with ACSC member cities to minimize disruption to cities' rights of way without compromising the safety of residents of the cities.
5. Atmos and ACSC agree that costs incurred to replace steel service lines prior to October 1, 2010 shall be included in the RRM rate adjustment calculation for the 2010 calendar year, and shall not be subject to or included in the rate cap limitations set forth in subsection IV (a)-(b) of the Rider RRM tariff.

6.5 pg. 26

6. Atmos and ACSC agree that the projected incremental direct costs incurred to replace steel service lines on or after October 1, 2010 shall be separately identified and shall not be subject to or included in the rate cap limitations set forth in subsection IV (a)-(b) of the Rider RRM tariff. Atmos and ACSC further agree that such projected direct incremental costs incurred to replace steel service lines after October 1, 2010, shall be separately calculated and recovered as a discrete component of customer charges in the Company's annual RRM filings as set forth below:
 - a. Atmos and ACSC agree that Atmos shall be entitled to separately adjust rates for the Rate Effective Period as defined in the Rider RRM tariff to allow recovery of the projected annual revenue requirement associated with direct incremental costs to be incurred in connection with a steel service line replacement program, that are not otherwise included within the RRM cost of service, including a return on equity of 9.0% within the overall weighted cost of capital applied to net investment (net plant additions, less accumulated depreciation and accumulated deferred income taxes), depreciation expense and applicable taxes;
 - b. Atmos and ACSC further agree that the capital structure used to calculate the steel service line replacement rate adjustment will be the actual Evaluation Period (as defined in the Rider RRM tariff) ratio of long-term debt and equity, with an equity percentage not to exceed 50%;
 - c. Rate recovery associated with a steel service line replacement program shall occur through an adjustment to the Residential and Commercial customer charges. Current year recovery factors as of October 1, 2010 shall be \$0.15 for residential customers and \$0.41 for commercial customers. The rates will be adjusted annually, however, Atmos and ACSC agree that in no case will the per customer monthly cost recovery factors attributable to a steel service line replacement program exceed \$0.44 for residential customers or \$1.22 for commercial customers, either prior to or during the pendency of the general rate case Atmos will file on or before June 1, 2013.
 - d. Atmos and ACSC further agree that any per customer amount attributable to cost recovery for a steel service line replacement program shall be subject to review by the regulatory authority in a subsequent Evaluation Period as defined in the Rider RRM tariff and all incremental costs associated with a steel service line replacement program shall be subject to a prudence/reasonableness review in the general rate case to be filed by Atmos on or before June 1, 2013.
7. With respect to the Company's annual RRM filings, Atmos agrees to pay all reasonable and necessary expenses of each entity having original jurisdiction that are incurred to review the Company's annual RRM filings. Atmos further agrees that in calculating the proposed rate for any Rate Effective Period, the Company shall not include: (1) any external legal, expert, or consultant costs to prepare and/or provide supportive information related to its filing; or (2) reimbursements to original jurisdiction entities.
8. Notwithstanding paragraph 7 of this Settlement Agreement, Atmos and ACSC agree that in the event of an appeal of an original jurisdiction entity's decision regarding a proposed RRM adjustment, recovery of rate case expenses shall be determined

according to Chapters 103 and 104, TEX. UTIL. CODE ANN. Further, in the event of such appeal(s), Atmos shall recover any reimbursement made to the original jurisdiction entity through a surcharge to all customer rates that are subject to the Commission's jurisdiction in that proceeding or proceedings that might be joined therewith, regardless of whether such reimbursements are made during the initial review period or appeal period.

9. The ACSC Cities agree that they will not challenge the legal basis of the rates, terms, and conditions reflected in Exhibit A, or any annual RRM adjustment that is implemented pursuant to Rider RRM.
10. 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 TEX. UTIL. CODE ANN. § 104.301 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, pursuant to the provisions of the Texas Utilities Code, have exclusive appellate jurisdiction 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.
11. Atmos and ACSC further agree that the ordinance or resolution adopting this Settlement Agreement shall include a provision authorizing Atmos to establish regulatory asset account(s) for costs related to working gas in storage. Atmos and ACSC further agree that the language authorizing these regulatory asset account(s) shall be the same as that set forth in the 4th Ordering Paragraph (Page 10 of 11) of the Final Order Nunc Pro Tunc issued by Railroad Commission of Texas in GUD No. 9869 on February 23, 2010. This language states as follows:

IT IS FURTHER ORDERED that Atmos shall be allowed to establish a regulatory asset for the ad valorem taxes related to working gas in storage. In addition, Atmos shall be allowed to establish a regulatory asset for (1) the costs associated with Accumulated Deferred Income Tax for UNICAP Section 263A, (2) the WACOG to FIFO change, and (3) an amount equal to the rate of return approved in this RRM Proceeding for the Accumulated Deferred Income Tax items related to working gas in storage. Atmos shall record these amounts in Other Regulatory Assets (Account 182.3). These deferred items shall be considered, along with the

4.5 pg. 28

investment in working gas, for consideration and possible inclusion in rates for Atmos Pipeline-Texas in that entity's next filed rate case. If the Commission determines that such deferred items are not properly included in the rates of Atmos Pipeline – Texas, the items shall be further deferred until the next Atmos Mid-Tex rate case filed after the final decision in the Atmos Pipeline-Texas rate case for inclusion with the working gas investment in the Atmos Mid-Tex rates.

12. Atmos and ACSC agree that each ACSC city should 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 this Settlement Agreement as Exhibit A, as well as the regulatory asset authorization language discussed in paragraph 12 of this Settlement Agreement.
13. 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.
14. 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' 2010 RRM filing.
15. 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.
16. 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.
17. The Signatories agree that this Settlement Agreement may be executed in multiple counterparts and may be filed with facsimile signatures.

Agreed to this ___ day of August, 2010.

ATMOS ENERGY CORP., MID-TEX DIVISION

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

4.5 pg. 30

Agreed to this _____ day of August 2010.

ATTORNEY FOR ATMOS TEXAS MUNICIPALITIES, WHOSE MEMBERS INCLUDE THE CITIES OF ABILENE, ADDISON, ALLEN, ALVARADO, ANGUS, ANNA, ARGYLE, ARLINGTON, BEDFORD, BELLMEAD, BENBROOK, BEVERLY HILLS, BLOSSOM, BLUE RIDGE, BOWIE, BOYD, BRIDGEPORT, BROWNWOOD, BUFFALO, BURKBURNETT, BURLESON, CADDO MILLS, CARROLLTON, CEDAR HILL, CELESTE, CELINA, CISCO, CLEBURNE, CLYDE, COLLEGE STATION, COLLEYVILLE, COLORADO CITY, COMANCHE, COOLIDGE, COPPELL, 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, HALTOM CITY, HARKER HEIGHTS, HASKELL, HEWITT, HIGHLAND PARK, HIGHLAND VILLAGE, HONEY GROVE, HURST, IOWA PARK, IRVING, JUSTIN, KAUFMAN, KEENE, KELLER, KEMP, KENNEDALE, KERRVILLE, KILLEEN, KRUM, LAKESIDE, LAKE WORTH, LANCASTER, LEWISVILLE, LINCOLN PARK, LITTLE ELM, LORENA, MALAKOFF, MANSFIELD, MCKINNEY, MELISSA, MESQUITE, MIDLOTHIAN, MURPHY, NOCONA, NORTH RICHLAND HILLS, NORTHLAKE, OAKLEAF, OVILLA, PALESTINE, PANTEGO, PARIS, PARKER, PECAN HILL, PLANO, PONDER, POTTSBORO, PROSPER, QUITMAN, RED OAK, RENO (PARKER COUNTY), RICHARDSON, RICHLAND, RICHLAND HILLS, ROANOKE, ROBINSON, ROCKWALL, ROSCOE, ROWLETT, SACHSE, SAGINAW, SEAGOVILLE, SHERMAN, SNYDER, SOUTHLAKE, SPRINGTOWN, STAMFORD, STEPHENVILLE, SULPHUR SPRINGS, SWEETWATER, TEMPLE, TERRELL, THE COLONY, TYLER, UNIVERSITY PARK, VENUS, VERNON, WACO, WATAUGA, WAXAHACHIE, WESTLAKE, WHITESBORO, WHITE SETTLEMENT, WICHITA FALLS, WOODWAY, AND WYLIE

By: _____
Geoffrey Gay*

* Subject to approval by ACSC City Councils

4.5 pg. 31

City Council
Agenda Memo



City Council
Meeting Date: 09/09/2010

TO: Larry D. Gilley, City Manager
FROM: Megan R. Santee, Interim Director of Public Works *MRS*
SUBJECT: Award of Bid #CB-1033 – S 14th Street resurfacing (S Danville to S Pioneer Dr.),
CSJ #0908-33-090 – Taylor County Project #STP 2011 (340) ES

GENERAL INFORMATION

This contract involves the resurfacing of S 14th Street from S Danville Drive to S Pioneer Drive.

FUNDING/FISCAL IMPACT

The construction costs of this project are to be reimbursed to the City through the American Reinvestment and Recovery Act of 2009 (aka the Federal Government's "Economic Stimulus" package), as per the signed Advance Funding Agreement with the Texas Department of Transportation.

The City will be responsible for materials testing and construction cost overruns on the project. Funds are available to pay for these costs from unobligated balances from previously sold Certificates of Obligation and General Obligation bonds.

STAFF RECOMMENDATION

Staff recommends that Council award Bid #CB-1033 to Stephens Martin Paving, LP, Abilene, Texas in the amount of \$116,510.54.

ATTACHMENTS

Bid Tabulation Sheet

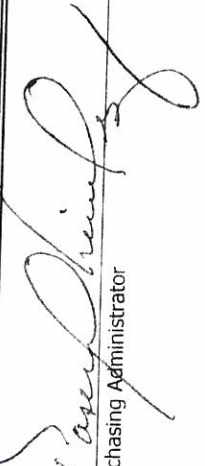
Prepared by: Name <u>Megan Santee</u> Title: <u>Interim Director of PW</u>	Item No. <u>6.6</u>	Disposition by City Council <input type="checkbox"/> Approved Ord/Res# _____ <input type="checkbox"/> Denied <input type="checkbox"/> Other _____ City Secretary
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6.6 pg. 2

CITY OF ABILENE PURCHASING DIVISION TABULATION OF BIDS

DEPARTMENT: ENGINEERING BID NO.: CB-1033 TIME OF OPENING: 11:00 A.M. DATE OF OPENING: AUGUST 18, 2010		J.H. STRAIN & SONS, INC. TYE, TX		CONTRACT PAVING CO. TYE, TX		STEPHENS MARTIN PAVING, LP ABILENE, TX				
ITEM	DESCRIPTION	QTY	UNIT PRICE	EXTENSION	UNIT PRICE	EXTENSION	UNIT PRICE	EXTENSION	UNIT PRICE	EXTENSION
1.	S. 14 TH STREET RESURFACING TAYLOR COUNTY CSJ # 0908-33-090 PROJECT # STP 2011(340) ES			125,671.82		118,653.08		*116,510.54		
	BASE BID			125,671.82		118,653.08		*116,510.54		
	DISCOUNT									
	TOTAL BID			125,671.82		118,653.08		*116,510.54		

*NOTES: INDICATES RECOMMENDED AWARD


 Purchasing Administrator