



**Mayor**  
Ben White  
**Mayor Pro Tem**  
Ron Gay  
**City Manager**  
Glenn Brown

**Councilmembers**  
John Crompton  
James Massey  
Lynn McIlhaney  
Chris Scotti  
David Ruesink

**Amended Agenda  
College Station City Council  
Regular Meeting  
Thursday, January 24, 2008 at 7:00 PM  
City Hall Council Chamber, 1101 Texas Avenue  
College Station, Texas**

1. Pledge of Allegiance, Invocation

Hear Visitors: A citizen may address the City Council on any item which does not appear on the posted Agenda. Registration forms are available in the lobby and at the desk of the City Secretary. This form should be completed and delivered to the City Secretary by 12:45 p.m. Please limit remarks to three minutes. A timer alarm will sound after 2 1/2 minutes to signal thirty seconds remaining to conclude your remarks. The City Council will receive the information, ask staff to look into the matter, or place the issue on a future agenda. Topics of operational concerns shall be directed to the City Manager.

ON BEHALF OF THE CITIZENS OF COLLEGE STATION, HOME OF TEXAS A&M UNIVERSITY, WE WILL CONTINUE TO PROMOTE AND ADVANCE THE COMMUNITY'S QUALITY OF LIFE.

**Consent Agenda**

Individuals who wish to address the City Council on a consent or regular agenda item not posted as a public hearing shall register with the City Secretary prior to the Mayor's reading of the agenda item. Registration forms are available in the lobby and at the desk of the City Secretary. The Mayor will recognize individuals who wish to come forward to speak for or against the item. The speaker will state their name and address for the record and allowed three minutes. A timer will sound at 2 1/2 minutes to signal thirty seconds remaining for remarks.

2. Presentation, possible action and discussion of consent agenda items which consists of ministerial or "housekeeping" items required by law. Items may be removed from the consent agenda by majority vote of the Council.

a. Presentation, possible action and discussion of minutes for City Council Regular Meeting December 13, 2007, special meeting December 20, 2007 and regular meeting January 10, 2008.

b. Presentation, possible action, and discussion regarding a renewal for an Agreement for Services with the Brazos Valley Softball Umpires Association to provide officiating services for City athletic leagues and programs (contract number 07-102) in an amount not to exceed \$122,770.00.

- c. Presentation, possible action and discussion on approving annual tire purchases from the State of Texas (TXMAS) Tire Contract in the amount of \$108,000.00 through Pilgers Tire & Auto in College Station.
- d. Presentation, possible action and discussion on annual price agreement renewal for purchase of various automotive and truck parts. This is the first of two renewal options. Bid #07-23.
- e. Presentation, discussion and possible action on approving the purchase of concrete meter boxes with Sims Plastics of Waco to be maintained in inventory, Bid No. 08-20, for an annual expenditure of \$88,191.75. Annual agreement to begin January 28, 2008 and expire January 27, 2008.
- f. Presentation, possible action and discussion to approve an annual purchase order for disposal of heavy brush at the City of Bryan Composting Facility in the amount of \$56,681.66. This item is exempt from competitive bidding as described in Texas Local Government Code, Chapter 252.022; and other expenditures for interlocal contracts or fees mandated by state law that are greater than \$50,000.
- g. Presentation, possible action and discussion regarding renewal of an annual price agreement with Cleveland Asphalt Products in an amount not to exceed \$212,800 to provide emulsified asphalt for the maintenance of streets.
- h. Presentation, possible action, and discussion to award Contract 08-099 to HDR Engineers, Inc. in the amount of \$203,300 to update the water and wastewater system master plans.
- i. Presentation, discussion and possible action on a funding agreement between the City of College Station and the Northgate District Association for FY08 in the amount of \$25,000; and presentation, discussion and possible action on approving the budget of the Northgate District Association.
- j. Presentation, possible action and discussion regarding Texas Commission on Environmental Quality (TCEQ) General Permit to Discharge Under the Texas Pollutant Discharge Elimination System (TPDES) No. TXR040000.
- k. Presentation, possible action and discussion regarding the approval of a resolution for a contract amendment to the contract for consulting services (Contract #08-041) with Kendig Keast Collaborative for the preparation of Phase II of a new Comprehensive Plan.
- l. Presentation, possible action, and discussion approving a Resolution Determining Need that identifies three tracts of land needed for the Raintree Greenways Project.
- m. Presentation, possible action and discussion regarding the approval of a resolution accepting the terms and conditions in the Letter of Acknowledgement from the Heart of Texas Regional Advisory Council and accept the Office of Assistant Secretary of Preparedness and Response (OASPR) Grant in the amount of \$56,600.00.
- n. Presentation, possible action, and discussion on a resolution authorizing the Mayor to sign an Interlocal Agreement to participate in the funding for a modeler position at the Bryan-College Station Metropolitan Planning Organization (BCSMPO). Annual cost to the City of College Station is \$15,000.

- o. Presentation, possible action, and discussion regarding a resolution adopting Green College Station Policy.
- p. Presentation, possible action and discussion of a job description defining the responsibilities of members of the CIP Citizen Advisory Committee.
- q. Presentation, possible action, and discussion regarding a resolution supporting a coalition of counties, cities and other partners for the purpose of proposing a preferred Interstate 69 alignment for TxDOT's consideration.

### **Regular Agenda**

Individuals who wish to address the City Council **on a regular agenda item not posted as a public hearing** shall register with the City Secretary prior to the Mayor's reading of the agenda item. The Mayor will recognize you to come forward to speak for or against the item. The speaker will state their name and address for the record and allowed three minutes. A timer will sound at 2 1/2 minutes to signal thirty seconds remaining for remarks.

Individuals who wish to address the City Council on an item **posted as a public hearing** shall register with the City Secretary prior to the Mayor's announcement to open the public hearing. The Mayor will recognize individuals who wish to come forward to speak for or against the item. The speaker will state their name and address for the record and allowed three minutes. A timer alarm will sound at 2 1/2 minutes to signal thirty seconds remaining to conclude remarks. After a public hearing is closed, there shall be no additional public comments. If Council needs additional information from the general public, some limited comments may be allowed at the discretion of the Mayor.

If an individual does not wish to address the City Council, but still wishes to be recorded in the official minutes as being in support or opposition to an agenda item, the individual may complete the registration form provided in the lobby by providing the name, address, and comments about a city related subject. These comments will be referred to the City Council and City Manager.

1. Presentation, possible action, and discussion regarding a recommendation to rename Central Park in College Station, to "Stephen C. Beachy Central Park".
2. Public hearing, presentation, possible action, and discussion regarding the service plan for six areas identified for annexation under the exempt status.
3. Public hearing, presentation, possible action, and discussion on a Rezoning from R-1 Single-Family Residential to PDD Planned Development District and A-O Agricultural-Open for 3.67 acres located at 124 Morgans Lane, generally located at Morgans Lane and the future Dartmouth Street extension.
4. Presentation, public Hearing, possible action, and discussion on consideration of an ordinance amending Chapter 10, "Traffic Code," to restrict parking on the west side of Holik Street between Anna Street and Park Place.
5. Presentation, public hearing, discussion, and possible action on consideration of an ordinance amending Chapter 10, "Traffic Code," to restrict parking on the north side of Redmond Drive between

Lenert Circle and Rosemary Lane and on the west side of Rosemary Lane between Redmond Drive and Milliff Road.

6. Presentation, public hearing, possible action, and discussion on consideration of an ordinance amending Chapter 10, "Traffic Code," to restrict parking on the north side of University Oaks Boulevard beginning 505 feet east of George Bush Drive East and extending 560 feet east.
7. Public Hearing, possible action, and discussion on an ordinance Budget Amendment #1 amending ordinance number 2999 which will amend the budget for the 2007-2008 Fiscal Year and authorizing amended expenditures in the amount of \$1,059,823.
8. Presentation, public hearing, discussion and possible action, regarding an Oil and Gas Operations Permit for the Smith-Mohawk Unit, Well #1 Re-Entry as requested by the operator, Ogden Resources, Ltd. of Bryan, Texas.
9. Presentation, public hearing, possible action, and discussion regarding an ordinance approving the Settlement Agreement between ACSC and Atmos regarding the Company's Statement of Intent to increase rates and to approve tariffs that implement the terms of the Settlement Agreement.
10. Presentation, possible action and discussion regarding approval of an annual contract with either Knife River or Brazos Valley Services for Item 1 - the Installation of Hot Mix Asphalt Concrete and Item 2 - MC-30/AEP Emulsified Asphalt after a tie-breaker has been administered to determine the award of the bid. The cost for the total of Item 1 and Item 2 is not to exceed \$632,250.00. The approval of a contract with Brazos Valley Services for Item 3 – the purchase of RC-2 Winter Patch Asphalt is recommended at a cost not to exceed \$7,500.00.
11. Presentation, possible action, and discussion regarding a nomination to the Board of Managers of the Brazos County Emergency Communications District.
12. Presentation, possible action, and discussion on the acceptance of a tax freeze petition certified by the City Secretary.
13. Presentation, possible action, and discussion on the charter amendment petition certified by the City Secretary.
14. Adjourn.

If litigation issues arise to the posted subject matter of this Council Meeting an executive session will be held.

APPROVED:

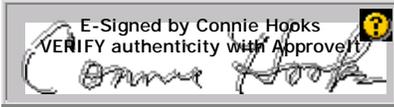
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City Manager

Notice is hereby given that a Regular Meeting of the City Council of the City of College Station, Texas will be held on the Thursday, January 24, 2008 at 7:00 PM at the City Hall Council Chambers, 1101 Texas Avenue, College Station, Texas. The following subjects will be discussed, to wit: See Agenda.

Posted this 21<sup>st</sup> day of January, 2008 at 2:45 pm.



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

I, the undersigned, do hereby certify that the above Notice of Meeting of the Governing Body of the City of College Station, Texas, is a true and correct copy of said Notice and that I posted a true and correct copy of said notice on the bulletin board at City Hall, 1101 Texas Avenue, in College Station, Texas, and the City's website, [www.cstx.gov](http://www.cstx.gov). The Agenda and Notice are readily accessible to the general public at all times. Said Notice and Agenda were posted on January 21, 2008 at 2:45 pm and remained so posted continuously for at least 72 hours proceeding the scheduled time of said meeting.

This public notice was removed from the official posting board at the College Station City Hall on the following date and time: \_\_\_\_\_ by \_\_\_\_\_.

Dated this \_\_\_\_ day of \_\_\_\_\_, 2008.  
By \_\_\_\_\_

Subscribed and sworn to before me on this the \_\_\_\_ day of \_\_\_\_\_, 2008.

\_\_\_\_\_  
Notary Public – Brazos County, Texas      My commission expires: \_\_\_\_\_

The building is wheelchair accessible. Handicap parking spaces are available. Any request for sign interpretive service must be made 48 hours before the meeting. To make arrangements call (979) 764-3517 or (TDD) 1-800-735-2989. Agendas may be viewed on [www.cstx.gov](http://www.cstx.gov). Council meetings are broadcast live on Cable Access Channel 19.

**January 24, 2008**  
**Consent Agenda Item 2b**  
**Agreement with the Brazos Valley Softball Umpires Association**  
**for Officiating Services for Athletic Leagues and Programs.**

**To:** Glenn Brown, City Manager

**From:** Warren Struss, Interim Director of Parks and Recreation

**Agenda Caption:** Presentation, possible action, and discussion regarding a renewal of an Agreement for Services with the Brazos Valley Softball Umpires Association to provide officiating services for City athletic leagues and programs (contract number 07-102) in an amount not to exceed \$122,770.00

**Recommendation(s):** Staff recommends Approval of the renewal with the Brazos Valley Softball Umpires Association

**Summary:** This is a renewal of contract 07-102 originally approved by council on January 25, 2007. The contract is for all officiating services for all City operated athletic leagues and programs, including Adult and Youth Softball, Adult and Youth Flag Football, Adult and Youth Volleyball and Youth Basketball.

This renewal will expire on December 31, 2008.

This agreement is exempt from competitive bidding in accordance with LGC 252.022(a)(7), a procurement that is available from only one source.

**Budget & Financial Summary:** Funds are budgeted and available in the City general fund budget of the Parks & Recreation Department. These costs are partially offset by registration fees adopted by the City Council on December 4, 2007 (Item 7). The affected programs all meet the current Fiscal Policy for cost recovery. The contract is for a total amount not to exceed \$122,770.00 for all leagues and programs.

**Attachments:**

- 1) Renewal for Contract # 07-102
- 2) Insurance for Brazos Valley Umpires Association

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**RENEWAL ACCEPTANCE**

By signing herewith, I acknowledge and agree to renew contract #07-102, for \$122,770.00 in accordance with all terms and conditions previously agreed to and accepted.

I understand this renewal term will be for the period beginning January 1, 2008 through December 31, 2008

**Brazos Valley Softball Umpires Association**

  
\_\_\_\_\_  
AUTHORIZED REPRESENTATIVE

1/7/08  
\_\_\_\_\_  
DATE

**CITY OF COLLEGE STATION**

\_\_\_\_\_  
Mayor

\_\_\_\_\_  
DATE

**ATTEST:**

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

\_\_\_\_\_  
DATE

**APPROVED:**

\_\_\_\_\_  
City Manager

\_\_\_\_\_  
DATE

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

\_\_\_\_\_  
DATE

\_\_\_\_\_  
Chief Financial Officer

\_\_\_\_\_  
DATE

**STATE OF TEXAS**

**CORPORATE ACKNOWLEDGMENT**

**COUNTY OF \_\_\_\_\_**

This instrument was acknowledged on the \_\_\_\_\_ day of \_\_\_\_\_, 200 ,  
by \_\_\_\_\_ in his/her capacity as \_\_\_\_\_ of  
\_\_\_\_\_, a TEXAS Corporation, on behalf of said corporation.

\_\_\_\_\_  
Notary Public in and for the  
State of Texas

**STATE OF TEXAS**

**ACKNOWLEDGMENT**

**COUNTY OF BRAZOS**

This instrument was acknowledged on the \_\_\_\_\_ day of \_\_\_\_\_, 200 ,  
by \_\_\_\_\_, in his capacity as Mayor of the City of College Station, a Texas  
home-rule municipality, on behalf of said municipality.

\_\_\_\_\_  
Notary Public in and for the  
State of Texas

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# ACORD CERTIFICATE OF LIABILITY INSURANCE

OP ID M2  
ASAUS-1

DATE (MM/DD/YYYY)  
01/07/08

**PRODUCER**  
Bollinger, Inc.  
101 JFK Parkway  
Short Hills NJ 07078-5000  
Phone: 800-526-1379 Fax: 973-921-2876

**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**  
ASA/USA Softball Association  
Mark Loehrs  
2801 NE 50th Street  
Oklahoma City OK 73111

| INSURERS AFFORDING COVERAGE |                          | NAIC # |
|-----------------------------|--------------------------|--------|
| INSURER A:                  | Markel Insurance Company | 38970  |
| INSURER B:                  |                          |        |
| INSURER C:                  |                          |        |
| 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 | ADDL | INSRD | TYPE OF INSURANCE   | POLICY NUMBER | POLICY EFFECTIVE DATE (MM/DD/YY) | POLICY EXPIRATION DATE (MM/DD/YY) | LIMITS  |
|------|------|-------|---|---------------|----------------------------------|-----------------------------------|---|
| A    |      |       | <b>GENERAL LIABILITY</b><br><input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY<br><input type="checkbox"/> CLAIMS MADE <input checked="" type="checkbox"/> OCCUR<br><input checked="" type="checkbox"/> Incl Participants<br><br>GEN'L AGGREGATE LIMIT APPLIES PER:<br><input type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC | 3602AH230069  | 01/01/08                         | 01/01/09                          | EACH OCCURRENCE \$ 2,000,000<br>DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 300,000<br>MED EXP (Any one person) \$ 10,000<br>PERSONAL & ADV INJURY \$ 1,000,000<br>GENERAL AGGREGATE \$ 5,000,000<br>PRODUCTS - COMP/OP AGG \$ 1,000,000 |
|      |      |       | <b>AUTOMOBILE LIABILITY</b><br><input type="checkbox"/> ANY AUTO<br><input type="checkbox"/> ALL OWNED AUTOS<br><input type="checkbox"/> SCHEDULED AUTOS<br><input type="checkbox"/> HIRED AUTOS<br><input type="checkbox"/> NON-OWNED AUTOS  |               |                                  |                                   | COMBINED SINGLE LIMIT (Ea accident) \$<br>BODILY INJURY (Per person) \$<br>BODILY INJURY (Per accident) \$<br>PROPERTY DAMAGE (Per accident) \$   |
|      |      |       | <b>GARAGE LIABILITY</b><br><input type="checkbox"/> ANY AUTO  |               |                                  |                                   | AUTO ONLY - EA ACCIDENT \$<br>OTHER THAN AUTO ONLY: EA ACC \$<br>AGG \$   |
|      |      |       | <b>EXCESS/UMBRELLA LIABILITY</b><br><input type="checkbox"/> OCCUR <input type="checkbox"/> CLAIMS MADE<br><br><input type="checkbox"/> DEDUCTIBLE<br><input type="checkbox"/> RETENTION \$   |               |                                  |                                   | EACH OCCURRENCE \$<br>AGGREGATE \$<br>\$<br>\$<br>\$  |
|      |      |       | <b>WORKERS COMPENSATION AND EMPLOYERS' LIABILITY</b><br>ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED?<br>If yes, describe under SPECIAL PROVISIONS below  |               |                                  |                                   | <input type="checkbox"/> WC STATUTORY LIMITS <input type="checkbox"/> OTHER<br>E.L. EACH ACCIDENT \$<br>E.L. DISEASE - EA EMPLOYEE \$<br>E.L. DISEASE - POLICY LIMIT \$   |
|      |      |       | <b>OTHER</b>  |               |                                  |                                   |   |

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

Coverage is provided under this policy for umpire associations that are comprised of 100% ASA Registered umpires.

### CERTIFICATE HOLDER

Brazos Valley Softball Umpires Association

BRAZOS

### CANCELLATION

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

**January 24, 2008**  
**Consent Agenda 2c**  
**Annual Price Agreement for Tires**

**To:** Glenn Brown, City Manager

**From:** Jeff Kersten, Chief Financial Officer

**Agenda Caption:** Presentation, possible action and discussion on approving annual tire purchases from the State of Texas (TXMAS) Tire Contract in the amount of \$108,000.00 through Pilgers Tire & Auto in College Station.

**Recommendation(s):** Staff recommends approval of this amount to be purchased from the State of Texas (TXMAS Contract #TXMAS-7-261020-40) Tire Contract through our existing supplier, Pilgers Tire and Auto. The estimated amount of \$108,000.00 is based on last years purchases with Pilgers.

**Summary:** Pilgers Tire & Auto originally quoted State of Texas contract pricing for the Fleet departments tire purchases back in 2006 and since has been the local tire contract supplier for State of Texas contract pricing. The contract #TXMAS-7-261020-40 terms and conditions are good from 1/19/2007 through 12/20/2011. This agreement is for a term of one year and renewable pursuant to the terms and conditions of the State contract.

**Budget & Financial Summary:** Funds are available and budgeted in the Fleet Maintenance fund which is funded by all other departments.

**Attachments:** Summary of TXMAS Contract #7-261020-40

**Effective Date:** This Texas Multiple Award Schedule (TXMAS) contract is effective beginning 1/19/2007 through 12/20/2011 and is automatically renewed on the date that the General Services Administration (GSA) exercises the renewal option. All State of Texas terms and conditions will continue and apply to all renewal periods by mutual agreement. The contractor has certified that the prices reflected in the contractor's catalog are the same as the prices contained in the most current modification to GSA Contract No. GS-30F-0009T.

**Placement of Orders:** Purchasing entities must use both the instructions on the contractor's web page and the terms and conditions in the federal supply schedule to place orders. Purchasing entities may use either a departmental purchase order or the contractor's on-line ordering system to place orders. Purchasing entities may opt out of using the contractor's on-line ordering system if it is incompatible with the entity's purchasing procedures. The contractor is not required to accept orders below the minimum listed below. Orders between the minimum and maximum listed below are subject to GSA preferred customer pricing. For orders above the maximum, purchasing entities are entitled to negotiate for lower prices than those listed on the on-line federal supply schedule price list.

**Order Limitation:**

Minimum Order: 1 TIRE

Maximum Order: N/A

**Approved Products/Services:** Only products or services listed in the TBPC approved GSA contract may be purchased from this TXMAS contract, with one exception. Incidental, off-schedule items may be purchased as "best value, open market" items provided that they are necessary for product integration or product completeness. The purchasing entity is responsible for ensuring that the quoted price for such incidental items is fair and reasonable. These incidental items may be added to the TXMAS purchase order if they are clearly labeled as "open market (OM), best value" items.

**State Contracts:** All Texas Council for Purchasing from People with Disabilities contracts and Texas Correctional Industries (TCI) term contracts take precedence over this TXMAS contract. If similar products or services are listed on this TXMAS contract and a TBPC term contract, a determination should be made that will result in a best value purchase.

**Payment Due Date:** Payment will be due on the thirtieth (30) calendar day after the later of: (a) the date the State actually receives a proper invoice at the office designated in the applicable purchase order to receive it; or (b) the date the State accepts the products or services. The post mark date on the envelope for the State warrant (State's equivalent to a check) or banking information showing when a direct deposit transaction was received will be considered the date payment is made. Interest starts accruing on the first day that payment is late. The rate of interest for late payments is set at one percent per month.

**Special Note:** The State of Texas, including but not limited to its Agencies, cooperative purchasing members and any local governmental entity authorized by law to use the Texas Multiple Award Schedule method for purchasing is not obligated to procure any products or services from this TXMAS contract. This schedule contract shall not be construed to prevent the State from purchasing products or services using other procurement methods as authorized by law.

**Contact Us**

**January 24, 2008**  
**Consent Agenda 2d**  
**Annual Auto and Truck Parts Renewal**

**To:** Glenn Brown, City Manager

**From:** Jeff Kersten, Chief Financial Officer

**Agenda Caption:** Presentation, possible action and discussion on annual price agreement renewal for purchase of various automotive and truck parts. This is the first of two renewal options. Bid #07-23.

**Recommendation(s):** Recommend award renewal to the lowest, responsible bidders meeting specifications (by line item) as follows with annual estimated expenditures totaling \$102,000.00

|                   |                     |
|-------------------|---------------------|
| Napa Auto Parts   | \$53,500.00         |
| Truckmotive, Inc. | \$48,500.00         |
| <b>TOTAL</b>      | <b>\$102,000.00</b> |

**Summary:** The purchase of various automotive and truck parts for City Departments will be made from each of these annual blanket orders on an as needed basis throughout the year. The City owns and maintains approximately 500 pieces of rolling vehicles and equipment. The term of the renewal agreement is the first for up to one year with one renewal option left available.

**Budget & Financial Summary:** Purchases of parts are made through an inventory account as budgeted and available in the Fleet Maintenance Funds. Charges are made to the various departments for vehicle maintenance based on the average annual cost for each piece of equipment.

**Attachments:** Signed renewal agreement letters.

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**RENEWAL ACCEPTANCE**

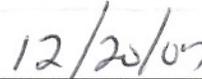
By signing herewith, I acknowledge and agree to renew Bid #07-23, for **Various Automotive Parts** in accordance with all pricing, terms and conditions previously agreed to and accepted.

I understand this renewal term will be for the period beginning January 15, 2008 through January 14, 2009 and for the original amount of \$53,500.00.

**NAPA Auto Parts**



\_\_\_\_\_  
AUTHORIZED REPRESENTATIVE



\_\_\_\_\_  
DATE

**CITY OF COLLEGE STATION**

\_\_\_\_\_  
Mayor

\_\_\_\_\_  
DATE

**ATTEST:**

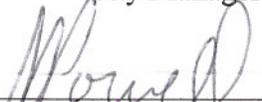
\_\_\_\_\_  
City Secretary

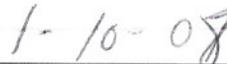
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DATE

**APPROVED:**

\_\_\_\_\_  
City Manager

\_\_\_\_\_  
DATE

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



\_\_\_\_\_  
DATE

\_\_\_\_\_  
Chief Financial Officer

\_\_\_\_\_  
DATE

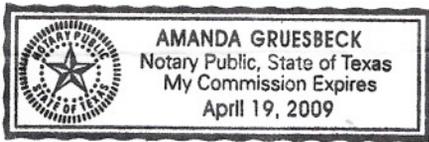
STATE OF TEXAS

CORPORATE ACKNOWLEDGMENT

COUNTY OF Brazos

This instrument was acknowledged on the 20 day of December, 2007,  
by Thomas Parlow in his/her capacity as President of  
College Station Auto Parts, a TEXAS Corporation, on behalf of said corporation.  
dba NAPA Auto Parts

Amanda Gruesbeck  
Notary Public in and for the  
State of Texas



STATE OF TEXAS

ACKNOWLEDGMENT

COUNTY OF BRAZOS

This instrument was acknowledged on the \_\_\_\_\_ day of \_\_\_\_\_, 200 ,  
by \_\_\_\_\_, in his capacity as Mayor of the City of College Station, a Texas  
home-rule municipality, on behalf of said municipality.

\_\_\_\_\_  
Notary Public in and for the  
State of Texas

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.....

**RENEWAL ACCEPTANCE**

By signing herewith, I acknowledge and agree to renew bid #07-23, for **Various Truck/Heavy Equipment Parts** in accordance with all pricing, terms and conditions previously agreed to and accepted.

I understand this renewal term will be for the period beginning January 15, 2008 through January 14, 2009 for the original amount of \$48,500.00.

**Truckmotive, Inc.**

Nathan Fleck President  
AUTHORIZED REPRESENTATIVE

12-26-07  
DATE

**CITY OF COLLEGE STATION**

\_\_\_\_\_  
Mayor

\_\_\_\_\_  
DATE

**ATTEST:**

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

\_\_\_\_\_  
DATE

**APPROVED:**

\_\_\_\_\_  
City Manager

\_\_\_\_\_  
DATE

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

1-10-08  
\_\_\_\_\_  
DATE

\_\_\_\_\_  
Chief Financial Officer

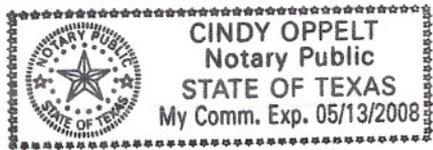
\_\_\_\_\_  
DATE

STATE OF TEXAS

CORPORATE ACKNOWLEDGMENT

COUNTY OF McLennan

This instrument was acknowledged on the 26 day of December, 2007  
by Nathan Holocak in his/her capacity as President of  
Truckmotive, a TEXAS Corporation, on behalf of said corporation.



Cindy Opel  
Notary Public in and for the  
State of Texas

STATE OF TEXAS

ACKNOWLEDGMENT

COUNTY OF BRAZOS

This instrument was acknowledged on the \_\_\_\_\_ day of \_\_\_\_\_, 200 ,  
by \_\_\_\_\_, in his capacity as Mayor of the City of College Station, a Texas  
home-rule municipality, on behalf of said municipality.

\_\_\_\_\_  
Notary Public in and for the  
State of Texas

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**January 24, 2008  
Consent Agenda Item 2e  
Annual Concrete Meter Boxes**

**To:** Glenn Brown, City Manager

**From:** Jeff Kersten, Chief Financial Officer

**Agenda Caption:** Presentation, discussion and possible action on approving the purchase of concrete meter boxes with Sims Plastics of Waco to be maintained in inventory, Bid No. 08-20, for an annual expenditure of \$88,191.75. Annual agreement to begin January 28, 2008 and expire January 27, 2008.

**Recommendation(s):** Staff recommends award to the lowest, responsible bidder meeting specifications as follows with annual estimated expenditures totaling \$88,191.75.

|     |                                   |              |
|-----|-----------------------------------|--------------|
| I.  | Sims Plastics of Waco             | \$ 88,191.75 |
| II. | Municipal Water Works Supply, L.P | \$ 91,661.75 |

**Summary:** These purchases will be made as needed during the term of the agreement. The concrete meter boxes are maintained in Water Inventory in an inventory account and expensed as necessary during the agreement period.

**Budget & Financial Summary:** Funds are budgeted and available in the Water Fund. Various projects may be expensed as supplies are pulled from inventory and issued.

**Attachments:**

- 1 Bid Tabulation

**ANNUAL BID FOR CONCRETE METER BOXES  
 BID TABULATION #04-93  
 PUBLIC UTILITIES/WATER**

| Item No. | Qty  | Description                                   | Sims Plastics of Waco      |            |             | Municipal Waterworks Supply, L.P. |            |             |
|----------|------|---|----------------------------|------------|-------------|-----------------------------------|------------|-------------|
|          |      |   | Manufacturer/Model #       | Unit Price | Item Total  | Manufacturer/Model # and Delivery | Unit Price | Item Total  |
| 1        | 100  | 2" Concrete Meter Box                         | Southern Meter CH2         | \$31.77    | \$3,177.00  | Old Castle                        | \$24.29    | \$2,429.00  |
| 2        | 100  | Cast Iron Lid and Reader for 2" Meter Box     | Southern Meter TH2         | \$66.00    | \$6,600.00  | Old Castle                        | \$37.45    | \$3,745.00  |
| 3        | 2000 | Single Concrete Meter Box                     | Southern Meter CH 5/8x3/4  | \$14.32    | \$28,640.00 | Old Castle                        | \$13.12    | \$26,240.00 |
| 4        | 2000 | Cast Iron Lid and Reader for Single Meter Box | Southern Meter THL 5/8x3/4 | \$14.32    | \$28,640.00 | Old Castle                        | \$17.95    | \$35,900.00 |
| 5        | 100  | Dual Concrete Meter Box Brooks                | Southern Meter CH Dual     | \$17.33    | \$1,733.00  | Old Castle                        | \$13.93    | \$1,393.00  |
| 6        | 100  | Cast Iron Lid and Reader for Dual Meter Box   | Southern Meter TH Dual     | \$26.00    | \$2,600.00  | Old Castle                        | \$26.37    | \$2,637.00  |
| 7        | 5    | Concrete Meter Box for 3" Meter               | Old Castle 1605310         | \$82.25    | \$411.25    | Old Castle                        | \$32.10    | \$160.50    |
| 8        | 5    | Cast Iron Lid and Reader for 3" Meter Box     | Old Castle 7200410         | \$135.00   | \$675.00    | Old Castle                        | \$100.00   | \$500.00    |
| 9        | 800  | Single CI Lid for Meter Box, Plain            | Southern Meter T5/8x3/4    | \$16.81    | \$13,448.00 | Old Castle                        | \$17.81    | \$14,248.00 |
| 10       | 50   | Cast Iron Valve Box Top, 10"                  | Sigma VB2611               | \$10.80    | \$540.00    | Bass & Hays                       | \$24.50    | \$1,225.00  |
| 11       | 50   | Cast Iron Valve Box Bottom, 15"               | Sigma VB2612               | \$13.80    | \$690.00    | Bass & Hays                       | \$28.40    | \$1,420.00  |
| 12       | 25   | Cast Iron Valve Box Bottom 24"                | Sigma VB2622               | \$21.50    | \$537.50    | Bass & Hays                       | \$41.17    | \$1,029.25  |
| 13       | 50   | Cast Iron Circular Valve Box Lid              | Sigma VB2600W              | \$10.00    | \$500.00    | Bass & Hays                       | \$14.70    | \$735.00    |

**Delivery 14 Days ARO**

**\$88,191.75 14 Days ARO**

**\$91,661.75**

**January 24, 2008  
Consent Agenda 2f  
Brush Disposal Contract**

**To:** Glenn Brown, City Manager

**From:** Mark Smith, Director of Public Works

**Agenda Caption:** Presentation, possible action and discussion to approve an annual purchase order for disposal of heavy brush at the City of Bryan Composting Facility. This item is exempt from competitive bidding as described in Texas Local Government Code, Chapter 252.022; and other expenditures for interlocal contracts or fees mandated by state law that are greater than \$50,000

**Recommendation(s):** Staff recommends approval of the purchase request for the City of Bryan Composting Facility in the amount of \$59,681.66 for brush disposal.

**Summary:** The following purchases are available from one source and thereby exempt from competitive bidding in accordance with LGC 252.022 (a) (7) (c) gas, water, and other utility service. The Sanitation Division initiated clean green brush collection operations for residential customers in 1994. This operation diverts brush and yard waste from disposal at the landfill and transports it to the composting facility for recycling. The Sanitation Division has diverted over 28,000 tons of waste since program inception, and the tonnage disposed has increased annually with growth in the City's residential areas.

The Sanitation Division is currently being charged \$21.50 per ton for material disposed of at the facility, and will expend approximately \$51,600 for brush collected during FY08. The \$8,081.66 is needed to cover the FY07 expenditures due to a \$3.25 tipping fee since May of 2007. In May of 2007 the tipping fee increased from \$18.25 to \$20.25. In October of 2007 the tipping fee increased from \$20.25 to \$21.50.

**Budget & Financial Summary:** Funds are budgeted and available in the sanitation solid waste fund, residential collection division.

**Attachments:** None

**January 24, 2008**  
**Consent Agenda Item 2g**  
**Annual Price Agreement for the Purchase of Emulsified Asphalt**

**To:** Glenn Brown, City Manager

**From:** Mark Smith, Director of Public Works

**Agenda Caption:** Presentation, possible action and discussion regarding renewal of an annual price agreement with Cleveland Asphalt Products in an amount not to exceed \$212,800 to provide emulsified asphalt for the maintenance of streets.

**Recommendation(s):** Staff recommends approval of the contract.

**Summary:** Cleveland Asphalt Products was the successful bidder for the FY2006 annual contract. Emulsified asphalt is used for the seal coat process, pothole repair and maintenance of streets in the City. This FY2008 renewal is the second of two optional annual renewals of the FY2006 contract (P.O. 060347). The contract provides for up to a 5% increase for renewal. This renewal does not increase the original contract amount. The annual price agreement supports maintenance operations in the Street Maintenance Division.

**Budget & Financial Summary:** Funding is available in the operating budget of the Street Maintenance Division.

**Attachments:**

1. Renewal Letter

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**RENEWAL ACCEPTANCE**

By signing herewith, I acknowledge and agree to renew Bid No. 06-42 for various emulsified asphalt products in accordance with all terms and conditions previously agreed to and accepted.

I understand this renewal term will be for the period beginning January 19, 2007 through January 18, 2009.

**CLEVELAND ASPHALT PRODUCTS**

*Surragt. Moore*  
AUTHORIZED REPRESENTATIVE

*Nov 29<sup>th</sup> / 07*  
DATE

**CITY OF COLLEGE STATION**

\_\_\_\_\_  
Mayor

\_\_\_\_\_  
DATE

**ATTEST:**

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

\_\_\_\_\_  
DATE

**APPROVED:**

\_\_\_\_\_  
City Manager

\_\_\_\_\_  
DATE

*M. Paul*  
City Attorney

*1-10-08*  
DATE

\_\_\_\_\_  
Chief Financial Officer

\_\_\_\_\_  
DATE

STATE OF TEXAS

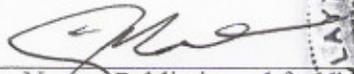
CORPORATE ACKNOWLEDGMENT

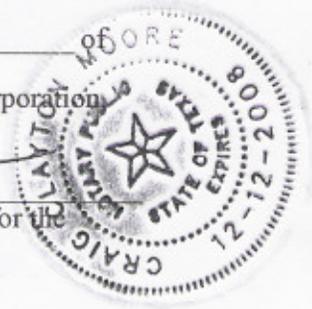
COUNTY OF San Jacinto

This instrument was acknowledged on the 29<sup>th</sup> day of November, 2007,

by Murray C. Moore in his/her capacity as President

Cleveland Asphalt, a TEXAS Corporation, on behalf of said corporation  
Products, Inc

  
Notary Public in and for the  
State of Texas



STATE OF TEXAS

ACKNOWLEDGMENT

COUNTY OF BRAZOS

This instrument was acknowledged on the \_\_\_\_\_ day of \_\_\_\_\_, 2007,

by \_\_\_\_\_, in the capacity as Mayor of the City of College Station, a Texas  
home-rule municipality, on behalf of said municipality.

\_\_\_\_\_  
Notary Public in and for the  
State of Texas

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**January 24, 2008  
Consent Agenda Item 2h  
Water/Wastewater Master Plans**

**To:** Glenn Brown, City Manager

**From:** David Coleman, Director of Water Services

**Agenda Caption:** Presentation, possible action, and discussion to award Contract 08-099 to HDR Engineers, Inc. in the amount of \$203,300 to update the water and wastewater system master plans.

**Recommendation:** Staff recommends Council approve this contract.

**Summary:** In August 2007, City Council approved an SLA for the Water Services Department to update the Water and Wastewater Master Plans, which are both over ten years old. These master plans need to be updated to ensure our systems are in compliance with TCEQ regulations, to schedule rehabilitation projects, and to identify improvements to the system to accommodate new demands. The land use data that will be used to develop the W/WW master plans will be taken from the updated land uses in the Comprehensive Plan, which will be completed by Kendig-Keast Collaborative in June 2008. This coordination of Utility plans with Comprehensive Plan is necessary to ensure the City is able to provide adequate water and wastewater service to developing, and redeveloping, areas in our CCN.

The water study includes evaluation of alternative water supply sources to meet future demands. This consultant, HDR, is presently finishing up a study of future water demands that will be used as a starting point for the master plan updates. The wastewater study includes evaluation of the wastewater system demands through the year 2018, an analysis of the current treatment capacity, and sludge processing alternatives to meet future demands. These investigations will help the City optimize the treatment capacity of the existing treatment facilities and determine the need for expansion to both treatment plants.

Also, the master plan updates include the collection of capital costs required over the next 10 years, which will be in the proper format to be used in an Impact Fee study. If City Council decides to consider implementation of a City-wide Impact Fee for W/WW, then we will have the capital cost data ready for an Impact Fee study.

A Contract Review Committee (CRC) meeting was held on January 4, 2008 to evaluate and discuss comments and changes to the City's standard contract proposed by the consultant. Some minor comments were accepted, resulting minor changes to the standard contract.

Please note: This item is also on the Workshop Agenda, to provide a presentation.

**Budget & Financial Summary:** Funds in the amount of \$150,000 were included in the FY08 Water and Wastewater budgets (\$75,000 each) for the completion of these master plans. The cost of this contract is \$53,300 more than the amount budgeted. The department anticipates being able to absorb this overage within the professional services line items of each division's operations and maintenance budget.

**Attachments:**  
Contract

# CONSULTANT CONTRACT

This Contract is by and between the **City of College Station**, a Texas Municipal Home-Rule Corporation (the "City") and HDR Engineering, Inc., a Texas Corporation (the "Contractor"), whereby Contractor agrees to perform and the City agrees to pay for the work described herein.

## ARTICLE 1

1.01 This Contract is for Water System Master Plan and Wastewater System Investigations (the "Project"). The scope and details of the work to be provided to the City by Contractor are set forth in **Exhibit "A"** to this Contract and are incorporated as though fully set forth herein by reference. Contractor agrees to perform or cause the performance of all the work described in **Exhibit "A."**

1.02 Contractor agrees to perform the work described in **Exhibit "A"** hereto and the City agrees to pay Contractor a fee based on the rates set forth in **Exhibit "B"** to this Contract for the services performed by Contractor. The invoices shall be submitted to the City following the 15th day and the last day of each month. The payment terms are net payable **within** thirty (30) calendar days of the City's receipt of the invoice. Upon termination of this Contract, payments under this paragraph shall cease, provided, however, that Contractor shall be entitled to payments for work performed in accordance with this Contract before the date of termination and for which Contractor has not yet been paid.

1.03 The total amount of payment, including reimbursements, by the City to Contractor for all services to be performed under this Contract may not, under any circumstances, exceed **Two Hundred and Three Thousand and Three Hundred and No/100 Dollars (\$203,300.00).**

1.04 The City may from time to time request changes in the scope and focus of the activities, investigations, and studies conducted or to be conducted by Contractor pursuant to this Contract, provided, however, that any such change that in the opinion of Contractor, the City Manager, or the City's Project Manager varies significantly from the scope of the work set out herein and would entail an increase in cost or expense to the City shall be mutually **agreed** upon in advance in writing by Contractor and the City's Project Manager.

1.05 Written change orders may be approved by the City Manager or his delegate provided that the change order does not increase the amount set forth in paragraph 1.03 of this Contract by more than **five percent (5%)**. Changes in excess of this amount must be approved by the City Council prior to commencement of the services or work. **Any request by the Contractor for an increase in the Scope of Services and an increase in the amount listed in paragraph two of this Contract shall be made and approved by the City prior to the Contractor providing such services or the right to payment for such additional services**

shall be waived. If there is a dispute between the Contractor and the City respecting any service provided or to be provided hereunder by the Contractor, including a dispute as to whether such service is additional to the Scope of Services included in this Contract, the Contractor agrees to continue providing on a timely basis all services to be provided by the Contractor hereunder, including any service as to which there is a dispute.

1.06 Except as provided in Article VI hereinbelow, the Contractor shall complete all of the work described in Exhibit "A" by the dates set forth below.

Water System Master Plan - 135 working days. Wastewater System Investigations - 180 working days

1.07 Time is of the essence of this Contract. The Contractor shall be prepared to provide the professional services in the most expedient and efficient manner possible in order to complete the work by the times specified.

1.08 Contractor promises to work closely with the City Manager or his designee (the "Project Manager") or other appropriate City officials. Contractor agrees to perform any and all Project-related tasks reasonably required of it by the City in order to fulfill the purposes of the work to be performed. The work of Contractor under this Contract may be authorized by the Project Manager in various phases as set forth in **Exhibit "A."**

**1.09** In all activities or services performed hereunder, the Contractor is an independent contractor and not an agent or employee of the City. The Contractor, as an independent contractor, shall be responsible for the final product contemplated under this Agreement. Except for materials furnished by the City, the Contractor shall supply all materials, equipment and labor required for the execution of the work on the Project. The Contractor shall have ultimate control over the execution of the work under this Contract. The Contractor shall have the sole obligation to employ, direct, control, supervise, manage, discharge, and compensate all of its employees and subcontractors, and the City shall have no control of or supervision over the employees of the Contractor or any of the Contractor's subcontractors except to the limited extent provided for in this Contract. Contractor shall be liable for any misrepresentations. Any negotiations by the Contractor on the City's behalf are binding on the City only when within the scope of work contained herein and approved by the City.

## ARTICLE II

2.01 The City shall direct Contractor to commence work on the Project by sending Contractor a "letter of authorization" to begin work on the Project.

**2.02** Upon receipt of the letter of authorization to begin work on the implementation of the Project, Contractor shall meet with the City for the purpose of determining the nature of the Project, including but not limited to the following: meeting with the City's staff to coordinate Project goals, schedules, and deadlines; coordinating data collection; briefing the City's

management staff; documenting study assumptions and methodologies; devising the format for any interim reports and the final report to the City.

2.03 Contractor shall consult with the City and may, in some limited circumstances, act as the City's representative, but it is understood and agreed by the parties that for all purposes related to this Contract, Contractor shall be an independent contractor at all times and is not to be considered either an agent or an employee of the City.

### ARTICLE III

3.01 As an experienced and qualified professional, Contractor warrants that the information provided by Contractor reflects professional and industry standards, procedures, and performances. Contractor warrants the design, preparation of drawings, the designation or selection of materials and equipment, the selection and supervision of personnel, the fitness and operation of its recommendations, and the performance of other services under this Contract, pursuant to the standard of performance in the profession. Contractor warrants that it will exercise diligence and due care and perform in a good and workmanlike manner all of the services pursuant to this Contract. Approval or acceptance by the City of any of Contractor's work product under this Contract shall not constitute, or be deemed, a release of the responsibility and liability of Contractor, its employees, agents, or associates for the exercise of skill and diligence necessary to fulfill Contractor's responsibilities under this Contract. Nor shall the City's approval or acceptance be deemed to be the assumption of responsibility by the City for any defect or error in the Project's work products prepared by Contractor, its employees, associates, agents, or subcontractors.

3.02 Contractor shall keep the City informed of the progress of the work and shall guard against any defects or deficiencies in its work.

3.03 Contractor shall be responsible for using due diligence to correct errors, deficiencies or unacceptable work product. Contractor shall, at no cost to the City, remedy any errors, deficiencies or any work product found unacceptable, in the City's sole discretion, as soon as possible, but no longer than fifteen (15) calendar days after receiving notice of said errors, deficiencies or unacceptable work product.

3.04 Contractor's work product shall be the exclusive property of the City. Upon completion or termination of this Contract, Contractor shall promptly deliver to the City all records, notes, data, memorandum, models, and equipment of any nature that are within Contractor's possession or control and that are the City's property or relate to the City or its business.

### ARTICLE IV

**4.01** Indemnity. The Contractor agrees to indemnify, defend, and hold harmless the City, its **officers**, employees, and agents (separately and collectively referred to in this paragraph as "Indemnatee"), from and against any and all claims, losses, damages, causes of action, suits, judgments, settlements made by Indemnatee, and liability of every **kind**, including all expenses of litigation, court costs, attorney's fees, and other reasonable costs for damage to or loss of use of any property, for injuries to, or sickness or death of any person, including but not limited to Contractor, any of its subcontractors of any tier, or of any employee or invitee of Contractor or of any such subcontractors, that is caused by, arises out of, related to, or in connection with, the negligence of **and/or** negligent **performance** of this Contract by Contractor or by any such subcontractors of any tier, under this Contract.

**4.02** It is agreed with respect to any legal limitations now or hereafter in effect and affecting the validity or enforceability of the indemnification obligation under Paragraph **4.01**, such legal limitations are made a part of the indemnification obligation and shall operate to amend the indemnification obligation to the minimum extent necessary to bring the provision into conformity with the requirements of such Limitations, and as so modified, the indemnification obligation shall continue in full force and effect.

**4.03** Release. The Contractor releases, relinquishes, and discharges the City, its **officers**, agents, and employees from all claims, demands, and causes of action of every **kind** and character, including the cost of defense thereof, for any injury to, sickness or death of the Contractor or its employees and any loss of or damage to any property of the Contractor or its employees that is caused by or alleged to be caused by, arises out of, or is in connection with the Contractor's work to be performed hereunder. Both the City and the Contractor expressly intend that this release shall apply regardless of whether said claims, demands, and causes of action are covered, in whole or in part, by insurance and in the event of injury, sickness, death, loss, or damage suffered by the Contractor or its employees, but not otherwise, this **release** shall apply regardless of whether such loss, damage, injury, or death was caused in whole or in part by the City, any other party released hereunder, the Contractor, or any third party.

**ARTICLE V**  
**Insurance**

5.00 The Contractor shall procure and maintain at its sole cost and expense for the duration of this Agreement insurance against claims for injuries to persons or damages to property that may arise from or in connection with the performance of the work hereunder by the Contractor, its agents, representatives, volunteers, employees or subcontractors. The policies, limits and endorsements required are as set forth on **Exhibit "C"**.

**ARTICLE VI**

6.01 At any time, the City may terminate the Project for convenience, in writing. At such time, the City shall notify Contractor, in writing, who shall cease work immediately. Contractor shall be compensated for the **services** performed. In the event that the City terminates this Contract for convenience, the City shall pay Contractor for the services performed and expenses incurred prior to the date of termination.

6.02 No term or provision of this Contract shall be construed to relieve the Contractor of liability to the City for damages sustained by the City or because of any breach of contract by the Contractor. The City may withhold payments to the Contractor for the purpose of setoff until the exact amount of damages due the City **from** the Contractor is determined and paid.

**ARTICLE VII**

7.01 This Contract has been made under and shall be governed by the laws of the State of Texas. The parties agree that performance and all matters related thereto shall be in **Brazos** County, Texas.

7.02 Notices shall be mailed to the addresses designated herein or as may be designated in writing by the parties from time to time and shall be deemed received when sent postage prepaid U.S. Mail to the following addresses:

City:  
City of College Station  
Attn: Charles R. Gilman, Jr.  
P.O. Box 9960  
College Station, Texas 77842

Contractor:  
HDR Engineering, Inc.  
Attn: Darren C. Strozewski, P.E.  
4401 West Gate Blvd, Suite 400  
Austin, TX 78745

7.03. Contractor, its employees, associates or subcontractors shall perform all the work hereunder. Contractor agrees that all of its associates, employees, or subcontractors who work on this Project shall be fully qualified and competent to do the work described hereunder. Contractor shall undertake the work and complete it in a timely manner.

7.04 The Contractor shall comply with all applicable federal, state, and local statutes, regulations, ordinances, and other laws, including but not limited to the Immigration Reform and Control Act (IRCA). The Contractor may not knowingly obtain the labor or services of an unauthorized alien. The Contractor, not the City, must verify eligibility for employment as required by IRCA.

7.05 No waiver by either party hereto of any term or condition of this Contract shall be deemed or construed to be a waiver of any other term or condition or subsequent waiver of the same term or condition.

7.06 This Contract and all rights and obligations contained herein may not be assigned by Contractor without the prior written approval of the City.

7.07 If any provision of this Contract shall be held to be invalid or unenforceable for any reason, the remaining provisions shall continue to be valid and enforceable. If a court of competent jurisdiction finds that any provision of this Contract is invalid or unenforceable, but that by limiting such provision it may become valid and enforceable, then such provision shall be deemed to be written, construed, and enforced as so limited.

7.08 This Contract represents the entire and integrated agreement between the City and Contractor and supersedes all prior negotiations, representations, or agreements, either written or oral. This Contract may only be amended by written instrument approved and executed by the parties.

7.09 The parties acknowledge that they have read, understood, and intend to be bound by the terms and conditions of this Contract.

7.10 This Contract will be effective when signed by the last party whose signing makes the Contract fully executed.

**HDR Engineering, Inc**

**CITY OF COLLEGE STATION**

By:   
Printed Name: NEIL A. GRAFF, PE  
Title: SENIOR VICE PRESIDENT  
Date: 1/9/2008

By: \_\_\_\_\_  
Mayor  
Date: \_\_\_\_\_

ATTEST:

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

\_\_\_\_\_  
Date

APPROVED:

\_\_\_\_\_  
City Manager

\_\_\_\_\_  
Date

*Angela M. DeLuca*  
\_\_\_\_\_  
City Attorney

\_\_\_\_\_  
Date

\_\_\_\_\_  
Chief Financial Officer

\_\_\_\_\_  
Date

## Exhibit "A"

### Water System Master Plan

#### Task 1.0 – Project Coordination/Kickoff and Quality Assurance/Quality Control (QA/QC)

**Fee (Lump Sum): \$4,200**

##### **Objective:**

HDR will perform project management as part of this task. This effort will include coordination with City staff to monitor deliverables and project status as well as ensure timely receipt of information that will be required from the City. In addition, HDR will organize and attend a kickoff meeting with the City's project team to formally identify the City's objectives for this project. HDR will discuss the proposed project plan to ensure it will meet the objectives identified by the City. HDR will also develop a Project Guide for use by all participants and implement an ongoing QNQC program for Master Planning efforts.

##### **Work Tasks:**

- 1.1 Coordinate work efforts with City and within HDR throughout the duration of the project.
- 1.2 Develop Project Guide and distribute one electronic and two hard copies to City.
  - 1.2.1 The purpose of the project guide is to develop a project coordination and management approach at the beginning of the project to establish protocol, management, and reporting methods that are to be followed during the course of work.
  - 1.2.2 HDR will prepare a Project Guide that is a working document for the project team that documents project coordination, management, communication, schedule, QNQC procedures, invoicing and reporting, scope of work, and other project items. The Project Guide will be distributed to the City and project team members.
  - 1.2.3 *Project Organization and Communications Plan:* HDR will develop an overall organization plan. The plan will delineate the roles and responsibilities of HDR staff members as well as the staff members of subconsultants. A communication plan will be included to establish the protocol between HDR, City, regulatory agencies, and subconsultants. The organization plan will be included in the Project Guide.
  - 1.2.4 *Project Documentation:* HDR will establish a document control system for the project. Communications related to the project, including progress reports, memoranda, letters, and meeting minutes will be placed in project files. The project filing system will be contained in the Project Guide.
- 1.3 Develop project schedule with milestone dates.
- 1.4 Schedule and lead the project kickoff meeting.

- 1.5 Schedule meeting with Operators to identify operational and maintenance concerns that they observe in working with the system. Obtain Operator identified maintenance and rehabilitation projects.
  - 1.6 Schedule and attend meetings with City project team.
  - 1.7 Implement and administer internal QA/QC procedures.
- 1.8 Jointly review/critique all project deliverables and presentations.

***Deliverables:***

- Two hard copies of Project Guide and one electronic copy on compact disk, including project schedule.

***Task 2.0 –TCEQ Analysis of Existing and Proposed System Model***

**Fee (Lump Sum): \$28,500**

***Objective:***

Using the City water model and Year 2005 or 2006 demands, **UDR** will execute the model to evaluate the existing system against TCEQ system requirements. The analysis will focus on pressure maintenance under normal conditions, under fire flow conditions, and evaluate system capacities including mains, pumping units, and storage facilities during both average and peak demand periods. The objective of the analysis will be to identify key infrastructure items in the system that do not meet TCEQ standards. This same analysis will be conducted for the proposed water system to identify key infrastructure items (i.e. additional elevated storage, pumping stations, etc.) that will be needed to serve the area within the limits of the proposed water CCN.

***Work Tasks:***

- 2.1 Utilizing the analysis of historical daily production data already completed by **HDR**, **HDR** will apply average and peak day flow rates with applicable factors (multipliers) to the demand node dataset. **HDR**, in coordination with the City, has developed a series of projected peak day factors that reflect the City's intentions to reduce peak day demands, as stated in the City's Water Conservation Plan. **HDR** will confer with the City as to which projected peak day factor the City wishes to utilize for system planning.
- 2.2 Evaluate existing system against TCEQ requirements and make recommendations to remedy issues found.
- 2.3 Evaluate proposed system against TCEQ requirements and make recommendations to remedy issues found.
- 2.4 Prepare opinion of probable construction cost for the improvements identified from tasks 2.2 and 2.3 and which are needed between 2008 and 2018. Costs of construction will not be prepared for the water CCN build-out. These costs will be included by year in the CIP list in accordance with item 3.8.

- 2.5 Evaluate a separate pressure plane area to serve Pebble Creek and any other areas which appear to be candidates for separate pressure planes.
- 2.6 Prepare **draft** technical memorandum summarizing results with opinion of probable construction cost. Meet with City staff to present results. City will select the identified improvements to include in future modeling efforts and provide guidance as to the anticipated timing of construction.
- 2.7 Prepare final memorandum.
- 2.8 Provide electronic copies of calculations.

**Deliverables:**

- Technical memorandum summarizing the analysis of TCEQ requirements including electronic copies of calculations/spreadsheets on a CD.

**Task 3.0 –Develop Water System Master Plan**

Fee (Lump Sum): **\$48,500**

**Objective:**

HDR will develop a Water System Master Plan based on future demand projections and projected growth trends. The master plan will target years between **2008** and **2018**; and system build-out within the limits of the CCN (existing limits and proposed CCN annexations). HDR understands that several CCN annexations are imminent and will add approximately **3,500** acres to the water CCN. HDR also understands that these CCNs are the last CCN additions planned by the City within the **2018** master plan timeframe and for the foreseeable future beyond **2018**.

As part of previous work, HDR has developed water demand projections for much of the planned CCN expansion. HDR will meet with the City staff to obtain concurrence for the CCN system build-out and to refine expected land use classifications and zoning information. Using this information, HDR will generate the water demand projections for the years from **2008** through **2018**. As part of this task, the City will review the final assumptions for compatibility with its expectations regarding the areas of likely growth and assumptions regarding future water supply locations. The master plan will then identify the locations and sizes of the facilities needed to meet the anticipated future growth for each milestone year, as well as at ultimate CCN system build-out. HDR will then develop opinion of probable construction costs and a map displaying the demand nodes and distribution system infrastructure required through the **2018** planning period.

### **Work Tasks:**

- 3.1 HDR will utilize the existing projected water demands for the future CCN areas that HDR developed based on projected land use information and expected future growth patterns, development densities, and zoning.
- 3.2 HDR will confer with City staff and estimate at which milestone years incremental stages of development will occur and will estimate water demands based on these projections.
- 3.3 For the future development areas, HDR will delineate the proposed development areas into service areas **and/or** pressure planes. The service areas will be divided based on engineering feasibility, any existing or planned facilities, and other factors such as topography, routes, roads, streams, etc. HDR will utilize the previously developed demand nodes.
- 3.4 Utilizing input from City staff, HDR will define general pipeline route locations in the proposed development areas and designate the locations of the demand nodes that will represent the future demands for each milestone year. Determine the estimated service area for each future demand node. Based on the estimated service area and the water demand projections developed in Tasks 3.2 and 3.3, assign future peak day flow rates to each of the demand nodes.
- 3.5 Determine the parameters for the CCN system build-out model. HDR will develop input points and estimated quantities for potential future supply sources. HDR will then review the future supply sources with the City staff and obtain concurrence on up to two Ultimate System scenarios before modeling proceeds.
- 3.6 Incorporate the nodal demands developed in Task 3.5 into the water model for each milestone year. Execute each model to identify the required infrastructure improvements necessary to meet the future demands.
- 3.7 Prepare opinion of probable construction cost for the improvements identified from 2008 to 2018 improvements. Costs of construction will not be prepared for the CCN system build-out **model(s)**.
- 3.8 Capital improvement project list will be organized as stated below for use in updating the Impact Fee Analysis and Rates. HDR has not included any effort in this proposal for supporting the impact fee analysis by others which often includes: coordination meetings, assignment of capital costs directly relating to new capacity, review of project incorporation into financial analysis, and **council/planning** and zoning committee meetings.

### **Deliverables:**

- ❑ Prepare a map of the distribution system infrastructure for each milestone year (including the CCN system build-out).
- ❑ Future water planning **models** for the projected milestone years from 2008 through 2018, and CCN build-out systems (hardcopy).
- ❑ Electronic copy of water master plan shape files for uploading to City's **GIS** system.

- Capital Improvement Project List: Opinion of probable construction cost of the infrastructure improvements required for milestone years from **2008** through **2018** including maintenance and rehabilitation projects; system capacity increase projects; and additional main lines required.

***Task 4.0 – Presentation of Results and Preparation of Report***

**Fee (Lump Sum): \$28,400**

***Objective:***

HDR will develop a Final Water System Master Plan Report that documents the work efforts described in Task 2 and 3.

***Work Tasks:***

- 4.1** Prepare five copies of a Draft Executive Summary of the Water System Master Plan that will include a summary of the project, mapping of the proposed improvements through **2018**, and an opinion of probable construction cost for these projects. A CCN system build-out map will also be prepared showing required infrastructure improvements.
- 4.2** Meet with City staff in a work session to present the Draft results in a power point presentation.
- 4.3** Prepare five copies of the Draft Water System Master Plan Report and submit to City for review. The full report will include the following:
  - Description of the project approach, analysis, and results as well as copies of the technical memorandums.
  - Color-coded map of the existing water system with the improvements required for each milestone year between **2008** and **2018**; and another color-code to indicate lines needed for CCN system build-out.
  - Copies of electronic computer files for the input and output for each water model, demand spreadsheets, and **GIS** project files.
  - Capital Improvements Plan divided by milestone year with opinion of probably construction costs.
- 4.4** Upon review by the City, consider City's comments and finalize the Draft Water System Master Plan Report.
- 4.5** Present Finalized Waster Master Plan report findings to City Council in a power point presentation.
- 4.6** Prepare camera ready copy of the Final Report and the Water System Master Plan Maps for the City's use in producing additional copies as needed.

***Deliverables:***

- ❑ Five (5) draft copies of the Water System Master Plan Report.
- ❑ Ten (10) final copies of the Water System Master Plan Report.
- ❑ Camera ready copy of the final report and the Water System Master Plan maps.
- ❑ Electronic copy of the final report on compact disk.
- ❑ Return City copy of the water modeling software and license documentation.
- ❑ Power point presentation of draft findings to City staff.
- ❑ Power point presentation of final findings to City Council.

***Task 5.0 – Evaluate Water Supply Options***

Fee (Lump Sum): \$27,300

***Objective:***

The City is considering several alternatives for increasing water production (water supply), including:

1. Additional Simsboro Aquifer wells
2. Shallow wells
  - a. **Sparta** Aquifer
  - b. Queen City Aquifer
  - c. **Carrizo** Aquifer
3. Brackish groundwater wells (from Simsboro)
4. Direct potable reuse of wastewater effluent
5. Direct non-potable reuse of wastewater effluent
6. Surface water
  - a. New reservoirs
  - b. Purchase from **Brazos** River Authority

***Work Tasks:***

- 5.1 HDR is in the process of completing preliminary analyses (water availability and planning-level costs) for all of the above options except direct potable reuse of wastewater effluent. HDR will take this information, develop new information where it is missing from the current analyses (direct potable and non-potable reuse), and evaluate the feasibility of each option. Information from the 2006 **Brazos** G Regional Water Plan will be used to assess direct non-potable reuse, updated as necessary to conform to the requirements of this study. Project feasibility will be determined based upon costs, supply developed, regulatory issues, and technical complexity.
- 5.2 HDR and the City will jointly rank the options in order of preference that the City should pursue for new water supply.

***Deliverables:***

- Stand-alone technical memorandum to the City stating recommendations concerning each potential new source of supply. This memorandum also will be included as an appendix in the Water Master Plan Report (Task 6).

***Task 6.0 – Evaluate Comprehensive Land Use Projection Update's impact to Water Master Plan***

**Fee (Lump Sum): \$7,200**

***Objective:***

The land uses within the City's existing and proposed water CCN will soon be updated to reflect projected land uses and densities. This work will be completed by **Kendig-Keast Collaborative** in August 2008 as part of the Comprehensive Land Use Projection Update. HDR will provide a review of this update to determine if the water master plan recommendations could be impacted and thereby, require re-evaluation of the system. Re-analyzing system models and recalculating **capital** improvement project costs are not included. If re-analysis of the system is needed, the City and HDR will negotiate additional scope and fee for this work.

***Work Tasks:***

- 6.1 Meet with City to obtain a **GIS** copy of updated land use parcels and report including the ESFC counts per parcel.
- 6.2 Conduct a **GIS** analysis of the two data sets (original and updated). A color coded map will be produced for each type of land use contained in the original and updated databases. Each map will present the original and updated locations of the land uses. A qualitative analysis of these maps will be conducted to support subjective recommendations.
- 6.3 HDR will calculate the total system's water demands using the total ESFC counts between the two land use databases. This macro level calculation will provide an order of magnitude answer regarding the level of change.

***Deliverables:***

- Stand-alone technical memorandum to the City stating recommendations concerning re-analyzing **portion(s)** of the water master plan.

## Wastewater System Investigations

### ***Task 1.0 – Project Coordination/Kickoff and Quality Assurance/Quality Control (QA/QC)***

Reference Task 1.0 under Water System Master Plan for the Objectives, Work Tasks, and Deliverables to be performed as part of the tasks outlined under Wastewater System Investigations. Tasks under Wastewater System Investigations will be compiled into a report titled Wastewater System Investigations. Technical memorandums for these tasks will be included as individual sections of the report in their finalized form.

### ***Task 2.0 – Wastewater System Projected Demands through 2018***

Fee (Lump Sum): \$23,500

#### Objective:

The City is projected to grow by approximately 27,000 people from 2008 to 2018. This could represent an additional wastewater demand of 2.0 to 2.7 million gallons per day (MGD). Additional wastewater demands may exceed even these values by providing service to areas within the limits of the City's ETJ, but outside its City limits, via the City acting as a Regional wastewater service provider. It is understood that the City's two existing plant capacities are 9.5 MGD and 2.0 MGD. The new wastewater demand locations within the respective service areas is important to ascertain, so that if plant capacity expansion(s) are determined to be needed, the correct plant can be expanded by the correct capacity.

The two wastewater treatment plant (WWTP) service areas will be defined to include all undeveloped land within the existing and proposed **wastewater CCN** limits. The wastewater CCN limits is understood to be defined as the extraterritorial jurisdiction (ETJ) for the City which extends beyond the limits of the proposed water CCN. The information previously developed (i.e. water demand projections within the limits of the currently zoned land uses which extends beyond the water CCN but not to the ETJ) will be utilized to develop wastewater demand projections for the City's two WWTPs. These water demands will be converted into equivalent single family connections (ESFC) in order to estimate wastewater demands from each developed or **undeveloped** land parcel. For land located between the limits of the **proposed** water CCN and wastewater CCN, **HDR** will develop land use assignments and associated parcel shapes, in consultation with the City, for acreages which are anticipated to ultimately be serviced by one of the two wastewater treatment plants. **ESFCs** will be assigned to these acreages based on predetermined values according to the anticipated land uses. These demands will be presented on a graph along with other information including existing plant capacities, historical plant flows, critical path milestones (i.e. TCEQ 75% and 90% capacity action dates), and implementation schedules. From this effort, the City will be able to evaluate if additional study of plant capacities **and/or** expansion options are required beyond those outlined in Task 3.0 below. It should be noted that efforts described in Task 2.0 and 3.0 can be coordinated with a future wastewater system master plan so that all the system components (i.e. plant capacities, sewer lines, and lift stations) are utilized at the highest level of efficiency for the lowest capital costs.

#### ***Work Tasks:***

- 2.1 Coordinate with City staff to obtain the ESFC per acre value for all land use types.

- 2.2 Convert water demand projections within the limits of the currently zoned land uses into an Equivalent Single Family Connection (ESFC) basis.
- 2.3 **HDR** will utilize **GIS** to overlay topographic contours on top of the City's existing and proposed wastewater CCN limits; and wastewater collection system. Contours will be at 5 to 10 ft intervals. **HDR** will then define the service area limits for the two wastewater treatment plants and review these limits with the City against its existing wastewater subbasins.
- 2.4 Analyze the following electronic data from the past 5 years: daily wastewater treatment plant flows from each plant; address list of wastewater customers; and total wastewater connections by month obtained from the City.
- 2.5 **HDR** will cross reference the wastewater address list with the water address list to verify **geo-referenced** ESFC assignments to parcels. Undeveloped parcels will also be **geo-referenced** by service area with their corresponding ESFC assignments. The ESFCs will then be summed using **GIS** for each service area.
- 2.6 **HDR** will develop the following values from the City's historical data for use in projecting the anticipated wastewater flows: flow per ESFC for the two service areas, flow per ESFC for the overall system; dry weather peaking factor for two service areas; and wet weather peaking factor for the two service areas.
- 2.7 The summed **ESFCs** will be converted into wastewater demand by service area to establish their respective ultimate required wastewater plant capacities. The anticipated flow for each year through 2018 will be presented in a **Demand/Capacity** Graph for each service area along with existing plant capacities, historical plant flows, critical path milestones (i.e. TCEQ 75% and 90% capacity action dates), and implementation schedules. These projected flows will take into consideration the anticipated growth rate and growth corridor locations. If applicable, the implementation schedules will include timelines for items such as permitting, preliminary engineering, design, and construction so the City can determine dates for any applicable actions.
- 2.8 Evaluate Comprehensive Land Use Projection Update's impact to Wastewater System Projected Demands through 2018: **HDR** will make a recommendation to the City based on the results of evaluating the Water System Master Plan, Task 6.0. **HDR's** experience is that if significant changes occur in the water system requiring it to be re-analyzed. Then the wastewater system most often will need re-analysis as well. If re-analysis of the wastewater tasks are needed, the City and **HDR** will negotiate additional scope and fee for this work.

***Deliverables:***

- Demand/Capacity** Graph for the City's two wastewater service areas.
- Technical memorandum with summary of calculations and findings.

***Task 3.0 – Wastewater Treatment Plant Capacity Expansion Alternatives; and Sludge Process Alternatives Analysis***

Fee (Lump Sum): \$25,000

## **Objective:**

The City anticipates that an increase in wastewater treatment plant capacity will be required to accommodate the increased wastewater demand projections described in Task 2.0. Plant expansions may be required at one or both existing WWTPs depending on the results of the analysis conducted in Task 2.0. Thus, the two existing WWTPs will be evaluated at a conceptual **planning** level to **determine** their existing capacity under current regulations. A macro level overview of potential expansion options will be presented in one-line schematic diagrams as part of the technical memorandum. A future more detailed study is anticipated to further develop desirable options, process modifications, and facility components outlined as part of this study. Plant stress testing or detailed process **modeling/analysis** is specifically excluded from this scope. The following items will be analyzed:

1. Calculate the rated capacity of each WWTP according to current TCEQ criteria under the existing process configuration.
2. Evaluate expansion of each WWTP to obtain additional capacity through 2018 using the existing sludge processing methods on each site. Additional basins or facilities for wastewater treatment; and sludge processing capacity (matching existing type) will be identified. This evaluation will include generalized modifications to existing sludge processing methods to mitigate or eliminate odor complaints due to processing sludge on the sites.
3. Evaluate reconfiguration and expansion of each WWTP to obtain additional capacity through 2018 by removing the existing sludge processing from each site and relocating it to a central processing facility. Existing sludge facilities will be considered for re-use in providing additional wastewater treatment capacity. Additional basins or facilities for wastewater treatment capacity will be identified. This portion of the evaluation will exclude all sludge processing improvements to meet current or projected wastewater demands. Generalized modifications for facilities and costs for this will be included in the below items.

In conjunction with the above, the City desires to evaluate its sludge treatment (Class A solids) and disposal options to cost affectively manage its increasing sludge volume due to growth in the City and eliminate odor complaints. This may include wholesale replacement of existing sludge processing methods. Thus, alternate methods will be evaluated at a conceptual planning level to replace the existing sludge processing methods used at the **WWTPs**. A macro level overview of potential options will be presented in one-line schematic diagrams as part of the technical memorandum. A future more detailed study is anticipated to further develop these generalized options. At that time, detailed process modifications and new facility components will be outlined. The schematics to be developed include:

1. At each WWTP site, evaluate waste activated sludge (WAS) processing via removing from secondary clarifiers and going straight to a dewatering facility (i.e. beltpress, centrifuge, etc.) with sludge cake disposal at a landfill.
2. At each WWTP site, evaluate WAS processing via removing from secondary clarifiers and going straight to a dewatering facility with sludge cake incorporated into a composting operation located on a concrete pad under a covered building. Composted material will be assumed to be given away free of charge to the public for this evaluation.
3. At each WWTP site, evaluate WAS processing via removing from secondary clarifiers and going straight to a dewatering facility with sludge cake incorporated into a

- composting operation utilizing concrete composting bins inside a totally enclosed building including odor control. Composted material will be assumed to be given away free of charge to the public for this evaluation.
4. At a new central sludge processing site, primary sludge from influent clarifiers and WAS will be pumped from the two WWTPs to this site. Potential components of this site could include a sludge holding basin, dewatering equipment, composting facility, and small WWTP (to treat centrate from dewatering and composting operations). This evaluation will consider the use of anaerobic digesters to produce and capture methane as an energy source to power on-site equipment. Potential site locations will not be identified as part of this scope of work.
  5. At one of the two existing WWTPs, consider expanding the site to include a centralized sludge processing facility. This option would be very similar to the previous item with primary sludge and WAS pumped from the two WWTPs to this facility. Potential components of this site could include a sludge holding basin, dewatering equipment, and composting facility. Treatment of centrate and composting wastewater will be processed by the existing WWTP. This evaluation will consider the use of anaerobic digesters to produce and capture methane as an energy source to power on-site equipment.

### ***Work Tasks:***

The following work tasks are in addition to those efforts listed above which were not explicitly cited in the description of task objectives.

- 3.1 Obtain copies of the following items for both WWTP sites: TPDES wastewater discharge permits and as-built construction drawings for all plant projects on each site.
- 3.2 Conduct site visit to each WWTP site.
- 3.3 Perform conceptual planning level opinion of probable construction cost for each of the above capacity expansion and sludge processing options.
- 3.4 Use typical sludge hauling and landfill costs for disposal of sludge cake.
- 3.5 Include odor control provisions in each of the sludge processing options.
- 3.6 The City of Bryan will not be contacted as part of this sludge processing analysis. If results of this study prove favorable and the City of College Station elects, the two Cities may jointly consider pursuing a regional sludge processing facility study.
- 3.7 HDR will complete preliminary analyses of items outlined in Tasks 2.0 prior to initiating Task 3.0. HDR will take City information, develop new information where it is missing from the current analyses, and evaluate the above items.
- 3.8 Upon review by the City, consider City's comments and finalize the Draft Technical Memorandum.

### ***Deliverables:***

- A table summarizing the opinion of probable construction cost for each of the above capacity expansion and sludge processing options.
- Electronic copy of background data and spreadsheets used in findings.
- Draft of technical memorandum to City staff.
- Finalized technical memorandum to the City stating recommendations.

## ***Task 4.0 – Wastewater System Rehabilitation Capital Improvement Project List***

**Fee (Lump Sum): \$10,700**

### ***Objective:***

The City's existing collection system is comprised of several different pipe materials which have been installed during the systems growth. Clay pipe accounts for approximately 42% of the 1.5 million linear feet in the collection system. This pipe material typically represents the oldest pipe and thereby likely the greatest contributor of infiltration. HDR understands that the City desires to undertake a rehabilitation program to repair or replace high infiltration sections of pipe. We also understand that a priority list of sewer lines has previously been developed with associated construction costs. These project priorities and opinion of probable construction costs need to be reviewed and updated based on City field operations staff system knowledge.

After meeting with City operations staff, HDR will update the list of projects for implementation as a capital improvement project program for 2008 through 2018. These pipe segments are anticipated to be replaced using pipe bursting; or remove and replace methods.

### ***Work Tasks:***

- 4.1 The City will determine its desired construction cost budget to be spent on this program for each year from 2008 through 2018. HDR will geographically group and break up the prioritized list with the associated linear footage of pipe. Opinion of probably construction costs will be organized to suit the City's yearly allocated rehabilitation budget. Opinion of probably construction costs will take into account all project costs including professional fees, inflation, and contingencies.
- 4.2 HDR will produce a color coded map identifying the project locations with a project name. Project names will be compiled into a Rehabilitation Capital Improvement Project List by fiscal year showing the Opinion of probably construction costs.
- 4.3 Upon review by the City, consider City's comments and finalize the Draft Technical Memorandum.
- 4.4 Prepare camera ready copy of the Rehabilitation Project Location Map for the City's use in producing additional copies as needed.

### ***Deliverables:***

- Technical memorandum including the Rehabilitation Capital Improvement Project List and map.
- Electronic copy of background data and spreadsheets used in findings.
- Camera ready copy of the Rehabilitation Project Location Map.
- Electronic copy of GIS map on compact disk.
- Presentation of final memorandum to City staff.

## **Exhibit "B"**

### **Payment Terms**

Payment is a fixed fee in the amount listed in paragraph 1.03 of this Contract. HDR will invoice the City for work completed to date on a percent complete basis at the end of each month. Payment will be received within 30 days of the date of the City of College Station accepts and approves the invoice.

**Exhibit "C"**

**Insurance Requirements and  
Certificate(s) of Insurance**

## Insurance Requirements

1. The Contractor agrees to maintain the types and amounts of insurance required in this Contract throughout the term of the Contract. The following insurance policies shall be required:

- (a) Commercial General Liability
- (b) Business Automobile Liability
- (c) Workers' Compensation
- (d) Professional Liability

2. For each of these policies, the Contractor's insurance coverage shall be primary insurance with respect to the City, its officials, employees and volunteers. Any insurance or self-insurance maintained by the City, its officials, employees or volunteers, shall be considered in excess of the Contractor's insurance and shall not contribute to it. Certificates of insurance and endorsements shall be furnished to and approved by the City's Risk Manager **before** any letter of authorization to commence planning will issue or any work on the Project commences. No term or provision of the indemnification provided by the Contractor to the City pursuant to this Contract shall be construed or interpreted as limiting or otherwise affecting the terms of the insurance coverage. **All Certificates of Insurance and endorsements shall be furnished to the City's Representative at the time of execution of this Agreement, attached hereto as Exhibit "D", and approved by the City before work commences.**

3. The Contractor shall include all subcontractors as additional insureds under its policies or shall furnish separate certificates and endorsements for each subcontractor. All coverages for subcontractors shall be subject to all of the requirements stated herein.

4. General Requirements Applicable to All Policies.

- (a) Only insurance carriers licensed and admitted to do business in the State of Texas will be accepted.
- (b) **Deductibles** shall be listed on the certificate of insurance and are acceptable only on a "per occurrence" basis for property damage only.
- (c) "Claims made" policies will not be accepted, except for Professional Liability insurance.
- (d) Each insurance policy shall be endorsed to state that coverage shall not be suspended, voided, canceled, or reduced in coverage or in limits except after thirty (30) calendar days prior written notice has been given to the City of College Station by certified mail, return receipt requested.

- (e) Upon request, certified copies of all insurance policies shall be furnished to the City.
- (f) The certificates of insurance shall be prepared and executed by the insurance company or its authorized agent. Each certificate shall contain the following provisions and warranties: (a) that the insurance company is licensed and admitted to do business in the State of Texas; (b) that the insurance policy is underwritten on forms provided by the Texas State Board of Insurance or ISO; (c) all endorsements and coverages according to the requirements of this Contract; (d) the form of notice of cancellation, termination, or change in coverage provisions; and (e) original endorsements affecting coverage required by this Contract.
- (g) The City of College Station, its officials, employees, and volunteers are to be added as "Additional Insureds" to the Commercial General Liability and Business Automobile Liability Policies. The coverage shall contain no special limitations on the scope of protection afforded to the City, its officials, employees, and volunteers.

5. Commercial (General) Liability requirements:

- (a) Coverage shall be written by a carrier with an "B+:VII" or better rating in accordance with the current Best Key Rating Guide.
- (b) Minimum Combined Single Limit of \$1,000,000 per occurrence per project for bodily injury and property damage with a \$2,000,000 annual aggregate limit.
- (c) Coverage shall be at least as broad as Insurance Service's Office Number CG 00 01.
- (d) No coverage shall be deleted from the standard policy without notification of individual exclusions being attached for review and acceptance.
- (e) The coverage shall include but not be limited to: **premises/operations**; independent- contracts, **products/completed** operations, contractual liability (insuring the indemnity provided herein), and where exposures exist, "Explosion Collapse and Underground" coverage.
- (f) The City shall be named as an additional insured and the policy shall be endorsed to waive subrogation and to be primary and non contributory.

6. Business Automobile Liability requirements:

- (a) Coverage shall be written by a carrier with an "B+:VII" or better rating in accordance with the current Best Key Rating Guide.
- (b) Minimum Combined Single Limit of \$1,000,000 per occurrence for bodily injury and property damage.

- (c) The Business Auto Policy must show Symbol 1 in the Covered Autos portion of the liability section in Item 2 of the declarations page.
- (d) The coverage shall include owned, leased or rented autos, non-owned autos, any autos and hired autos.

7. Workers' Compensation Insurance requirements:

- (a) Pursuant to the requirements set forth in Title 28, Section **110.110** of the Texas Administrative Code, **all** employees of **the** Contractor, the Contractor, **all** employees of any and all subcontractors, and all other persons providing services on the Project must be covered by a workers' compensation insurance policy: either directly through their employer's policy (the Contractor's, or subcontractor's policy) or through an executed coverage agreement on an approved TWCC form. Accordingly, if a subcontractor does not have his or her own policy and a coverage agreement is used, Contractors and subcontractors must use that portion of the form whereby the hiring contractor agrees to provide coverage to the employees of the subcontractor. The portion of the form that would otherwise allow them not to provide coverage for the employees of an independent contractor may not be used.
- (b) The worker's compensation insurance shall include the following terms:
  - (i) Employer's Liability limits of \$1,000,000 for each accident is required.
  - (ii) "Texas Waiver of Our Right to Recover From Others Endorsement, WC 42 03 04" shall be included in this policy.
  - (iii) Texas must appear in Item 3A of the Worker's Compensation coverage or Item 3C must contain the following: All States except those listed in Item 3A and the States of NV, ND, OH, WA, WV, and WY.
- (c) Pursuant to the explicit terms of Title 28, Section 110.110(c)(7) of the Texas Administrative Code, this Agreement, the bid specifications, this Agreement, and all subcontracts on this Project must include the terms and conditions set forth below, without any additional words or changes, except those required to accommodate the specific document in which they are contained or to impose stricter standards of documentation:

*A. Definitions:*

Certificate of coverage ("certificate") - A copy of a *certificate* of insurance, a *certificate* of authority to *self-insure* issued by the Texas Workers' Compensation Commission, or a coverage agreement (TWCC-81, TWCC-83, or TWCC-84), showing statutory workers' compensation insurance coverage for the person's or entity's employees providing services on a project, for the duration of the project.

Duration of the project - includes the time **from** the beginning of the work on the project until the **Contractor's/person's** work on the project has been completed and accepted by the governmental entity.

Persons providing services on the project ("subcontractors" in § 406.096 [of the Texas Labor Code]) - includes all persons or entities performing all or part of the services the Contractor has undertaken to perform on the project, regardless of whether that person contracted directly with the Contractor and regardless of whether that person has employees. This includes, without limitation, independent Contractors, subcontractors, leasing companies, motor carriers, owner-operators, employees of any such entity, or employees of any entity which furnishes persons to provide services on the project. "Services" include, without limitation, providing, hauling or delivering equipment or materials, or providing labor, transportation, or other service related to a project. "Services" does not include activities unrelated to the project, such as **food/beverage** vendors, **office supply deliveries**, and delivery of portable toilets.

*B. The Contractor shall provide coverage, based on proper reporting of classification codes and payroll amounts and filing of any coverage agreements, that meets the statutory requirements of Texas Labor Code, Section 401.011(44) for all employees of the Contractor providing services on the project, for the duration of the project.*

*C. The Contractor must provide a certificate of coverage to the governmental entity **prior** to being awarded the contract.*

*D. If the coverage period shown on the Contractor's current certificate of coverage ends during the duration of the project, the Contractor must, prior to the end of the coverage period, file a new certificate of coverage with the governmental entity showing that coverage has been extended.*

*E. The Contractor shall obtain **from** each person providing services on a project, and provide to the governmental entity:*

*(1) a certzjicate of coverage, prior to that person beginning work on the project, so the governmental entity will have on **file certificates** of coverage showing coverage for all persons providing services on the project; and*

*(2) no later than seven calendar days after receipt by the Contractor, a new certzjicate of coverage showing extension of coverage, if the coverage period shown on the current **certificate** of coverage ends during the duration of the project.*

*F. The Contractor shall retain **all** required **certificates** of coverage for the duration of the project and for one year **thereafter**.*

*G. The Contractor shall **notify** the governmental entity in writing by **certified mail or personal delivery**, within **10** calendar days after the Contractor knew or should have known, or any change that materially affects the provision of coverage of any person providing services on the project.*

*H. The Contractor shall post on each project site a notice, in the text, form and manner prescribed by the Texas Workers' Compensation Commission, informing all persons providing services on the project that they are required to be covered, and stating how a person may **verify** coverage and report lack of coverage.*

*I. The **Contractor** shall contractually require each person with whom it contracts to provide services on a project, to:*

*(I) provide coverage, based on proper reporting of **classification** codes and payroll amounts and filing of any coverage agreements, that meets the statutory requirements of Texas Labor Code, Section 401.011(44) for all of its employees providing services on the project, for the duration of the project;*

*(2) provide to the Contractor, prior to that person beginning work on the project, a certzjicate of coverage showing that coverage*

*is being provided for all employees of the person providing services on the project, for the duration of the project;*

*(3) provide the Contractor, prior to the end of the coverage period, a new certificate of coverage showing extension of coverage, if the coverage period shown on the current certificate of coverage ends during the duration of the project;*

*(4) obtain from each other person with whom it contracts, and provide to the Contractor:*

*(a) a certificate of coverage, prior to the other person beginning work on the project; and*

*(b) a new certificate of coverage showing extension of coverage, prior to the end of the coverage period, if the coverage period shown on the current certificate of coverage ends during the duration of the project;*

*(5) retain all required certificates of coverage on file for the duration of the project and for one year thereafter;*

*(6) notify the governmental entity in writing by certified mail or personal delivery, within 10 calendar days after the person knew or should have known, of any change that materially affects the provision of coverage of any person providing services on the project; and*

*(7) contractually require each person with whom it contracts, to perform as required by paragraphs (a) - (g), with the certificates of coverage to be provided to the person for whom they are providing services.*

*J. By signing this contract, or providing, or causing to be provided a certificate of coverage, the Contractor is representing to the governmental entity that all employees of the Contractor who will provide services on the project will be covered by workers' compensation coverage for the duration of the project, that the coverage will be based on proper reporting of classification codes and payroll amounts, and that all coverage agreements will be filed with the appropriate insurance carrier or, in the case of a self-insured, with the Commission's Division of Self-Insurance Regulation.*

*Providing false or misleading information may subject the Contractor to administrative penalties, criminal penalties, civil penalties, or other civil actions.*

*K. The Contractor's failure to comply with any of these provisions is a breach of contract by the Contractor that entitles the governmental entity to declare the contract void if the Contractor does not remedy the breach within ten calendar days **after** receipt of notice of breach **from** the governmental entity.*

8. Professional **Liability** requirements:

- (a) Coverage shall be written by a carrier with a "B+:VII" or better rating in accordance with the current Best Key Rating Guide.
- (b) Minimum of \$1,000,000 per occurrence and \$2,000,000 aggregate, with a maximum deductible of \$10,000.00.
- (c) Coverage must have an Extended Reporting Period Endorsement to be maintained for two (2) years **after** the expiration of the term or **termination** of this Contract.

**January 24, 2008  
Consent Agenda Item 2i  
Outside Agency Funding Agreement with the Northgate District Association  
and Budget Approval**

**To:** Glenn Brown, City Manager

**From:** Jeff Kersten, Chief Financial Officer

**Agenda Caption:** Presentation, discussion and possible action on a funding agreement between the City of College Station and the Northgate District Association for FY08 in the amount of \$25,000; and presentation, discussion and possible action on approving the budget of the Northgate District Association.

**Recommendation(s):** Staff recommends approval of the funding agreement, and approval of the Northgate District Association Budget.

**Summary:** As part of the 2007-2008 budget process the City Council approved funding for the Northgate District Association from the Hotel Tax Fund in the amount of \$25,000.

State law requires that the City Council adopt the budget of any organization that is to be funded through Hotel Tax revenue.

**Budget & Financial Summary:** The funds for this agreement are budgeted and available in the 2007-2008 Hotel Tax Fund Budget in the amount of \$25,000.

**Attachments:**

Northgate District Association Funding Agreement and Budget

**FUNDING AGREEMENT PROVIDING FOR THE PAYMENT  
AND USE OF HOTEL TAX REVENUE**

THIS AGREEMENT is made between the CITY OF COLLEGE STATION, a Home Rule Municipal Corporation incorporated under the State of Texas (hereinafter referred to as the “City”), and the Northgate District Association, a Texas Non-Profit Corporation (hereinafter referred to as the “Agency”):

WHEREAS, TEXAS TAX CODE §§351.002 and 351.003(a) authorize City to levy by ordinance a municipal hotel occupancy tax (“hotel tax”) not exceeding seven percent (7%) of the consideration paid by a hotel occupant; and

WHEREAS, by ordinance, City has provided for the assessment and collection of a municipal hotel occupancy tax in the City of College Station of seven percent (7%); and

WHEREAS, TEXAS TAX CODE §351.101(a) authorizes City to use revenue from its municipal hotel occupancy tax to promote tourism and the convention and hotel industry, yet limits such revenue use for the encouragement, promotion, improvement, and application of the arts, including instrumental and vocal music, dance, drama, folk art, creative writing, architecture, design and allied fields, painting, sculpture, photography, graphic and craft arts, motion pictures, radio, television, tape and sound recording, and other arts related to the presentation, performance, execution, and exhibition of these major art forms; and

WHEREAS, Agency is well equipped to perform those activities; and

WHEREAS, TEXAS TAX CODE §351.101(c) authorizes City to delegate by contract with Agency; as an independent entity, the management or supervision of programs and activities of the type described hereinabove funded with revenue from the municipal hotel occupancy tax;

NOW, THEREFORE, IN CONSIDERATION of the performance of the mutual covenants and promises contained herein, City and Agency agree and contract as follows:

**ARTICLE I  
DEFINITIONS**

- 1.1 The term “Agency” shall mean the Northgate District Association, a Texas Non-Profit Corporation to which the City has delegated the management or supervision of programs and activities funded with Hotel Tax Revenue.
- 1.2 The term “City” shall mean the City of College Station, in the County of Brazos, and the State of Texas.

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- 1.3 The term “Contract Quarter” shall refer to any quarter of the contract year in which this Agreement is in force. Contract Quarters will end on December 31<sup>st</sup>, March 31<sup>st</sup>, June 30<sup>th</sup>, and September 30<sup>th</sup>, of each contract year.
- 1.4 The term “Event” shall include any and all banquets, ceremonial dinners, promotional programs, or other public or private event hosted by Agency.
- 1.5 The term “Financial Activity Report” shall mean a quarterly report which includes a summary of Agency’s revenues and expenditures, and a summary of Agency’s assets and liabilities to be submitted to the City on the form attached herein as Exhibit B or in a form agreed upon by Agency and City.
- 1.6 The term “Financial Records” shall mean invoices, receipts, bank statements, reconciliations, cleared checks, financial statements and audit reports.
- 1.7 The term “Hotel Tax Revenue” shall mean the gross monies collected and received by City as municipal hotel occupancy tax at the rate of seven percent (7%) of the price paid for a room in a hotel, pursuant to Texas Tax Code 351.003 (a) and City Ordinance. Hotel Tax Revenue will include penalty and interest related to the late payments of the tax revenue by the taxpayer.
- 1.8 The term “Narrative Summary of Activity Report” shall mean the quarterly summary report of the activities of Agency including a summary of how funds from City have been utilized to accomplish the Agency’s work. Such report shall be submitted on the form attached herein as Exhibit C.
- 1.9 The term “Performance Measure Report” shall mean the quarterly report to determine the levels of service that are being provided by Agency to be submitted to the City on the form attached herein as Exhibit D.
- 1.10 The term “Program Report” shall mean a report as required by Texas Tax Code §351.108 listing each of the Agency’s scheduled activity, program, or event that: is directly funded with Hotel Tax Revenue or has its administrative costs funded in whole or in part by the Hotel Tax Revenue and is directly enhancing and promoting tourism and the convention and hotel industry. Such report shall be submitted on the form attached herein as Exhibit A.

## **ARTICLE II**

### **HOTEL TAX REVENUE PAYMENT**

- 2.1 Consideration and Payment.** For and in consideration of the activities to be satisfactorily performed by Agency under this Agreement, City agrees to pay to Agency a portion of the Hotel Tax Revenue collected by City in the total amount of TWENTY FIVE THOUSAND AND NO/100 DOLLARS (\$25,000.00), to be paid as follows:

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- a. the total amount of TWENTY FIVE THOUSAND AND NO/100 DOLLARS (\$25,000.00) from the City's Hotel Tax Revenue. Payment will be made in four (4) quarterly installments of \$6,250.00 each.
- 2.2 Quarterly payments will be dependent upon the City receiving all reports required herein from the Agency. Quarterly reports are due no later than thirty (30) days after the end of each Contract Quarter (no later than January 30th, April 30th, July 30th, October 30th, of each contract year.)
- 2.3 Other limitations regarding consideration.**
- a. It is expressly understood that this contract in no way obligates the General Fund or any other monies or credits of City.
- b. City may withhold allocations if City determines that expenditures of Agency deviate materially from their approved budget or if the reports required herein are not submitted in a complete and timely manner.

### **ARTICLE III USE OF HOTEL TAX REVENUE**

- 3.1 Use of Funds.** For and in consideration of the payment by City to Agency of the agreed payments of Hotel Tax Revenue specified above, Agency agrees to manage or supervise the programs and activities funded with Hotel Tax Revenue. Agency further agrees to use such Hotel Tax Revenue for the encouragement, promotion, improvement, and application of the arts, including instrumental and vocal music, dance, drama, folk art, creative writing, architecture, design and allied fields, painting, sculpture, photography, graphic and craft arts, motion pictures, radio, television, tape and sound recording, and other arts related to the presentation, performance, execution, and exhibition of these major art forms as authorized by TEXAS TAX CODE §351.101(a). The City Council and City Manager or their designees shall have the right to attend Agency events or promotional programs as representatives of the City to promote tourism and the convention and hotel industry.
- 3.2 Administrative Costs.** The Hotel Tax Revenue received from City by Agency may be spent for Agency's day-to-day operations, supplies, salaries, office rental, travel expenses, and other administrative costs only if those administrative costs are incurred directly in the promoting of: tourism and the convention and hotel industry and the encouragement, promotion, improvement, and application of the arts, including instrumental and vocal music, dance, drama, folk art, creative writing, architecture, design and allied fields, painting, sculpture, photography, graphic and craft arts, motion pictures, radio, television, tape and sound recording, and other arts related to the presentation, performance, execution, and exhibition of these major art forms.

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**3.3 Specific Restrictions on Use of Funds.**

a. That portion of total administrative costs of Agency for which Hotel Tax Revenue may be used shall not exceed that portion of Agency's administrative costs actually incurred in conducting the activities specified in §3.1 above.

b. Hotel Tax Revenue may not be spent for travel for a person to attend an event or conduct an activity the primary purpose of which is not directly related to the promotion of tourism and the convention and hotel industry or the performance of the person's job in an efficient and professional manner.

**ARTICLE IV  
RECORDKEEPING AND REPORTING REQUIREMENTS**

**4.1 Budget.**

a. Prior to execution of this Funding Agreement, Agency shall submit to the City Manager of City an annual budget to be approved by the City Council for each fiscal year, for such operations of Agency funded by Hotel Tax Revenues. This budget shall specifically identify proposed expenditures of Hotel Tax Revenue by Agency. In other words, City should be able to audit specifically the purpose of each individual expenditure of Hotel Tax Revenue from the separate account relating to Hotel Tax Revenue. City shall not pay to Agency any Hotel Tax Revenues as set forth in Article II of this Agreement during any program year of this Agreement unless a budget for such respective program year has been approved in writing by the College Station City Council. Approval of the budget by the City Council shall not preclude the Agency from reasonably reallocating funds within the budget among line items to meet changing conditions. Such reallocation shall not necessitate a new approval by the City Council. Failure to submit an annual budget may be considered a breach of contract, and if not remedied is considered grounds for termination of this Agreement as stated in paragraph 6.2.

b. Agency acknowledges that the approval of such budget by the College Station City Council creates a fiduciary duty in Agency with respect to the Hotel Tax Revenue paid by City to Agency under this Agreement. Agency shall expend Hotel Tax Revenue only in the manner and for the purposes specified in this Agreement, TEXAS TAX CODE §351.101(a), and in the budget as approved by City.

**4.2 Separate Accounts.** Agency shall maintain Hotel Tax Revenue paid to Agency by City in a separate account, or with segregated fund accounting, such that any reasonable person can ascertain the revenue source of any given expenditure.

**4.3 Financial Records.** Agency shall maintain a complete and accurate financial record of each expenditure of the Hotel Tax Revenue made by Agency. These funds shall be classified as restricted funds for audited financial purposes.

**4.4** Agency shall maintain such records, accounts, reports, files or other documents for a minimum of five (5) years after the expiration of this agreement. City's

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right to access Agency's files shall continue during this 5 year period and for as long as the records are retained by Agency.

- 4.5 Upon written request of the College Station City Council, or other person, Agency shall make such financial records available for inspection and review by the party making the request. Agency understands and accepts that financial records and any other records relating to this Agreement shall be subject to the Public Information Act, TEXAS GOVERNMENT CODE, Chapter 552, as hereafter amended.
- 4.6 Program Report.** Agency understands that such report shall be completed in its entirety and the original report shall be submitted to the City.
- 4.7 Quarterly Reports.**  
Agency shall submit the following to the City on a quarterly basis as provided in this Agreement:
- (1). Financial Activity Report.
  - (2). Narrative Summary of Activity Report.
  - (3). Performance Measure Report.
- 4.8 Agency shall respond promptly to any request from the City Manager of City, or designee, for additional information relating to the activities performed under this Agreement.
- 4.9 The Financial Activity Report, Narrative Summary of Activity Report and Performance Measure Report shall be submitted to the City within thirty (30) days of the end of each Contract Quarter (no later than January 30th, April 30th, July 30th, and October 30th of each contract year.)
- 4.10 A copy of the Agency's annual financial audit shall be made available to City no later than thirty (30) days following Agency's receipt of same.
- 4.11 If requested, Agency shall make an annual report and presentation to the City Council.
- 4.12 The City shall conduct a monitoring review of the Agency as deemed necessary by the City so as to evaluate Agency's compliance with the provisions of this Agreement. Said monitoring may consist of on-site monitoring reviews.

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**ARTICLE V  
AGENCY BOARD OF DIRECTORS**

- 5.1 The City shall have the option to recommend one appointee for any vacancy that occurs on the Board of Directors of the Agency during the program year. This provision shall not apply if the City is otherwise authorized to appoint members to the Board under the Agency's Bylaws.
- 5.2 Agency shall provide the City with an agenda of all regular and non-regular Board meetings five (5) days prior to the meeting with information as to the date, time and place of meeting. If a non-regular meeting is scheduled, Agency shall immediately notify the City of non-regular meeting. Said notification should be in writing via facsimile or e-mail; or orally by telephone, depending on Agency's own notification of the Board meeting.
- 5.3 Agency shall submit minutes of each Board of Directors meeting and Executive Committee meeting to the City within ten (10) days after approval of the minutes.

**ARTICLE VI  
TERM AND TERMINATION**

- 6.1 **Term.** The term of this Agreement shall commence on October 1, 2007 and terminate at midnight on October 31, 2008. However, the program period shall commence on October 1, 2007 and terminate at midnight on September 30, 2008. Only those expenditures authorized by Chapter 351 of the Texas Tax Code which are actually incurred during the program period, for events and activities taking place within the program period, are eligible for funding under this Agreement, and any ineligible expenditures or unspent funds shall be forfeited to City upon termination of the Agreement.
- 6.2 **Termination Without Cause.**
- a. This Agreement may be terminated by either party, with or without cause, by giving the other party sixty (60) days advance written notice.
- b. In the event this Agreement is terminated by either party pursuant to §6.2(a), City agrees to reimburse Agency for any contractual obligations undertaken by Agency in satisfactory performance of those activities specified in hereinabove and that were approved by the Council through the budget, as noted in §4.1. This reimbursement is conditioned upon such contractual obligations having been incurred and entered into in the good faith performance of those services contemplated in §§3.1 and 3.2 above, and further conditioned upon such contractual obligations having a term not exceeding the full term of this Agreement.

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c. Further, upon termination pursuant to §6.2(a), Agency will provide CITY:

(1) Within ten (10) business days from the termination notification, a short-term budget of probable expenditures for the remaining sixty (60) day period between termination notification and contract termination. This budget will be presented to Council for approval within ten (10) business days after receipt by City. If formal approval is not given within ten (10) business days and the budget does not contain any expenditures that would be prohibited by the Texas Tax Code, and is within the current contractual period approved budget; the budget will be considered approved;

(2) Within thirty (30) days, a full accounting of all expenditures not previously audited by City;

(3) Within five (5) business days of a request from City, a listing of expenditures that have occurred since the last required reporting period;

(4) A final accounting of all expenditures and tax funds on the day of termination. Agency will be obligated to return any unused funds or funds determined to be used improperly. Any use of remaining funds by Agency after notification of termination is conditioned upon such contractual obligations having been incurred and entered into in the good faith performance of those services contemplated in 3.1 and 3.2 above, and further conditioned upon such contractual obligations having a term not exceeding the full term of this Agreement.

**6.3 Automatic Termination.** This Agreement shall automatically terminate upon the occurrence of any of the following events:

a. The termination of the legal existence of Agency;

b. The insolvency of Agency, the filing of a petition in bankruptcy, either voluntarily or involuntarily, or an assignment by Agency for the benefit of creditors;

c. The continuation of a breach of any of the terms or conditions of this Agreement by either City or Agency for more than thirty (30) days after written notice of such breach is given to the breaching party by the other party; or

d. The failure of Agency to submit quarterly reports which comply with the reporting procedures required herein and generally accepted accounting principles within thirty (30) days from the date City notifies Agency of such breach.

e. The failure of Agency to submit a Quarterly Financial Activity Report as required by Texas Tax Code §351.101(c) within thirty (30) days from the date City notifies Agency of such breach.

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**6.4 Right to Immediate Termination Upon Litigation.** Notwithstanding any other provision of this Agreement, to mitigate damages and to preserve evidence and issues for judicial determination, either party shall have the right to terminate this Agreement upon immediate notice to the other party in the event that any person has instituted litigation concerning the activities of the non-terminating party, and the terminating party reasonably believes that such activities are required or prohibited under this Agreement.

**6.5** In the event that this Agreement is terminated pursuant to §§6.3 or 6.4, Agency agrees to refund any and all unused funds, or funds determined by City to have been used improperly, within thirty (30) days after termination of this Agreement.

## ARTICLE VII INDEMNIFICATION AND RELEASE

**7.1 Agency agrees to indemnify and hold harmless the City, its officers, agents, and employees from and against any and all loss, costs, or damage of any kind, nature, or description that may arise out of or in connection with this Agreement whether or not the claim or cause of action results from any negligence of the City or any of its officers, agents, or employees.**

**7.2 Agency assumes full responsibility for the work to be performed and services to be provided hereunder, and hereby releases, relinquishes and discharges the City, its officers, agents, and employees from any and all claims, demands, causes of action of every kind and character, including the cost of defense thereof, for any injury to, including death of, any person (whether employees or agents of either of the parties hereto or third persons) and any loss of or damage to property (whether the property is that of either of the parties hereto or of third parties) that is caused by or alleged to be caused by, arising out of, or in connection with the Agency's work or services provided hereunder whether or not said claims, demands, or causes of actions are covered in whole or part by insurance.**

## ARTICLE VIII GENERAL PROVISIONS

**8.1 Subcontract for Performance of Services.** Nothing in this Agreement shall prohibit, nor be construed to prohibit, the agreement by Agency with another private entity, person, or organization for the performance of those services described in §3.1 above. In the event that Agency enters into any arrangement, contractual or otherwise, with such other entity, person or organization, Agency shall cause such other entity, person, or organization to adhere to, conform to, and be subject to all provisions, terms, and conditions of this Agreement and to TEX. TAX CODE Chapter 351, including reporting requirements, separate funds maintenance, and limitations

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and prohibitions pertaining to expenditure of the agreed payments and Hotel Tax Revenue.

- 8.2 This Agreement and each provision hereof, and each and every right, duty, obligation, and liability set forth herein shall be binding upon and inure to the benefit and obligation of City and Agency and their respective successors and assigns.
- 8.3 The City and Agency attest that, to the best of their knowledge, no member of the City of College Station City Council and no other officer, employee or agent of the City, who exercises any function or responsibility in connection with the carrying out of the terms of this Agreement, has any personal interest, direct or indirect, in this Agreement.
- 8.4 Agency covenants and agrees that, during the term of this Agreement, it will not discriminate against any employee or applicant for employment because of race, color, religion, sex, national origin or disability. Agency will take affirmative action to ensure that applicants who are employed are treated, during employment, without regard to their race, color, religion, sex, national origin or disability. Such action shall include, but not be limited to the following: employment, upgrading, demotion or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation and selection. Agency agrees to post in conspicuous places, available to employees and applicants for employment, notices setting forth the provisions of this nondiscrimination requirement.
- 8.5 Agency expressly agrees that, in all solicitations or advertisements for employees placed by or on behalf of Agency, there will be a statement that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex, national origin or disability.
- 8.6 Agency certifies that it will not limit services or give preference to any person assisted through this Agreement on the basis of religion and that it will provide no religious instruction or counseling, conduct no religious worship or services, and engage in no religious proselytizing in the provision of services or the use of facilities or furnishings assisted in any way under this Agreement.
- 8.7 No amendment to this Agreement shall be effective and binding unless and until it is reduced to writing and signed by duly authorized representatives of both parties.
- 8.8 This Agreement has been made under and shall be governed by the laws of the State of Texas.
- 8.9 Performance and all matters related thereto shall be in Brazos County, Texas, United States of America.

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- 8.10 Each party has the full power and authority to enter into and perform this Agreement, and the person signing this Agreement on behalf of each party has been properly authorized and empowered to enter into this Agreement. The persons executing this Agreement hereby represent that they have authorization to sign on behalf of their respective organizations.
- 8.11 Failure of any party, at any time, to enforce a provision of this Agreement, shall in no way constitute a waiver of that provision, nor in any way affect the validity of this Agreement, any part hereof, or the right of either party thereafter to enforce each and every provision hereof. No term of this Agreement shall be deemed waived or breach excused unless the waiver shall be in writing and signed by the party claimed to have waived. Furthermore, any consent to or waiver of a breach will not constitute consent to or waiver of or excuse of any other different or subsequent breach.
- 8.12 The parties acknowledge that they have read, understand and intend to be bound by the terms and conditions of this Agreement.
- 8.13 This Agreement and the rights and obligations contained herein may not be assigned by any party without the prior written approval of the other parties to this Agreement.
- 8.14 It is understood and agreed that this Agreement may be executed in a number of identical counterparts, each of which shall be deemed an original for all purposes.
- 8.15 If any provision of this Agreement shall be held to be invalid, illegal, or unenforceable by a court or other tribunal of competent jurisdiction, the validity, legality, and enforceability of the remaining provisions shall not in any way be affected or impaired thereby. The parties shall use their best efforts to replace the respective provision or provisions of this Agreement with legal terms and conditions approximating the original intent of the parties.
- 8.16 It is understood that this Agreement contains the entire agreement between the parties and supersedes any and all prior agreements, arrangements, or understandings between the parties relating to the subject matter. No oral understandings, statements, promises, or inducements contrary to the terms of this Agreement exist. This Agreement cannot be changed or terminated orally. No verbal agreement or conversation with any officer, agent, or employee of any party before or after the execution of this Agreement shall affect or modify any of the terms or obligations hereunder.
- 8.17 Unless otherwise specified, written notice shall be deemed to have been duly served if delivered in person or sent by certified mail to the last business address as listed herein. Each party has the right to change its business address by giving at least thirty (30) days advance written notice of the change to the other party.

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**City:** City of College Station  
Attn: Finance and Strategic Planning  
1101 Texas Avenue  
College Station, Texas 77840

**Agency:** Northgate District Association  
3211 Westwood Main  
Bryan, TX 77807

Executed this the \_\_\_\_ day of \_\_\_\_\_, 2008.

**NORTHGATE DISTRICT ASSOCIATION**

**CITY OF COLLEGE STATION**

By: Jessica Guidry By: \_\_\_\_\_  
Printed Name: Jessica Guidry Mayor  
Title: Executive Director  
Date: 1-10-08

ATTEST: \_\_\_\_\_  
City Secretary

APPROVED:

\_\_\_\_\_  
City Manager Date

Angela M DeLuca  
City Attorney Date

\_\_\_\_\_  
Chief Financial Officer Date

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**Exhibit A**  
**Hotel Tax Revenue Program Report**

| Please list each scheduled activity, program or event directly funded from the Hotel Tax Revenue. | Please list each scheduled activity, program or event which has its administrative costs funded in whole or in part by the Hotel Tax Revenue. | Please list how the scheduled activity, program or event is directly enhancing and promoting tourism and the convention and hotel industry. | Please itemize funds associated with the particular activity, program or event directly funded from the Hotel Tax Revenue. |
|---|---|---|--|
| 1.  |   |   |  |
| 2.  |   |   |  |
| 3.  |   |   |  |
| 4.  |   |   |  |
| 5.  |   |   |  |

**Exhibit A**  
**Hotel Tax Revenue Program Report**

| Please list each scheduled activity, program or event directly funded from the Hotel Tax Revenue. | Please list each scheduled activity, program or event which has its administrative costs funded in whole or in part by the Hotel Tax Revenue. | Please list how the scheduled activity, program or event is directly enhancing and promoting tourism and the convention and hotel industry. | Please itemize each amount associated with the particular activity, program or event directly funded from the Hotel Tax Revenue. |
|---|---|---|--|
| 6.  |   |   |  |
| 7.  |   |   |  |
| 8.  |   |   |  |
| 9.  |   |   |  |
| 10.   |   |   |  |

## Exhibit B

### Statements of Financial Position

Outside Agency: \_\_\_\_\_  
 STATEMENTS OF FINANCIAL POSITION  
 2008 Period \_\_\_\_\_

| ASSETS  | 2008 Current<br>Period |  | 2008 Current<br>Period |  | 2008 Year to<br>Date |  | 2008 Year to<br>Date |  |
|---|------------------------|--|------------------------|--|----------------------|--|----------------------|--|
|   | Hotel Tax              |  | Non-Hotel Tax          |  | Hotel Tax            |  | Non-Hotel Tax        |  |
| Cash and cash equivalents                     |                        |  |                        |  |                      |  |                      |  |
| Short-term investments                        |                        |  |                        |  |                      |  |                      |  |
| Prepaid expenses                              |                        |  |                        |  |                      |  |                      |  |
| Unconditional promises to give                |                        |  |                        |  |                      |  |                      |  |
| Cash restricted to purchase of equipment      |                        |  |                        |  |                      |  |                      |  |
| Long-term investments                         |                        |  |                        |  |                      |  |                      |  |
| Contribution receivable—charitable lead trust |                        |  |                        |  |                      |  |                      |  |
| Deposits on leased and other property         |                        |  |                        |  |                      |  |                      |  |
| Property and equipment                        |                        |  |                        |  |                      |  |                      |  |
| <b>TOTAL ASSETS</b>                           |                        |  |                        |  |                      |  |                      |  |
| <b>LIABILITIES</b>                            |                        |  |                        |  |                      |  |                      |  |
| Accounts payable                              |                        |  |                        |  |                      |  |                      |  |
| Compensation                                  |                        |  |                        |  |                      |  |                      |  |
| Refundable advances                           |                        |  |                        |  |                      |  |                      |  |
| Long-term debt                                |                        |  |                        |  |                      |  |                      |  |
| <b>TOTAL LIABILITIES</b>                      |                        |  |                        |  |                      |  |                      |  |
| <b>NET ASSETS</b>                             |                        |  |                        |  |                      |  |                      |  |
| Unrestricted                                  |                        |  |                        |  |                      |  |                      |  |
| Temporarily restricted                        |                        |  |                        |  |                      |  |                      |  |
| Permanently restricted                        |                        |  |                        |  |                      |  |                      |  |
| <b>TOTAL NET ASSETS</b>                       |                        |  |                        |  |                      |  |                      |  |
| <b>TOTAL LIABILITIES AND NET ASSETS</b>       |                        |  |                        |  |                      |  |                      |  |

## Exhibit B

### Statement of Financial Activities - Hotel Tax

Outside Agency: \_\_\_\_\_  
 STATEMENT OF ACTIVITIES  
 2008 Period: \_\_\_\_\_

|  | Unrestricted | Temporarily<br>Restricted | Permanently<br>Restricted | Total |
|--|--------------|---------------------------|---------------------------|-------|
| <b>REVENUES, GAINS, AND OTHER SUPPORT</b>                |              |                           |                           |       |
| Contributions  | —            | —                         | —                         | —     |
| Capital campaign   | —            | —                         | —                         | —     |
| Equipment acquisition                                    | —            | —                         | —                         | —     |
| Endowment  | —            | —                         | —                         | —     |
| Other  | —            | —                         | —                         | —     |
| Federal financial assistance                             | —            | —                         | —                         | —     |
| Program service fees                                     | —            | —                         | —                         | —     |
| Investment return  | —            | —                         | —                         | —     |
| Change in value of split-interest agreement              | —            | —                         | —                         | —     |
| Other  | —            | —                         | —                         | —     |
| Net assets released from restrictions                    | —            | —                         | —                         | —     |
| Expiration of time restrictions—United Way Services      | —            | —                         | —                         | —     |
| Restrictions satisfied by charitable lead trust receipts | —            | —                         | —                         | —     |
| Restrictions satisfied by payments                       | —            | —                         | —                         | —     |
| <b>TOTAL REVENUES, GAINS, AND OTHER SUPPORT</b>          | —            | —                         | —                         | —     |
| <b>EXPENSES</b>  |              |                           |                           |       |
| Program services   | —            | —                         | —                         | —     |
| Supporting services                                      | —            | —                         | —                         | —     |
| Management and general                                   | —            | —                         | —                         | —     |
| Fund-raising   | —            | —                         | —                         | —     |
| <b>TOTAL EXPENSES</b>                                    | —            | —                         | —                         | —     |
| <b>CHANGE IN NET ASSETS</b>                              | —            | —                         | —                         | —     |
| <b>NET ASSETS AT BEGINNING OF YEAR</b>                   | —            | —                         | —                         | —     |
| <b>NET ASSETS AT END OF YEAR</b>                         | —            | —                         | —                         | —     |

**Exhibit C**  
**Narrative Summary of Activity Report**

Please provide a narrative summary of the activities funded with the Hotel Tax Revenue.  
Use additional sheets if more space is needed.

Exhibit D  
Performance Measure Report

| <b>Northgate District Association</b>  |                  |                  |                  |                  |
|--|------------------|------------------|------------------|------------------|
| <b>Description &amp; Budget Explanation:</b>   |                  |                  |                  |                  |
| The Northgate District Association will work to promote the Northgate area for shopping, entertainment and living. |                  |                  |                  |                  |
| <b>Yearly Budget Summary</b>   | <b>FY 05</b>     | <b>FY 06</b>     | <b>FY 07</b>     | <b>FY 08</b>     |
|  | <b>Actual</b>    | <b>Actual</b>    | <b>Actual</b>    | <b>Estimate</b>  |
|  | \$0              | \$0              | \$25,000         | \$25,000         |
| <b>Quarterly Budget Summary</b>  | <b>Quarter 1</b> | <b>Quarter 2</b> | <b>Quarter 3</b> | <b>Quarter 4</b> |
|  | <b>Proposed</b>  | <b>Proposed</b>  | <b>Proposed</b>  | <b>Proposed</b>  |
|  | \$6,250          | \$6,250          | \$6,250          | \$6,250          |

**Program Name:** Northgate District Association

**Service Level:** The Northgate District Association will work to promote the Northgate area for shopping, entertainment and living

| <b>Performance Measures:</b>  | <b>Quarter 1</b> | <b>Quarter 2</b> | <b>Quarter 3</b> | <b>Quarter 4</b> |
|---|------------------|------------------|------------------|------------------|
|   | <b>Actual</b>    | <b>Proposed</b>  | <b>Proposed</b>  | <b>Proposed</b>  |
| Number of special events  |                  |                  |                  |                  |
| Number of advertising or promotional activities conducted               |                  |                  |                  |                  |
| Per event please list number of attendees (actual if known or estimate) |                  |                  |                  |                  |
| Revenue generated per event   |                  |                  |                  |                  |

**2008 NMF Proposed Budget**

2007 NMF Income/Expense  
10/01/2006 -12/31/07

INCOME

|                          |                  |               |
|--------------------------|------------------|---------------|
| Band Application Fees    | 1,500.00         | 2.65%         |
| Return Operating Capital | 0.00             | 0.00%         |
| Sales - Merch.           | 0.00             | 0.00%         |
| Sales - Presale          | 0.00             | 0.00%         |
| Sales - Tickets          | 20,000.00        | 35.40%        |
| Sales - Tickets Online   | 0.00             | 0.00%         |
| Shirt Fee - Staff        |                  |               |
| Reimbursement            | 0.00             | 0.00%         |
| Shirt Fee - Volunteer    |                  |               |
| Reimbursement            | 0.00             | 0.00%         |
| Sponsorship              |                  | 0.00%         |
| * City Grant             | <b>25,000.00</b> | <b>44.25%</b> |
| Other Sponsorships       | 10,000.00        | 17.70%        |
| Vendor Fee               | 0.00             | 0.00%         |

TOTAL INCOME 56,500.00 100.00%

EXPENSES

|                                   |                  |               |
|-----------------------------------|------------------|---------------|
| Accounting                        | 500.00           | 0.88%         |
| <b>Advertising/Marketing</b>      | <b>6,000.00</b>  | <b>10.62%</b> |
| <b>Band/ Hospitality</b>          | <b>23,000.00</b> | <b>40.71%</b> |
| Bank Charge-Bank Charge           | 0.00             | 0.00%         |
| Insurance-Insurance               | 800.00           | 1.42%         |
| Management Fee                    | 0.00             | 0.00%         |
| <b>Operating/Rentals</b>          | <b>7,800.00</b>  | <b>13.81%</b> |
| Permit                            | 200.00           | 0.35%         |
| Postage                           | 0.00             | 0.00%         |
| Product                           | 0.00             | 0.00%         |
| Security                          | 3,200.00         | 5.66%         |
| <b>Sound</b>                      | <b>15,000.00</b> | <b>26.55%</b> |
| TO Northgate District Association | 0.00             | 0.00%         |

TOTAL EXPENSES 56,500.00 100.00%

OVERALL TOTAL 0.00

INCOME

|                                 |           |        |
|---------------------------------|-----------|--------|
| Band Application Fees           | 1,585.00  | 2.34%  |
| Return Operating Capital        | 1,000.00  | 1.47%  |
| Sales - Merch.                  | 661.00    | 0.97%  |
| Sales - Presale                 | 1,740.00  | 2.56%  |
| Sales - Tickets                 | 25,034.00 | 36.89% |
| Sales - Tickets Online          | 1,320.00  | 1.95%  |
| Shirt Fee - Staff Reimbursement | 420.00    | 0.62%  |
| Shirt Fee - Volunteer           |           |        |
| Reimbursement                   | 635.00    | 0.94%  |
| Sponsorship                     |           | 0.00%  |
| City Grant                      | 25,000.00 | 36.84% |
| Other Sponsorships              | 10,000.00 | 14.74% |
| Vendor Fee                      | 465.00    | 0.69%  |

TOTAL INCOME 67,860.00 100.00%

EXPENSES

|                                   |           |        |
|-----------------------------------|-----------|--------|
| Accounting                        | 1,005.00  | 1.24%  |
| Advertising/Marketing             | 1,971.69  | 2.44%  |
| Band                              | 38,580.47 | 47.73% |
| Bank Charge-Bank Charge           | 6.00      | 0.01%  |
| Insurance-Insurance               | 782.00    | 0.97%  |
| Management Fee                    | 1,750.00  | 2.17%  |
| Operating/Rentals                 | 9,713.97  | 12.02% |
| Permit                            | 200.00    | 0.25%  |
| Postage                           | 6.04      | 0.01%  |
| Product                           | 1,217.10  | 1.51%  |
| Security                          | 3,150.00  | 3.90%  |
| Sound                             | 20,190.00 | 24.98% |
| TO Northgate District Association | 2,250.00  | 2.78%  |

TOTAL EXPENSES 80,822.27 100.00%

OVERALL TOTAL -12,962.27

After applying last years grants funds primarily to increase the budget for Bands, we realized that we can't just increase the Band budget without a similar increase in the advertising and marketing budgets. So, 2008 Grant funds will be used for band and logistical needs such as sound and equipment rental as well as for the necessary advertising and marketing.

\* Estimating expenditures of City funds will be \$5,000 for Advertising & Marketing, \$10,000 for Bands/Hospitality and \$10,000 for Sound/Operating expenses.

**January 24, 2008  
Consent Agenda 2j  
Storm Water Management Program**

**To:** Glenn Brown, City Manager

**From:** Mark Smith, Director of Public Works

**Agenda Caption:** Presentation, possible action and discussion regarding Texas Commission on Environmental Quality (TCEQ) General Permit to Discharge Under the Texas Pollutant Discharge Elimination System (TPDES) No. TXR040000.

**Recommendation(s):** Staff recommends approval of a resolution authorizing the Mayor to sign the resolution to endorse the program submittal to TCEQ.

**Summary:** This item is the action item following a workshop presentation on December 13, 2007. The state is requiring designated cities to implement storm water programs to eliminate pollution. The state has defined minimum standards that each program must satisfy. The program outlines only a framework of actions and goals over a 5 year period. Specific ordinances, guidelines, best management practices, etc will be developed and brought to Council over this 5 year period with the assistance of public input.

The referenced state requirement was adopted at the August 8, 2007 TCEQ agenda, becoming effective August 13, 2007. The City of College Station is identified as a regulated entity under this permit and is required to submit a Storm Water Management Program (SWMP) to TCEQ by February 11, 2008.

**Budget & Financial Summary:** N/A

**Attachments:**

- 1) Resolution
- 2) Notice of Intent (NOI)
- 3) NOI Checklist
- 4) Storm Water Management Plan (available to view at the City Engineer's Office)

RESOLUTION NO. \_\_\_\_\_

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COLLEGE STATION, TEXAS, AUTHORIZING THE IMPLEMENTATION OF A STORM WATER MANAGEMENT PROGRAM FOR THE CITY OF COLLEGE STATION TO MANAGE THE QUALITY OF DISCHARGES FROM THE MUNICIPAL SEPARATE STORM SEWER SYSTEM; AND PROVIDING AN EFFECTIVE DATE.**

WHEREAS, the Environmental Protection Agency under the National Pollutant Discharge Elimination System has delegated responsibility in this matter to the State of Texas under provisions of Section 402 of the Clean Water Act and Chapter 26 of the Texas Water Code; and

WHEREAS, the State of Texas under the Texas Pollutant Discharge Elimination System has delegated responsibility in this matter to its municipalities; and

WHEREAS, Municipal Separate Storm Sewer System refers to a conveyance or system of conveyances (including roads with drainage systems, municipal streets, catch basins, curbs, gutters, ditches, man-made channels, or storm drains) owned by the City of College Station and designed or used for collecting or conveying storm water and not combined with sanitary sewer. This term does not include separate storm sewers in very discrete areas, such as individual buildings as long as they are not physically connected to the public storm sewer system; and

WHEREAS, the City of College Station (“City” hereinafter) must submit a Notice of Intent and a Storm Water Management Program to the Texas Commission on Environmental Quality before February 8, 2008 to be in compliance with General Permit No. TXR040000 issued on August 13, 2007 as part of the Texas Pollutant Discharge Elimination System; and

WHEREAS, the College Station City Council authorizes the City Manager to execute any documents related to the Storm Water Management Program including but not limited to the Notice of Intent; and

WHEREAS, the City of College Station is dedicated to protecting the health and safety of its citizens by managing the quality of the discharges from the Municipal Separate Storm Sewer System; and

WHEREAS, in furtherance of such objective, the City will develop and implement a Storm Water Management Program within five (5) years from August 13, 2007; now, therefore,

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF COLLEGE STATION, TEXAS:

PART 1: The City will prepare and submit a Notice of Intent to the Texas Commission on Environmental Quality stating the City’s intent to comply with General Permit No. TXR040000 issued on August 13, 2007.

PART 2: The City Manager is authorized to execute any documents related to the Storm Water Management Program including but not limited to the Notice of Intent.

PART 3: The City will develop and implement a Storm Water Management Program within five (5) years from August 13, 2007. The program will include additional ordinances and standards for all construction activities along with new development standards and storm water quality educational components.

PART 4: The City will enforce the Storm Water Management Program through plan review and construction inspections.

PART 5: This resolution shall be effective immediately upon its adoption.

ADOPTED this \_\_\_\_\_ day of \_\_\_\_\_, A.D. 2008.

ATTEST:

APPROVED:

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

\_\_\_\_\_  
MAYOR

APPROVED:



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



**Notice of Intent (NOI) for Storm Water  
Discharges from Small Municipal Separate  
Storm Sewer Systems (MS4) under the TPDES  
Phase II MS4 General Permit (TXR040000)**

**TCEQ Office Use Only**  
Permit No.:  
RN:  
CN:



**Did you know you can pay on line? Go to <https://www6.tceq.state.tx.us/epay/>  
Select Fee Type: GENERAL PERMIT MS4 PHASE II STORM WATER DISCHARGE NOI APPLICATION**

**Application Fee:** You must pay the \$100 Application Fee to TCEQ for the application to be considered complete.  
How did you pay this fee?

|   |                        |   |
|---|------------------------|---|
| <input type="checkbox"/> Mailed:          | Check/Money Order No.: | Name Printed on Check:  |
| <input checked="" type="checkbox"/> EPAY: | Voucher No.:           | Is the Payment Voucher copy attached? <input checked="" type="checkbox"/> Yes |

**IMPORTANT:**

- Use the attached **INSTRUCTIONS** when completing this form.
- After completing this form, use the attached **CUSTOMER CHECKLIST** to make certain all items are complete and accurate.
- Missing, illegible, or inaccurate items may delay final acknowledgment or coverage under the general permit.

**One (1) copy of the NOI and SWMP with the completed SWMP Cover Sheet MUST be submitted with the original NOI and SWMP.**

Is the copy attached?  Yes

**A. OPERATOR (applicant)**

1. If the applicant is currently a customer with TCEQ, what is the Customer Number (CN) issued to this entity?  
CN 600732598

2. What is the full Legal Name of the applicant?  
City of College Station  
*(The exact legal name must be provided.)*

3. What is the applicant's mailing address as recognized by the US Postal Service?

|                        |           |                                |
|------------------------|-----------|--------------------------------|
| Address: P.O. Box 9960 |           | Suite No./Bldg. No./Mail Code: |
| City: College Station  | State: TX | ZIP Code: 77842                |

Country Mailing Information (if outside USA). Country Code: Postal Code:

4. Phone No.: ( 979 ) 764-3570

Extension:

5. Fax No.: ( 979 ) 764-3496

E-mail Address: agibbs@cstx.gov

6. Indicate the type of Customer:

- Federal Government       State Government       County Government  
 City Government       Other Government

7. Number of Employees:  0-20;  21-100;  101-250;  251-500; or  501 or higher

**B. BILLING ADDRESS**

The Operator is responsible for paying the annual fee. The annual fee will be assessed to permits active on September 1 of each year. TCEQ will send a bill to the address provided in this section. The Operator is responsible for terminating the permit when it is no longer needed.

Is the billing address same as the Operator Address?  Yes, go to Section C.  No, fill out Section B

1. Billing Mailing Address: Suite No./Bldg. No./Mail Code:

City: State: ZIP Code:

2. Country Mailing Information (if outside USA). Country Code: Postal Code:

3. Billing Contact (Attn or C/O):

4. Phone No.: ( )

Extension:

5. Fax No.: ( )

E-mail Address:

| <b>C. REGULATED ENTITY (RE) INFORMATION</b>   |        |                                 |                                  |
|---|--------|---------------------------------|----------------------------------|
| 1. Has the TCEQ issued a Regulated Entity Reference Number (RN) for the regulated MS4 ?<br>Yes. What is the RN? <b>RN</b> _____<br>No - TCEQ will assign the RN number after the NOI is submitted.  |        |                                 |                                  |
| 2. Name that is used to identify the small MS4 (Regulated Entity).<br>(Example: City of XXX MS4) City of College Station MS4  |        |                                 |                                  |
| 3. Provide a brief description of the regulated MS4 boundaries:<br>(Example: Area within the City of XXXX limits that is located within the xxx (e.g. Dallas) urbanized area.)<br>Area within the City of College Station limits that is located within the College Station-Bryan urbanized area  |        |                                 |                                  |
| 4. a. What is the county where the largest residential population exists within the regulated MS4 boundaries?<br><b>Brazos</b>  |        |                                 |                                  |
| b. Is the MS4 located within additional counties? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No<br>If yes, what county(s)?  |        |                                 |                                  |
| 5. What is the latitude and longitude of the approximate center of the regulated portion of the small MS4?<br>Latitude: 30.582866 N Longitude: -96.295823 W   |        |                                 |                                  |
| 6. What is the mailing address for the regulated entity?<br>Is the RE mailing address the same as the Operator? <input checked="" type="checkbox"/> Yes, go to Section F. <input type="checkbox"/> No, provide the address.   |        |                                 |                                  |
| Street Number:  |        | Street Name:                    |                                  |
| City:   | State: | ZIP Code:                       |                                  |
| <b>D. GENERAL CHARACTERISTICS</b>   |        |                                 |                                  |
| 1. I certify that any portion of the regulated MS4 is <b>not</b> located on Indian Country Lands. <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No<br>If No, you must obtain authorization through EPA, Region VI.   |        |                                 |                                  |
| 2. What is the Standard Industrial Classification (SIC) code (see instructions for common codes): 9111  |        |                                 |                                  |
| 3. Has TCEQ "designated" the small MS4 as needing coverage under this general permit? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No<br><br>If "No" and no portion of the Small MS4 is located within an Urbanized Area as determined by the 2000 Decennial Census by the U.S. Bureau of Census requiring a NOI be submitted, the operator is not eligible for coverage under this general permit through the NOI. |        |                                 |                                  |
| 4. Storm Water Management Program (SWMP)  |        |                                 |                                  |
| a. I certify that the SWMP submitted with this Notice of Intent has been developed according to the provisions of this general permit TXR040000. <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No  |        |                                 |                                  |
| b. I certify that the SWMP Cover Sheet is completed and attached to the front of the SWMP. <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No<br><br>If No to question a. or b. the application is considered incomplete and may be returned.  |        |                                 |                                  |
| b. Who is the person responsible for implementing or coordinating implementation of the SWMP?<br>(Note: All contact information requested below is required.)   |        |                                 |                                  |
| Name: Alan Gibbs  |        | Title: City Engineer            | Company: City of College Station |
| Address: P.O. Box 9960  |        | Suite No./Bldg. No./Mail Code:  |                                  |
| City: College Station   |        | State: TX                       | ZIP Code: 77842                  |
| Phone No.: ( 979 ) 764-3570   |        | Extension:                      |                                  |
| Fax No.: ( 979 ) 764-3496   |        | E-mail Address: agibbs@cstx.gov |                                  |
| 5. Seventh Minimum Control Measure (MCM) for Municipal Construction Activities  |        |                                 |                                  |
| a. Is the Minimum Control Measure for authorization to discharge storm water from municipal construction activities included with the attached SWMP? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No  |        |                                 |                                  |
| b. If you answered "Yes" to 5.a., what are the boundaries within which those activities will occur?   |        |                                 |                                  |
| Note: If the boundaries are located outside of the urbanized area, then the entire SWMP must also incorporate the additional areas.   |        |                                 |                                  |

c. Is the discharge or potential discharge from regulated construction activities within the Recharge Zone, Contributing Zone, or Contributing zone within the Transition zone of the Edwards Aquifer?  Yes  No

If the answer is "Yes", please note that a copy of the agency approved Plan required by the Edwards Aquifer Rule (30 TAC Chapter 213) must be either included or referenced in the construction storm water pollution prevention plan(s).

6. Discharge Information

a. What is the name of the receiving water body(s) from the MS4?  
 Brazos River  
 Carters Creek

b. What is the classified segment(s) that receives discharges, directly or indirectly, from the small MS4?  
 SegID: 1209C Carters Creek (unclassified water body)

c. Are any of the surface water bodies receiving discharges from the small MS4 on the latest EPA-approved CWA § 303(d) list of impaired waters?  Yes  No

If Yes, what is the name of the impaired water body(s) receiving the discharges from the small MS4?  
 Carters Creek

d. Is the discharge into any other MS4 prior to discharge into surface water in the state?  Yes  No  
 If Yes, what is the name of the MS4 Operator?

7. Edwards Aquifer

Is the discharge or potential discharge from the MS4 within the Recharge Zone, Contributing Zone, or Contributing Zone within the Transition Zone of the Edwards Aquifer?  Yes  No

If the answer is Yes, please note that a copy of the agency approved Plan required by the Edwards Aquifer Rule (30 TAC Chapter 213) for activities also regulated under this general permit must be either included or referenced in the SWMP.

8. Public Participation Process

The Office of Chief Clerk will send the operator or person responsible for publishing notice, the notice of the executive director's preliminary determination of the NOI and SWMP, for publishing in a newspaper of largest circulation in the county where the small MS4 is located. If multiple counties, notice must be published at least once in the newspaper of largest circulation in the county containing the largest resident population.

The applicant must file with the Chief Clerk a copy of an affidavit of the publication within 60 days of receiving the written instructions from the Office of Chief Clerk.

a. I will comply with the Public Participation requirements described in Part II.D.12 of the general permit.  Yes  No  
 If No, coverage under this general permit is not obtainable.

b. Who is the person responsible for publishing notice of the executive director's preliminary determination on the NOI and SWMP? (Note: All contact information requested below is required.)

|                             |                                 |                                  |
|-----------------------------|---------------------------------|----------------------------------|
| Name: Alan Gibbs            | Title: City Engineer            | Company: City of College Station |
| Address: P.O. Box 9960      | Suite No./Bldg. No./Mail Code:  |                                  |
| City: College Station       | State: TX                       | Zip Code: 77842                  |
| Phone No.: ( 979 ) 764-3570 | Extension:                      |                                  |
| Fax No.: ( 979 ) 764-3496   | E-mail Address: agibbs@cstx.gov |                                  |

c. What is the name and location of the public location where copies of the NOI and SWMP, as well as the executive director's general permit and fact sheet, may be viewed?

Name of Public Place: City of College Station  
 Planning and Development Department

Address of Public Place: 1101 Texas Avenue  
 College Station, TX

County of Public Place: Brazos



**E. CERTIFICATION**

Check "Yes" to the certifications below. **Failure to indicate "Yes" to ALL items** may result in denial of coverage under the general permit.

- I certify that I have obtained a copy and understand the terms and conditions of the general permit TXR040000.  Yes
- I certify that the small MS4 qualifies for coverage under the general permit TXR040000.  Yes
- I understand that a Notice of Termination (NOT) must be submitted when this authorization is no longer needed.  Yes
- I understand that permits active on September 1st of each year will be assessed an Annual Water Quality Fee.  Yes

**Operator Certification:**

I, Glenn Brown City Manager  
 \_\_\_\_\_  
 Typed or printed name Title

certify under penalty of law that this document and all attachments were prepared under my direction or supervision in accordance with a system designed to assure that qualified personnel properly gather and evaluate the information submitted. Based on my inquiry of the person or persons who manage the system, or those persons directly responsible for gathering the information, the information submitted is, to the best of my knowledge and belief, true, accurate, and complete. I am aware there are significant penalties for submitting false information, including the possibility of fine and imprisonment for knowing violations.

I further certify that I am authorized under **30 Texas Administrative Code §305.44** to sign and submit this document, and can provide documentation in proof of such authorization upon request.

Signature: \_\_\_\_\_ Date: \_\_\_\_\_  
*(Use blue ink)*

Did you complete everything? Use this checklist to be sure!

Are you ready to mail your form to TCEQ? Go to the General Information Section of the Instructions for mailing addresses.

| Customer GP Notice of Intent Checklist<br><b>TXR040000</b> |   |
|--|---|
| ✓  | This checklist is for use by the operator to ensure a complete application. Missing information may result in denial of coverage under the permit. (See NOI Process description in the Instructions)  |
| <input checked="" type="checkbox"/>                        | Application Fee was paid through EPAY and payment voucher is attached or the Payment Submittal Form with payment was mailed to TCEQ Cashier's office. <b>DO NOT MAIL THE PAYMENT WITH THE ORIGINAL NOI.</b><br><br><b>Note: Use ePay to pay the application fee. It helps to streamline processing of your application.</b> |
|  | OPERATOR INFORMATION - Confirm each item is complete:<br>✓  |
| <input checked="" type="checkbox"/>                        | Customer Number (CN) issued by TCEQ Central Registry  |
| <input checked="" type="checkbox"/>                        | Operator Mailing Address is complete & verifiable with USPS. <a href="http://www.usps.com">www.usps.com</a>   |
| <input checked="" type="checkbox"/>                        | Phone Numbers/E-mail Address  |
| <input checked="" type="checkbox"/>                        | Type of Operator (Entity Type)  |
| <input checked="" type="checkbox"/>                        | Number of Employees   |
| <input checked="" type="checkbox"/>                        | Billing Address is complete & verifiable with USPS. <a href="http://www.usps.com">www.usps.com</a>  |
|  | REGULATED ENTITY (RE) INFORMATION ON PROJECT OR SITE - Confirm each item is complete:<br>✓  |
| <input checked="" type="checkbox"/>                        | MS4 Name/Regulated Entity Name  |
| <input checked="" type="checkbox"/>                        | Site Description  |
| <input checked="" type="checkbox"/>                        | Latitude and Longitude <a href="http://www.tceq.state.tx.us/gis/drgview.html">www.tceq.state.tx.us/gis/drgview.html</a> or <a href="http://www.terraserver.microsoft.com/advfind.aspx">www.terraserver.microsoft.com/advfind.aspx</a> .   |
| <input checked="" type="checkbox"/>                        | Business description  |
| <input checked="" type="checkbox"/>                        | Site Mailing Address (checked same as operator or provided a complete & USPS verifiable address. <a href="http://www.usps.com">www.usps.com</a> )   |
|  | GENERAL CHARACTERISTICS - Confirm each item is complete:<br>✓   |
| <input checked="" type="checkbox"/>                        | Indian Country Lands –the facility is not on Indian Country Lands   |
| <input checked="" type="checkbox"/>                        | Standard Industrial Classification (SIC) code <a href="http://www.osha.gov/oshstats/sicser.html">www.osha.gov/oshstats/sicser.html</a>  |
| <input checked="" type="checkbox"/>                        | Qualifying TCEQ "Designated" Small MS4  |
| <input checked="" type="checkbox"/>                        | Minimum Control Measure (MCM) for Municipal Construction Activities   |
| <input checked="" type="checkbox"/>                        | Discharge Information (receiving water body, segment no., impaired water body(s) and MS4 Operator)  |
| <input checked="" type="checkbox"/>                        | Edwards Aquifer Rule  |
| <input checked="" type="checkbox"/>                        | Public Participation Information  |
| <input checked="" type="checkbox"/>                        | CERTIFICATION<br>Certification statements have been checked indicating "Yes"<br>Signature meets 30 Texas Administrative Code (TAC) §305.44 and is original and has been provided for the Operator.  |
| <input checked="" type="checkbox"/>                        | Storm Water Management Program (SWMP) and completed SWMP Cover Sheet are attached to the NOI.   |

**January 24, 2008  
Consent Agenda Item 2k  
Comprehensive Plan Update - Phase II Contract Amendment**

**To:** Glenn Brown, City Manager

**From:** Bob Cowell, AICP, Director of Planning & Development Services

**Agenda Caption:** Presentation, possible action and discussion regarding the approval of a resolution for a contract amendment to the contract for consulting services (Contract #08-041) with Kendig Keast Collaborative for the preparation of Phase II of a new Comprehensive Plan.

**Recommendation(s):** Staff recommends approval of the attached resolution amending the contract for consulting services by Kendig Keast Collaborative (KKC) for Phase II of the Comprehensive Plan.

**Summary:** In October, the Council approved a contract with KKC in the amount of \$322,590 for the development of Phase II of the Comprehensive Plan update. Since that time the Legal Department and the Planning & Development Services Department have determined that the indemnity language contained in the approved contract needs to be revised. This amendment does not alter any other provisions of the original contract nor does it change the cost of the project.

**Budget & Financial Summary:** NA

**Attachments:**

1. Resolution
2. Current Contract

AMENDMENT NO. 1 TO CONSULTANT CONTRACT NO. 08-041  
BETWEEN THE CITY OF COLLEGE STATION AND KENDIG  
KEAST COLLABORATIVE

WHEREAS, the City of College Station (the "City") and Kendig Keast Collaborative ("KKC") entered into a Consultant Contract on November 2, 2007, for consulting services for Phase II of the Comprehensive Plan Update; and

WHEREAS, KKC has requested that the City consider amending Article IV of the Consultant Contract; and

WHEREAS, the City and KKC agree to amend Article IV of the Consultant Contract in its entirety; now, therefore:

1. The City and KKC hereby agree to amend Article IV of the Consultant Contract in its entirety as follows:

**ARTICLE IV**

**4.01 Indemnity.** The Contractor agrees to indemnify, defend, and hold harmless the City, its officers, employees, and agents (separately and collectively referred to in this paragraph as "Indemnitee"), from and against any and all claims, losses, damages, causes of action, suits, judgments, settlements made by Indemnitee, and liability of every kind, including all expenses of litigation, court costs, attorney's fees, and other reasonable costs for damage to or loss of use of any property, for injuries to, or sickness or death of any person, including but not limited to Contractor, any of its subcontractors of any tier, or of any employee or invitee of Contractor or of any such subcontractors, that is caused by, arises out of, related to, or in connection with, the negligence of and/or negligent performance of this Contract by Contractor or by any such subcontractors of any tier, under this Contract.

**4.02** It is agreed with respect to any legal limitations now or hereafter in effect and affecting the validity or enforceability of the indemnification obligation under Paragraph 4.01, such legal limitations are made a part of the indemnification obligation and shall operate to amend the indemnification obligation to the minimum extent necessary to bring the provision into conformity with the requirements of such limitations, and as so modified, the indemnification obligation shall continue in full force and effect.

**4.03 Release.** The Contractor releases, relinquishes, and discharges the City, its officers, agents, and employees from all claims, demands, and causes of action of every kind and character, including the cost of defense thereof, for any injury to, sickness or death of the Contractor or its employees and any loss of or damage to any property of the Contractor or its employees that is caused by or alleged to be caused by, arises out of, or is in connection with the Contractor's work to be performed hereunder. Both the City and the Contractor expressly intend that this release shall apply regardless of whether said

claims, demands, and causes of action are covered, in whole or in part, by insurance and in the event of injury, sickness, death, loss, or damage suffered by the Contractor or its employees, but not otherwise, this release shall apply regardless of whether such loss, damage, injury, or death was caused in whole or in part by the City, any other party released hereunder, the Contractor, or any third party.

2. All other terms and conditions of the Consultant Contract remain in effect.

KENDIG KEAST  
COLLABORATIVE

CITY OF COLLEGE STATION

BY: Bret C. Keast  
Bret C. Keast  
Vice President

BY: \_\_\_\_\_  
Mayor

1/11/08  
Date

\_\_\_\_\_  
Date

ATTEST:

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

\_\_\_\_\_  
Date

APPROVED:

\_\_\_\_\_  
City Manager

\_\_\_\_\_  
Date

Carla A. Robinson  
City Attorney

1/16/08  
Date

\_\_\_\_\_  
Chief Financial Officer

\_\_\_\_\_  
Date

**January 24, 2008  
Consent Agenda 2L  
Resolution Determining Need  
for the Raintree Greenways Project**

**To:** Glenn Brown, City Manager

**From:** Bob Cowell, Director of Planning & Development Services

**Agenda Caption:** Presentation, possible action, and discussion approving a Resolution Determining Need that identifies three tracts of land needed for the Raintree Greenways Project.

**Recommendation(s):** Staff is recommending that the Resolution be approved, which will authorize staff to negotiate for the purchase of three tracts of land needed for the project. Upon completion of negotiations with each property owner, staff will then present a Real Estate Contract to Council for further consideration.

**Summary:** The three tracts of land identified in the Resolution are located in the flood plain along Wolf Pen Creek, east of Harvey Mitchell Parkway and north of the Raintree neighborhood. The tracts are 4.6 acres, 8.52 acres, and 12.39 acres for a total of 25.51 acres. The property will be used for greenways and for any other municipal purpose, such as hike and bike trails and utility corridors.

**Budget & Financial Summary:** The purchase price for the property has not yet been determined. Funding for the purchase is budgeted and available from the Capital Improvements budget for Greenways projects.

**Attachments:**

1. Resolution Determining Need
2. Project Location Map

**RESOLUTION DETERMINING NEED**

RESOLUTION NO. \_\_\_\_\_

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COLLEGE STATION, TEXAS, RELATING TO: (1) THE AUTHORITY OF THE CITY TO INITIATE, COMPLETE, AND ACQUIRE, BY PURCHASE OR CONDEMNATION, THE FEE SIMPLE INTEREST IN CERTAIN PROPERTY FOR THE RAINTREE GREENWAYS PROJECT; (2) A DECLARATION THAT PUBLIC NECESSITY EXISTS FOR THE CITY TO ACQUIRE SUCH INTEREST, THROUGH PURCHASE OR CONDEMNATION; AND (3) ESTABLISHING PROCEDURES FOR THE ACQUISITION OF SUCH INTEREST IN THE PROPERTY.

WHEREAS, the City of College Station, Texas (“City”) is a home rule municipality duly incorporated and chartered under the Constitution and laws of Texas; and

WHEREAS, the City owns, operates, constructs, repairs and maintains a greenways system as a public service in order to provide parks, flood control, wildlife conservation and bicycle and pedestrian routes; and

WHEREAS, the City’s ownership, operation, construction, repair, and maintenance of the greenways system is a benefit to the public; and

WHEREAS, the City, through a condemnation proceeding, may exercise the power of eminent domain to acquire property in order to carry out the ownership, operation, construction, repair, and maintenance of its greenways system pursuant to Chapter 251 of the Texas Local Government Code, Chapter 21 of the Texas Property Code, and Article II of the City’s Charter; and

WHEREAS, the City is engaged in the following project regarding the improvements and expansion to the greenways system - the Raintree Greenways Project, (the “Project”); and

WHEREAS, the City determines that the best interests and needs of the public, including the health, safety and welfare of the public, require that the City proceed with the Project, through the City’s acquisition, by purchase or condemnation proceeding, of the fee simple interest in the real property more fully described in Exhibit A, attached hereto and incorporated herein by reference for all purposes (the “Property”); now, therefore;

BE IT RESOLVED by the City Council of the City of College Station, Texas:

PART 1: That the City Council of the City of College Station, Texas, hereby officially determines that there is a public necessity for the Property, and

the public welfare and convenience will be served by the acquisition of the Property.

PART 2: That the City Manager is hereby authorized to contract, on behalf of the City of College Station, with a professional appraiser for the appraisal services, with a professional real estate agent to act as a Land Agent for the City and with attorneys for preparation of title opinions needed by the City from time to time in connection with acquisition of the Property.

PART 3: That the City's Land Agent or other staff appraiser is hereby authorized and directed to examine the independent appraisal reports as they are submitted to the City to determine whether said appraisal reports are supported by sufficient data. Based upon such examination of said appraisal reports, the Land Agent or other staff appraiser shall make a recommendation to the City Manager as to the establishment and approval of the amount of the just compensation for the Property.

PART 4: After consideration of said recommendation, the City Manager shall establish and approve the amount determined for acquisition of the Property.

ART 5: Upon establishment and approval by the City Manager of the amount of just compensation for the acquisition of the Property, the City's Land Agent, other staff appraiser or contracted real estate agent is authorized to communicate a written offer to the property owners for the acquisition of such interest at the full amount determined and established to be just compensation therefore and to negotiate with said owners on behalf of the City.

PART 6: That the Mayor after approval by City Council, or the City Manager as delegated, is hereby authorized to execute all documents necessary to acquire said Property for the Project, on behalf of the City of College Station.

PART 7: That, if necessary, and should a property owner fail to accept a bona fide, good faith offer from the City to purchase the required Property, City representatives shall have the authority to initiate and complete condemnation proceedings against said owner, in order to acquire through condemnation all required property interests and title regarding such property.

PART 8: That the City Manager be and is hereby authorized to sell any such surplus improvements, or order the demolition thereof, if any, located on the real property acquired in connection with this Project.

PART 9: That this resolution shall take effect immediately from and after its passage.

ADOPTED this \_\_\_\_\_ day of \_\_\_\_\_, A.D. 200\_\_.

ATTEST:

APPROVED:

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

\_\_\_\_\_  
MAYOR

APPROVED:

*Carla A Robinson*  
\_\_\_\_\_  
City Attorney

EXHIBIT "A"

**THELMA MCGILL, TRUSTEE TRACT**

Being a 4.6 acre tract of land, more or less, being part of a 14.27 acres tract of land lying and situated in the Morgan Rector League, A-46, College Station, Brazos County, Texas, said 14.27 acre tract being the same parcel described in Warranty Deed with Vendors Lien from Lydia Frances Boriskie to Davis McGill, Trustee dated August 22, 1983 recorded in Volume 597 Page 226, Deed Records of Brazos County, Texas.

Said 4.6 acre tract is located in the flood plain of Wolf Pen Creek and is generally depicted on Attachment 1 as the "McGill Property" and will be more particularly described by plat and field notes prepared by a Registered Professional Land Surveyor at a subsequent day and time.

**OAKWOOD CUSTOM HOMES GROUP, LTD TRACT**

Being an 8.51 acre tract of land, more or less, being part of a 29.51 acre tract of land lying and being situated in the Morgan Rector League, A-46, College Station, Brazos County, Texas, said 29.51 acre tract being the same parcel described as TRACT ONE in Warranty Deed from Burton Ray Hermann and wife to Oakwood Custom Homes Group, LTD., dated November 30, 2004 recorded in Volume 6413 Page 107, Official Records of Brazos County, Texas.

Said 8.51 acre tract is located in the flood plain of Wolf Pen Creek and is generally depicted on Attachment 1 as "Oakwood Custom Homes" and will be more particularly described by plat and field notes prepared by a Registered Professional Land Surveyor at a subsequent day and time.

**SHELLEY J. CASHION, TRUSTEE TRACT**

Being a 12.39 acre tract of land, more or less, situated in the Morgan Rector League, A-46, College Station, Brazos County, Texas, being the same parcel described in General Warranty Deed from Shelly Cashion to Shelley J. Cashion, Trustee, Ethyl Burgess Cashion Life Insurance Trust UTD 3/24/88, dated June 1, 1999, recorded in Volume 3559 Page 269, Official Records of Brazos County, Texas.

RESOLUTION NO. \_\_\_\_\_

Page 5

Said 12.39 acre tract is located in the flood plain of Wolf Pen Creek and is generally depicted on Attachment 1 as "Shelly Cashion" and will be more particularly described by plat and field notes prepared by a Registered Professional Land Surveyor at a subsequent day and time.

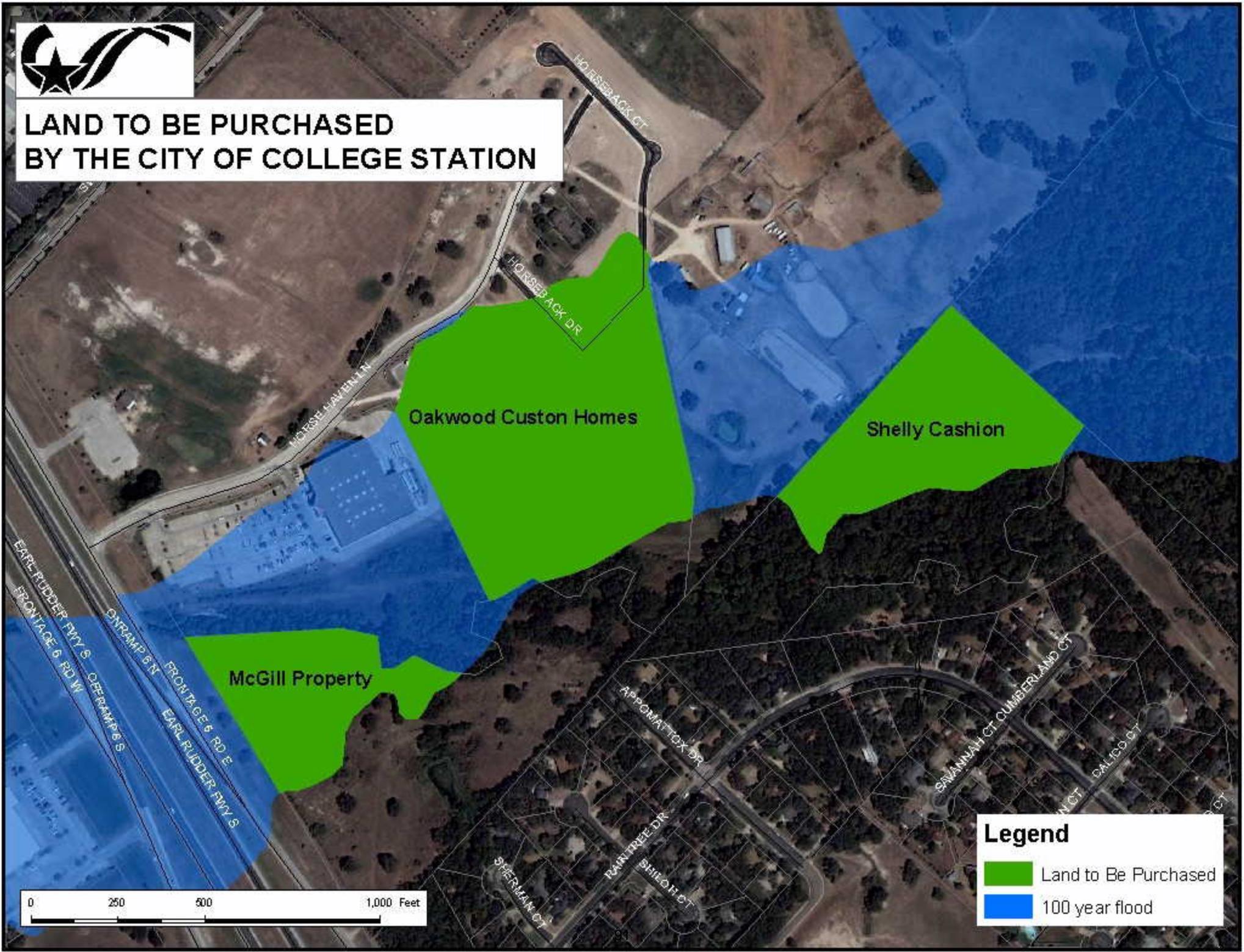
RESOLUTION NO. \_\_\_\_\_

Page 6

**ATTACHMENT 1**



# LAND TO BE PURCHASED BY THE CITY OF COLLEGE STATION



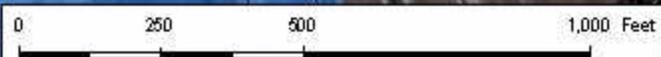
Oakwood Custom Homes

Shelly Cashion

McGill Property

**Legend**

-  Land to Be Purchased
-  100 year flood



January 24, 2008  
Consent Agenda 2M

**Letter of Acknowledgement from the Heart of Texas Regional Advisory Council for  
the Office of Assistant Secretary of Preparedness and Response (OASPR) Grant**

**To:** Glenn Brown, City Manager

**From:** Robert Alley, Fire Chief

**Agenda Caption:** Presentation, possible action and discussion regarding the approval of a resolution accepting the terms and conditions in the Letter of Acknowledgement from the Heart of Texas Regional Advisory Council and accept the Office of Assistant Secretary of Preparedness and Response (OASPR) Grant in the amount of \$56,600.00.

**Recommendation(s):** Staff recommends acceptance of the LOA and the OASPR Grant.

**Summary:** The City of College Station was awarded \$56,600.00 grant from the Office of Assistant Secretary of Preparedness and Response (OASPR) through the Trauma Service Area N. The funding will be used by the Emergency Management Division of the Fire Department to purchase equipment that will enhance the response capabilities to terrorist threats or catastrophic events. Attached is the equipment list for the OASPR Grant Program which funds will be expended to enhance our WEBEOC Capabilities for the Region and the hospitals. The period of performance of this agreement is from September 1, 2007 – August 31, 2008.

**Budget & Financial Summary:** This equipment grant is a purchase and reimbursement type program. This item will be added to a future budget amendment to provide the budget appropriation for this grant in the General Fund Fire Department Budget.

**Attachments:**

Letter of Acknowledgement  
OASPR Grant Equipment List, City of College Station  
Resolution

**Letter of Acknowledgement  
Between**

**Heart of Texas Regional Advisory Council  
Serving TSA M & TSA N  
P.O. Box 8600  
Waco, Texas 76714**

**And**

**City of College Station  
P.O. Box 9960  
College Station, Texas 77842  
Mayor: Ben White**

**REGARDING: HOSPITAL PREPAREDNESS PROGRAM FUNDS**

**BACKGROUND**

The US Department of Health & Human Services (HHS) provides funding for community preparedness and hospital preparedness. The HHS funding is awarded via two separate but interrelated cooperative agreements. HHS Centers for Disease Control and Prevention (CDC) provides funds for strengthening public health preparedness to address bioterrorism, outbreaks of infectious diseases and public health emergencies. This funding stream focuses on the critical tasks necessary for the public health community to prepare for and respond to a terrorist event or other public health emergencies, emphasizing integrated response systems. The ability to quickly and effectively distribute preventive medication in affected areas is one of the nation's top priorities to be addressed by these funds.

The Office of Assistant Secretary of Preparedness and Response (OASPR) provides funds for states through the Hospital Preparedness Program (HPP) to develop a comprehensive all-hazards approach to enhance hospital response capability (for responding to mass casualty events).

**National Preparedness Goal (The Goal)**

The goal is a collective vision for National preparedness, and establishes National Priorities to guide preparedness efforts at the Federal, State, local and tribal levels. The Goal establishes a framework that guides entities at all levels of government in the development and maintenance of capabilities to prevent, protect against, respond to, and recover from major events, including "Incidents of National Significance" as defined in the National Response Plan (NRP). Additionally, the Goal will assist entities at all levels of government in the development and maintenance of the capabilities to identify, prioritize, and protect critical infrastructure.

The Goal outlines seven priorities that fall into two categories: three overarching priorities and four capability-specific priorities.

Overarching:

1. Expanded Regional Collaboration
2. Implement the National Incident Management System (NIMS) and NRP
3. Implement the National Infrastructure Protection Plan (NIPP)

Capability-specific

4. Strengthen Information Sharing and Collaboration Capabilities
5. Strengthen Interoperable Communications Capabilities
6. Strengthen Chemical, Biological, Radiological/Nuclear, and Explosive (CBRNE) Detection, Response, and Decontamination Capabilities
7. Strengthen Medical Surge and Mass Prophylaxis

The HPP will continue to support capabilities-based planning by setting priorities that must be met by the end of the budget period. In an effort to continue strengthening healthcare medical surge capability across the nation, five (5) sub-capabilities are mandated of recipients. These must be completed by July 31, 2008.

- A. Interoperable communication system
- B. Bed tracking system
- C. ESAR-VHP System
- D. Fatality management plans
- E. Hospital evacuation plans

Training, exercises and corrective actions, National Incident Management System (NIMS) compliance and needs of at-risk populations shall be considered components of each sub-capability addressed by the States and jurisdictions and incorporated into all work on the sub-capabilities.

For preparedness efforts in the counties of the Heart of Texas Region that constitute Trauma Service Area – M and the Brazos Valley Region that constitute Trauma Service Area - N, DSHS has contracted with the Heart of Texas Regional Advisory Council (HOTRAC) for distribution of the OASPR HPP funds.

**PURPOSE**

The purpose of this letter is to form an agreement between the HOTRAC – as the DSHS contractor – and the preparedness stakeholder, outlining the responsibilities of each party. As a condition of grant funds participation, the preparedness stakeholder

agrees to work to achieve identified hospital/healthcare capabilities, maintain minimum levels of readiness and monitor readiness as described by OASPR guidance.

### **CONDITIONS**

To facilitate the administration of these funds, the HOTRAC has established an Emergency Preparedness and Response Committee (EPR) in each TSA. The EPR consists of all participating hospitals in the Trauma Service Area, representatives of Emergency Medical Services, Emergency Management, Council of Governments and local and regional Public Health staff.

The preparedness stakeholder agrees to participate in all actual emergency response activities in their region, which may include but not limited to receiving patients that are appropriate for their classification and capabilities from the scene of a major incident. The preparedness stakeholder also agrees to comply with the EPR expenditure plans, which are developed on a consensus basis, to address response capability goals. A summary of both parties' responsibilities follows.

#### **HOTRAC Responsibilities:**

1. Provide guidance to the preparedness stakeholder(s) and EPR regarding the development of OASPR preparedness, response capabilities, surge capacity of hospitals and other health care facilities, trauma care and emergency medical service systems to include:
  - a. Emergency medical management and treatment capabilities;
  - b. Medical evacuation and fatality management;
  - c. Rapid distribution and administration of medical countermeasures;
  - d. Effective utilization of any available public and private mobile medical assets and the integration of federal assets;
  - e. Protection of health care workers and health care first responders from workplace exposures during a public health emergency;
  - f. Evaluation of alternate care sites in collaboration with public health and health care systems in reference to medical surge for the region.
2. Distribute goods and services to participating hospitals according to the EPR distribution/work plan in support of and in compliance with the OASPR guidelines.
3. Distribute HPP funding to other projects or entities according to the EPR distribution/work plan in support of and in compliance with the OASPR guidelines.
4. Ensure compliance with the DSHS HPP contract, including monitoring of the progress of response capabilities.
5. Provide administrative support to the EPR main meetings and EPR workgroups.
6. Represent the EPR in Emergency Management, Exercise and other pertinent meetings on an "as needed" basis.
7. Report periodically to hospital senior leadership on the status of reaching response capability metrics.
8. Identify, with the Office of Emergency Management, suitable alternate care sites.

## **Participating Preparedness Stakeholder Responsibilities:**

The following are standard conditions required of Texas Department of State Health Services contracts and sub-agreements:

Funds are pooled and expended centrally from the HOTRAC to obtain economies of scale and provide unified preparedness levels. Approved expenses specific to a preparedness stakeholder are paid by the HOTRAC after invoices and proof of payment are provided by the entity.

1. Provide 75% representation at the monthly planning group meetings.
2. Properly store, monitor and maintain all equipment purchased with HPP funds.
3. If an acute care hospital, will maintain a minimum level of preparedness of PPE (12 level C sets) and decontamination capability, provide required annual training and submit documentation to the HOTRAC.
4. Participate in HOTRAC conducted surveys assessing emergency preparedness.
5. If a hospital, report bed availability in a timely manner using EMSsystem.
6. Participate in the update of the Health and Medical Annex (H) of the City/County Emergency Operations Plan.
7. Complete the requirements of seventeen (17) NIMS Implementation Activities for Hospitals by July 31, 2008. Quarterly progress will be reported to the HOTRAC.
8. Identify a Point of Contact for notification in the event of an emergency/disaster situation by November 30, 2007.
9. Identify a Public Information Officer by July 31, 2008.
10. Have protocols in place for the collection and communication of information needed to protect the public and stem the transfer of disease within the community by July 31, 2008.
11. If a hospital, complete an evacuation plan to include transportation plans by July 31, 2008.
12. If a hospital, complete a prophylaxis distribution plan for patients, employees and their families by July 31, 2008.
13. Collaborate in the development of a regional mass fatality plan.
14. Participate in the evaluation of patient tracking systems.
15. Participate in the integration of local and regional emergency preparedness and response activities.
16. Submit copies of After-Action Reports to the HOTRAC within 45 days of the exercises.
17. Participate in all actual emergency response activities in the region, which may include but not limited to receiving patients that are appropriate for your classification and capabilities from the scene of a major incident.
18. Report the status of Continuation of Operations Plans.
19. Hospitals participating in the Hospital Preparedness Program should plan to manage a surge capacity of 10%-20% above the daily staffed beds average.

## **TERM**

This agreement may be amended upon agreement of both parties. When changes in the capabilities occur or when other changes modify the intent of the agreement, those changes will be subject to renegotiation.

The time period for this agreement is September 1, 2007 to August 31, 2008.

Both parties reserve the right and privilege to terminate and cancel this Agreement with or without cause at any time either party deems this to be in its best interest. The notice of termination shall be in writing and shall provide the other party with a minimum of thirty (30) days notice.

I understand that signatories to the Agreement are subject to Federal A-133 audits and other performance measures related specifically to expenditures of the OASPR funds.

By my signature, I attest to understanding the goals of OASPR Hospital Preparedness Program (HPP), and as one of the participating preparedness stakeholders in TSA M or N, will support an appropriate share of activity (as determined by its specific EPR) to support and comply with the benchmarks as displayed in this Agreement and its attachments.

---

CEO/Administrator Signature

Date

---

HOTRAC Executive Director Signature

Date

**TSA N  
OASPR Grant Funding Year 6  
City of College Station  
WEBEOC Project**

| <b>Line</b> | <b>Item</b>                 | <b>Quantity</b> | <b>Price</b> | <b>Sub-Total</b> | <b>Remarks</b>  |
|-------------|-----------------------------|-----------------|--------------|------------------|-----------------|
| 1           | SSL Certificates            | 2               | \$ 500.00    | \$ 1,000.00      |                 |
| 2           | Windows Server 2003 Upgrade | 3               | \$ 500.00    | \$ 1,500.00      |                 |
| 3           | Double-Take                 | 6               | \$ 600.00    | \$ 3,600.00      | 3 Year Contract |
| 4           | Server RAID 10              | 2               | \$ 8,000.00  | \$16,000.00      |                 |
| 5           | SQL Server                  | 1               | \$ 4,500.00  | \$ 4,500.00      |                 |
| 6           | WEBEOC Maint Contract       | 3               | \$10,000.00  | \$30,000.00      | 3 Year Contract |

**Project Total    \$56,600.00**

RESOLUTION NO. \_\_\_\_\_

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COLLEGE STATION, TEXAS, ACCEPTING THE TERMS AND CONDITIONS IN THE LETTER OF ACKNOWLEDGEMENT FROM THE HEART OF TEXAS REGIONAL ADVISORY COUNCIL AND ACCEPTING THE OFFICE OF ASSISTANT SECRETARY OF PREPAREDNESS AND RESPONSE (OASPR) GRANT.

WHEREAS, the Office of Assistant Secretary of Preparedness and Response (OASPR) Grant Office for Domestic Preparedness, a component of the U.S. Department of Homeland Security, has awarded the Heart of Texas Regional Advisory Council the OASPR Grant; and

WHEREAS, the Heart of Texas Regional Advisory Council has served the City of College Station with notice that it is a recipient of a grant of the 2007 Office of Assistant Secretary of Preparedness and Response (OASPR) Grant Office for Domestic Preparedness in the amount of \$56,600.00; and

WHEREAS, the City Council appoints the Emergency Management Coordinator, Brian Hilton as the authorized contact person for the 2007 OASPR Grant Program; now, therefore,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF COLLEGE STATION, TEXAS:

PART 1: That the City Council hereby accepts the terms and conditions in the Letter of Acknowledgement from the Heart of Texas Regional Advisory Council as set forth in Exhibit "A" attached hereto, accepts the Office of Assistant Secretary of Preparedness and Response (OASPR) Grant in the amount of \$56,000, and herein authorizes the City Manager or his designee to take any and all reasonable measures to comply with the terms and conditions of said letter and said grant.

PART 2: That this resolution shall take effect immediately from and after its passage.

ADOPTED this \_\_\_\_\_ day of \_\_\_\_\_, A.D. 2008.

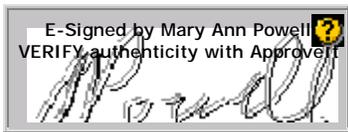
ATTEST:

APPROVED:

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

\_\_\_\_\_  
Mayor

APPROVED:



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

**January 24, 2008**  
**Consent Agenda Item 2n**  
**ILA for a Transportation Modeler Position with the**  
**Bryan-College Station Metropolitan Planning Organization**

**To:** Glenn Brown, City Manager

**From:** Mark Smith, Director of Public Works

**Agenda Caption:** Presentation, possible action, and discussion on a resolution authorizing the Mayor to sign an Interlocal Agreement to participate in the funding for a modeler position at the Bryan-College Station Metropolitan Planning Organization (BCSMPO). Annual cost to the City of College Station is \$15,000.

**Recommendation(s):** Staff recommends approval of the resolution.

**Summary:** The Bryan-College Station Metropolitan Planning Organization hired a Transportation Modeler to be responsible for developing and maintaining a travel demand model for Brazos County. In addition, the Transportation Modeler is available to provide the city information that would be helpful in the consideration of land use changes, thoroughfare amendments, and transportation project priorities. It was agreed that this position would be funded equally by the City of College Station, City of Bryan, Brazos County, and Texas A&M University, thus the overall cost of adding this position at the BCSMPO is \$15,000 for the City of College Station. Additionally, any future salary adjustments would be shared equally as well.

This was approved as an SLA in the FY07 budget as an annually recurring item.

**Budget & Financial Summary:** The annual funding for this item was approved in the FY07 budget; therefore, it does not impose any new financial responsibilities.

**Attachments:**

1. Resolution
2. Interlocal Agreement

RESOLUTION NO. \_\_\_\_\_

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COLLEGE STATION, TEXAS, AUTHORIZING THE MAYOR TO SIGN AN INTERLOCAL AGREEMENT WITH THE BRYAN-COLLEGE STATION METROPOLITAN PLANNING ORGANIZATION (BCSMPO) TO PARTNER IN THE FUNDING OF A TRANSPORTATION MODELER POSTION AT THE BCSMPO.**

WHEREAS, the Bryan-College Station Metropolitan Planning Organization, hereinafter referred to as the "BCSMPO" has a policy committee that oversees its operation that has representatives from the five following local governments: the City of College Station, hereinafter referred to as the "City", the City of Bryan, Texas A&M University, Brazos County, and the Texas Department of Transportation, and

WHEREAS, the City, the City of Bryan, Texas A&M University, and Brazos County have agreed to equally fund this position at the BCSMPO at the rate of \$15,000 per year, and

WHEREAS, the City made a service level adjustment in August 2007 to include this amount in the City's FY07 Budget; now, therefore,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF COLLEGE STATION, TEXAS:

PART 1: That the City Council of the City of College Station, Texas, hereby approves the Interlocal Agreement with the BCSMPO to partner in the funding of the Transportation Modeler position as set forth in Exhibit "A" attached hereto.

PART 2: That the City Council of the City of College Station hereby authorizes the Mayor to sign and the City Secretary to attest the Interlocal Agreement referred to above.

PART 3: That this resolution shall take effect immediately from and after its passage.

ADOPTED this \_\_\_\_\_ day of \_\_\_\_\_, A.D. 2008.

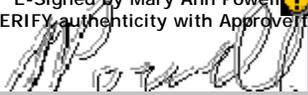
ATTEST:

APPROVED:

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

\_\_\_\_\_  
MAYOR

APPROVED:

E-Signed by Mary Ann Powell  
VERIFY authenticity with ApproveIT  


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

**INTERLOCAL AGREEMENT  
FOR THE BRYAN/COLLEGE STATION METROPOLITAN PLANNING ORGANIZATION,  
AND PARTNER PLANNING AGENCIES**

This Agreement ("Agreement") is effective as of the first effective date of employment for the new transportation modeler / GIS hire. This Agreement is between the BRYAN/COLLEGE STATION METROPOLITAN PLANNING ORGANIZATION (hereafter referred to as "MPO") and the following organizations:

- TEXAS A&M UNIVERSITY (hereafter referred to as TAMU),
- BRAZOS COUNTY,
- CITY OF COLLEGE STATION, and
- CITY OF BRYAN

WHEREAS, Texas Government Code, Chapter 791, also known as the Interlocal Cooperation Act, authorizes local governments to contract with each other to perform functions or services each party to the contract is authorized to perform individually; and

WHEREAS, TAM U, Brazos County, the City of College Station and the City of Bryan each desire to enter into an Interlocal Agreement to provide total funding in the amount of \$60,000.00 per year in support of a new transportation modeler / Geographic Information System (GIS) employee for the MPO; and

WHEREAS, TAMU, Brazos County, the City of College Station and the City of Bryan will equally divide the funding for this position at \$15,000; and

WHEREAS, TAMU, Brazos County, the City of College Station and the City of Bryan agree that this position will provide technical support for the MPO in the development of a transportation model that will allow the MPO to support the development of a long range plan; and

WHEREAS, the MPO and TAMU and Brazos County, the City of College Station and the City of Bryan work together to create a continuing, cooperative, and comprehensive planning process, and are authorized to enter into this Agreement;

NOW, THEREFORE, in consideration of the recitals and mutual covenants made by the MPO, TAMU, Brazos County, the City of College Station and the City of Bryan to be respectively kept and performed, the parties agree as follows:

**SECTION I. PURPOSE OF AGREEMENT**

1.1 The purpose of this Agreement is to establish the responsibilities of the MPO, TAMU, Brazos County, the City of College Station and the City of Bryan regarding the funding and maintenance of the transportation modeling / GIS position for the MPO.

**SECTION II. TERM**

2.1 This Agreement renews annually on October 1<sup>st</sup>, concurrent with the start of a new fiscal year.

2.2 This Agreement may be terminated by the TAMU, Brazos County, the City of College Station or the City of Bryan without cause, provided written notice is provided to the MPO, within thirty (30) calendar days before the renewal date of the Agreement.

### **SECTION III. HIRING / TERMINATING**

3.1 The parties agree to work together to identify the most qualified individual to fill this position. The parties further agree that this employee will report to the Director of the MPO who will be responsible for directing this individual in their daily work efforts and will further be responsible for any disciplinary or other action as may be needed.

### **SECTION IV. PROJECT RESPONSIBILITIES**

4.1 The parties agree that this transportation modeling / GIS position will be responsible for the following activities:

- updating the transportation model to be used for long range planning;
- coordinating with the Texas Department of Transportation (hereafter known as TxDOT) to ensure that timelines and goals, in respect to the transportation model, are being met;
- acting as liaison with TAMU, Brazos County, the City of College Station, the City of Bryan, and The District to closely monitor changes in the system, that affect the model;
- to provide support information to TAMU, Brazos County, the City of College Station and the City of Bryan, as requested, in key transportation-related decisions; and
- advance the MPO's technical proficiency in using computers for long range planning decisions.

### **SECTION V. PROJECT COSTS**

5.1 The total annual salary with benefits for this new employee of the MPO will be \$60,000.

5.2 Each entity - TAMU, Brazos County, the City of College Station and the City of Bryan, agrees to contribute one-fourth of the total salary for the new employee, but in no event more than Fifteen Thousand and No/1 00 Dollars (\$15,000) per entity, per year.

5.3 Each payment to the MPO will be made from currently available revenues in a lump sum, within thirty (30) days after October 1<sup>st</sup> of each year in the Agreement.

5.4 As the salary increases, due to cost of living or merit increases, the MPO agrees to pay for the portion above \$60,000, until such time, this Agreement is modified.

### **SECTION VI. MODIFICATION OF AGREEMENT**

6.1 The terms and conditions of this Agreement may be modified at any time by the mutual consent of all parties; however, no amendment or modification to this Agreement is effective unless and until it is reduced to writing and signed by duly authorized representatives for all entities.

### **SECTION VII. WRITTEN NOTICE**

7.1 Unless otherwise specified, written notice will be deemed to have been duly served if delivered in person to the individuals listed below or if it is delivered or sent certified mail to the business address below. Each party will have the right to change its business address by at least thirty (30) calendar days written notice to the MPO.

**MPO:** Linda LaSut  
Director  
3608 E. 29<sup>th</sup> Street  
Suite 113  
Bryan, TX 77802

**TAMU:** Charles A. Sippial, Sr.  
Vice President for Facilities  
218 Administration Building  
College Station, TX 77843-1247

**BRAZOS COUNTY:** Judge Randy Sims  
Brazos County Courthouse  
Bryan, Texas 77803

**CITY OF COLLEGE STATION:** Mayor Ben White  
P. O. Box 9960  
College Station, Texas 77840

**CITY OF BRYAN:** Mayor Mark Conlee  
P. O. Box 1000  
Bryan, Texas 77805

#### **SECTION VIII. STATE AGENCY**

8.1 The MPO, TAMU, Brazos County, the City of College Station and the City of Bryan expressly acknowledges that nothing in this Agreement will be construed as a waiver or relinquishment to claim exemptions, privileges, and immunities as may be provided by law.

#### **SECTION IX. WAIVER**

9.1 Failure of any party, at any time, to enforce a provision of this Agreement, in no way constitutes a waiver of that provision, nor in anyway affects the validity of this Agreement, any part of this Agreement, or the right of the party thereafter to enforce each and every provision of this Agreement. No term of this Agreement will be deemed waived or breach excused unless such waiver is in writing and signed by the party claiming to have waived. Furthermore, any consent to or waiver of a breach will not constitute consent to or waiver of or excuse of any other different or subsequent breach.

#### **SECTION X. INVALIDITY**

10.1 If any portion of this Agreement is held invalid, illegal or unenforceable by a court or other tribunal of competent jurisdiction, the validity, legality and enforceability of the remaining provision will not in any way be affected or impaired. The parties will use their best efforts to replace the provisions of this Agreement with legal terms and conditions approximating the original intent of the parties.

#### **SECTION XI. ENTIRE AGREEMENT**

11.1 It is understood this Agreement contains the entire Agreement among parties and supersedes any and all prior agreements, arrangements, statements, promises, or inducement contrary to the terms of this Agreement exist. This Agreement cannot be changed or terminated orally. No verbal agreement or conversation with any officer, agent, or employee of the MPO, TAM U, Brazos County, the City of College Station or the City of Bryan, either before or after the execution of this Agreement, affects or modifies any terms or obligations of this Agreement.

#### **SECTION XII. CHOICE OF LAW**

12.1 This Agreement is governed by the laws of the State of Texas.

### **SECTION XIII. PLACE OF PERFORMANCE**

13.1 Performance of this Agreement is in Brazos County, Texas.

### **SECTION XIV. AUTHORITY**

14.1 Each party has full power and authority to enter into and perform under this Agreement, and the person signing this Agreement on behalf of each party has been properly authorized and empowered to enter into this Agreement. The persons executing this Agreement represent that they have authorization to sign on behalf of their respective entities.

### **SECTION XV. AGREEMENT READ**

15.1 Each party acknowledges that it has read and understands and intends to be bound by the terms and conditions of this Agreement.

### **SECTION XVI. MULTIPLE ORIGINALS**

16.1 It is understood and agreed this Agreement may be executed in a number of identical counterparts with each deemed an original for all purposes.

16.2 IN WITNESS OF THIS AGREEMENT, the MPO, TAMU, Brazos County, the City of College Station and the City of Bryan, through their duly appointed agents have executed this Agreement in duplicate originals.

**BRYAN / COLLEGE STATION METROPOLITAN PLANNING ORGANIZATION**

EXECUTED this the \_\_\_\_\_ day of \_\_\_\_\_, 2008 by **MPO**.

By: \_\_\_\_\_  
LINDA LASUT Director

**TEXAS A&M UNIVERSITY**

EXECUTED this the \_\_\_\_\_ day of \_\_\_\_\_, 2008 by **Texas A&M University**.

By: \_\_\_\_\_

ROBERT T. BISOR  
Associate Vice President & Chief of Staff &  
University Contracts Officer

RECOMMEND APPROVAL:

\_\_\_\_\_  
CHARLES A. SIPPAL, SR.  
Vice President for Facilities

**BRAZOS COUNTY**

EXECUTED this the \_\_\_\_\_ day of \_\_\_\_\_, 2008 by **Brazos County.**

By: \_\_\_\_\_  
RANDY SIMS County Judge

**CITY OF COLLEGE STATION**

EXECUTED this the \_\_\_\_\_ day of \_\_\_\_\_, 2008, by **City of College Station.**

BY: \_\_\_\_\_  
Mayor – City of College Station

ATTEST:

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

APPROVED:

\_\_\_\_\_  
City Manager

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

\_\_\_\_\_  
Chief Financial Officer

**CITY OF BRYAN**

EXECUTED this the \_\_\_\_\_ day of \_\_\_\_\_, 2008 by **City of Bryan.**

By: \_\_\_\_\_  
MAYOR MARK CONLEE Mayor – City of Bryan

ATTEST:

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

**January 24, 2008  
Consent Agenda 2o  
Resolution Approving Green College Station Policy**

**To:** Glenn Brown, City Manager

**From:** Terry L. Childers, Deputy City Manager

**Agenda Caption:** Presentation, possible action, and discussion regarding a resolution adopting Green College Station Policy.

**Recommendation(s):** Approval of the resolution.

**Summary:** The Council received a briefing at its December 13, 2007 Council meeting Green College Station – A White Paper on Resource Conservation and Sustainability. The White Paper recommended the adoption of a formal policy statement to guide the development of the GREEN COLLEGE STATION ACTION PLAN. The Action Plan will address the following areas:

- 1) Energy efficiency and renewable energy
- 2) Air Quality / Reduction HCF footprint
- 3) Water conservation
- 4) Protection of open space and green areas
- 5) Green building
- 6) GHG emission reduction

The resolution also recommends the following:

- a) Appointment of a Green College Station Citizens Task Force to support the City Manager's efforts to formulate the Action Plan.
- b) Authorize the Mayor to sign on behalf of the City the US Conference of Mayors Climate Protection Agreement.

**Budget & Financial Summary:** N/A

**Attachments:**

Council resolution

RESOLUTION NO. \_\_\_\_\_

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COLLEGE STATION, TEXAS, APPROVING GREEN COLLEGE STATION POLICY.

WHEREAS, Sustainability and resource conservation has become a constant on the local government landscape; and

WHEREAS, Sustainability and conservation of resources has a direct connection to the quality of life in the community; and

WHEREAS, Viewing sustainability holistically, cities can account for real savings in terms of deferring capital and operating costs; and

WHEREAS, many cities throughout the nation, both large and small, are adopting sustainability and resource conservation programs; and

WHEREAS, the City Council of College Station, Texas has expressed a strong desire to address sustainability issues, resource conservation, and reduction of the carbon footprint through the establishment of clear policy and the development of GREEN COLLEGE STATION ACTION PLAN; and

WHEREAS, the City Council of the City of College Station, Texas, has been briefed on the proposed GREEN COLLEGE STATION INITIATIVE; now, therefore,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF COLLEGE STATION, TEXAS:

PART 1: That the City Council hereby establishes GREEN COLLEGE STATION policy statement as follows: College Station is committed to being a leader in resource conservation and protection of our environment. GREEN COLLEGE STATION will express the City's commitment to achieve resource conservation and sustainability over the long-term. It is recognized there are four interdependent elements to the quality of life aspects of sustainability: (a) balancing environmental stewardship; (b) economic development; (c) social equity; and (d) financial and organizational viability. College Station City Manager is directed to develop the GREEN COLLEGE STATION ACTION PLAN for Council approval to direct the City's efforts to implement its green strategies..

PART 2: That the City Council hereby authorizes the Mayor to sign and submit to the US Conference of Mayors – the US Conference of Mayors Climate Protection Agreement on behalf of the City of College Station (attachment 1).

PART 3: That the City Council recognizes the need to engage a broad cross section of the community in the GREEN COLLEGE STATION

INITIATIVE, the Council will appoint a seven (7) member task force to support the City Manager's efforts to develop the GREEN COLLEGE STATION ACTION PLAN; The City Manager will provide for broad community education, input, and comments on the proposed GREEN COLLEGE STATION ACTION PLAN prior to submission to Council for consideration.

PART 4: That this resolution shall take effect immediately from and after its passage.

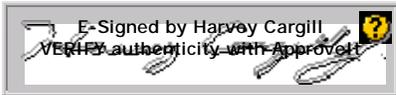
ADOPTED this \_\_\_\_\_ day of \_\_\_\_\_, A.D. 2008.

ATTES T:

APPROVED:

\_\_\_\_\_  
City S e cre tary

MAYOR



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



## **Attachment 1**

### **The U.S. Mayors Climate Protection Agreement (As endorsed by the 73<sup>rd</sup> Annual U.S. Conference of Mayors meeting, Chicago, 2005)**

A. We urge the federal government and state governments to enact policies and programs to meet or beat the target of reducing global warming pollution levels to 7 percent below 1990 levels by 2012, including efforts to: reduce the United States' dependence on fossil fuels and accelerate the development of clean, economical energy resources and fuel-efficient technologies such as conservation, methane recovery for energy generation, waste to energy, wind and solar energy, fuel cells, efficient motor vehicles, and biofuels;

B. We urge the U.S. Congress to pass bipartisan greenhouse gas reduction legislation that 1) includes clear timetables and emissions limits and 2) a flexible, market-based system of tradable allowances among emitting industries; and

C. We will strive to meet or exceed Kyoto Protocol targets for reducing global warming pollution by taking actions in our own operations and communities such as:

1. Inventory global warming emissions in City operations and in the community, set reduction targets and create an action plan.
2. Adopt and enforce land-use policies that reduce sprawl, preserve open space, and create compact, walkable urban communities;
3. Promote transportation options such as bicycle trails, commute trip reduction programs, incentives for car pooling and public transit;
4. Increase the use of clean, alternative energy by, for example, investing in "green tags", advocating for the development of renewable energy resources, recovering landfill methane for energy production, and supporting the use of waste to energy technology;
5. Make energy efficiency a priority through building code improvements, retrofitting city facilities with energy efficient lighting and urging employees to conserve energy and save money;
6. Purchase only Energy Star equipment and appliances for City use;
7. Practice and promote sustainable building practices using the U.S. Green Building Council's LEED program or a similar system;
8. Increase the average fuel efficiency of municipal fleet vehicles; reduce the number of vehicles; launch an employee education program including anti-idling messages; convert diesel vehicles to bio-diesel;
9. Evaluate opportunities to increase pump efficiency in water and wastewater systems; recover wastewater treatment methane for energy production;
10. Increase recycling rates in City operations and in the community;

11. Maintain healthy urban forests; promote tree planting to increase shading and to absorb CO<sub>2</sub>; and

12. Help educate the public, schools, other jurisdictions, professional associations, business and industry about reducing global warming pollution

**January 24, 2008**  
**Consent Agenda Item 2p**  
**Citizen Advisory Committee Responsibility**

**To:** Glenn Brown, City Manager

**From:** Mark Smith, Director of Public Works

**Agenda Caption:** Presentation, possible action and discussion of a job description defining the responsibilities of members of the CIP Citizen Advisory Committee.

**Recommendation(s):** Staff recommends that Council adopt the proposed job description.

**Summary:** On December 13, Council appointed members to a Citizen Advisory Committee. On January 10, Council appointed a chair and vice-chair for the committee. In 2003, the committee's responsibilities were communicated via the attached job description. Staff is proposing the Council adopt that same description of responsibilities for the 2008 committee in order to clearly communicate the work the committee will perform.

**Budget & Financial Summary:**

**Attachments:**  
CIP Citizen Advisory Committee Charge

**CITY OF COLLEGE STATION**  
**CIP Citizen Advisory Committee Member**

**COMMITTEE CHARGE**

The charge of the Capital Improvements Program Citizen Advisory Committee is to recommend a prioritized list of projects that can be funded with General Obligation Bond funds to the College Station City Council.

**PROJECT SCOPE**

The CIP Citizen Advisory Committee Members will work with the city staff and other committee members to evaluate the City's capital needs and then develop a prioritized list of projects. That list will be reviewed by the Planning & Zoning Commission (P&Z) and will be presented to the City Council. The City Council will use that list along with P&Z's comments and financial information provided by the staff to develop ballot language for a General Obligation (GO) Bond election that will be voted on by the Citizen's of College Station. Committee members will provide public support for and will promote the proposed bond issue in the time leading up to the election. The result of that vote will determine which projects will be funded for construction with GO bonds over the next 5 years.

**PRINCIPAL COMMITTEE ACTIVITIES**

**DISCOVERY**

1. LEARN about the City Council's Strategic Plan, the Comprehensive Plan, recent and projected development trends and how those things relate to the Capital Improvement Plan.
2. GATHER INFORMATION about projects that have been identified through presentations by City staff members.
3. CONTRIBUTE additional projects that may be identified through discussions.
4. DISCUSS issues, information and opinions with fellow committee members, city staff and other members of the community to develop a basis for setting priorities.

**PRIORITIZATION**

5. DEVELOP a ranked list of projects through facilitated group discussion and multi-voting.
6. RECOMMEND to the City Council a prioritized project list with a description of the underlying principles that support that recommendation.

**PROMOTION**

7. SUPPORT the recommendations of the committee and be prepared to discuss the process and projects with other members of the community.
8. MAKE PRESENTATIONS to City Council, the Planning and Zoning Commission, the Parks Board and other citizen and civic organizations regarding the Capital Improvements Plan for the City of College Station.

**CITIZEN ADVISORY COMMITTEE MEMBER CHARACTERISTICS**

- Interest in community service
- Desire to influence how the City of College Station develops
- Ability to participate in weekly evening meetings

**January 24, 2008  
Consent Agenda Item 2q  
Interstate 69 Resolution**

**To:** Glenn Brown, City Manager

**From:** Terry Childers, Deputy City Manager

**Agenda Caption:** Presentation, possible action, and discussion regarding a resolution supporting a coalition of counties, cities and other partners for the purpose of proposing a preferred Interstate 69 alignment for TxDOT's consideration.

**Recommendation(s):** Staff recommends approval of the resolution.

**Summary:** The Brazos Valley Council of Governments has determined the current alignment of the Interstate 69 study corridor does not meet with the plans and goals of its regional transportation effort. This Resolution supports a regional concept for an alignment of Interstate 69 by a study group of regional partners formed in response to the anticipated release of a draft Interstate 69 Environmental Impact Statement.

The coalition of counties, cities and other regional partners is proposing a preferred I-69 alignment for consideration by the Texas Department of Transportation. This route would divert the alignment to the east enhancing access to a proposed regional park in an east/west alignment through Grimes County.

**Budget & Financial Summary:** N/A

**Attachments:**

1. Resolution

RESOLUTION NO. \_\_\_\_\_

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COLLEGE STATION, TEXAS, TO SUPPORT A REGIONAL CONCEPT FOR AN ALIGNMENT OF INTERSTATE 69 BY A STUDY GROUP OF REGIONAL PARTNERS FORMED IN RESPONSE TO THE ANTICIPATED RELEASE OF A DRAFT INTERSTATE 69 ENVIRONMENTAL IMPACT STATEMENT.

WHEREAS, the Texas Department of Transportation is actively working to establish the corridor for the proposed Interstate 69; and,

WHEREAS, the Brazos Valley Council of Governments working in the Brazos Valley region has determined that the current alignment of study corridor does not meet with plans and established goals of its regional transportation effort; and,

WHEREAS, if this transportation corridor is to be built then several factors exist whereby other study corridor alignments and right of way configurations would be more beneficial to the Brazos Valley Region than those currently being proposed by TxDOT; and,

WHEREAS, a coalition of counties, cities and other partners have formed in Texas' central section of the I-69 planning area to express a preferred alignment; and,

WHEREAS, the Brazos Valley Council of Governments is hopeful that a mutually beneficial alignment may be proposed and supported by a study/discussion group of regional partners in response to the Draft TTC/Interstate 69 Environmental Impact Statement; now, therefore,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF COLLEGE STATION, TEXAS:

PART 1: That the City of College Station supports a coalition of counties, cities and other partners for the purpose of proposing a preferred I-69 alignment for TxDOT's consideration of the central portions of the I-69 study corridor.

PART 2: That for planning purposes this alignment generally follows State Highway 6 north through the region to Navasota then diverts to the west around the city then following State Highway 6 north in Brazos County to a point such that it would divert to the east enhancing access to a proposed regional park in an east/west alignment through Grimes County.

PART 3: That staff is directed to facilitate the participation in a coalition and to pursue consensus on a mutually acceptable corridor that could be regionally supported and proposed to TxDOT.

PART 4: That this Resolution is effective upon adoption.

ORDINANCE NO. \_\_\_\_\_

Page 2

ADOPTED this \_\_\_\_\_ day of \_\_\_\_\_, A.D. 2008.

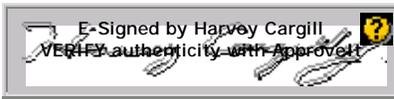
ATTEST:

APPROVED:

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

\_\_\_\_\_  
Mayor

APPROVED:



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

**January 24, 2008**  
**Regular Agenda Item 1**  
**Recommendation to Name a Park Facility**

**To:** Glenn Brown, City Manager

**From:** Eric Ploeger, Assistant Director, Parks and Recreation Department

**Agenda Caption:** Presentation, possible action, and discussion regarding a recommendation to rename Central Park in College Station, to "Stephen C. Beachy Central Park".

**Recommendation(s):** Staff recommends approval of this request to rename Central Park in College Station, the "Stephen C. Beachy Central Park". In addition, this request was also considered by the Parks and Recreation Advisory Board during the January 8, 2008 meeting. The recommendation was unanimously approved by the Board at that meeting.

**Summary:** This request was submitted by a former Chairman of the Parks and Recreation Advisory Board, Sharon Colson, in recognition of Steve's outstanding achievements during his twenty-nine year tenure as the Director of the Parks and Recreation Department. Steve has taken the Department from very humble beginnings to one with fifty parks, multiple recreation programs, a wide variety of special events, and to the rare honor of full Agency Accreditation. Steve's accomplishments and dedication as a Public Servant have been recognized numerous times by his peers.

This recommendation is in accordance with the city's Guidelines for the Naming of Public Facilities.

**Budget & Financial Summary:** The primary costs associated with this change will be new signs for the park. This can be funded through the Parks Operations Replacement Account.

**Attachments:**

- 1) Letter of Request from Sharon Colson
- 2) College Station Guidelines for the Naming of Public Facilities
- 3) Central Park Site Plan
- 4) Minutes of the January 8, 2008 Parks and Recreation Advisory Board meeting

Sharon Colson, Ph.D.

Director, KAMU-TV-DT  
 Outreach  
 Producer / Host  
 Fine Program  
 Community Affairs  
 Communications Center

College Station, Texas 77843-4244  
 FAX (979) 845-1643  
 kamu.tamu.edu  
 nu.edu

*Hi Glenn,  
 Thanks for  
 considering this!  
 Sharon*

Mr. Glenn Brown  
 City Manager, City of College Station  
 1101 Texas Avenue  
 College Station, TX 77840

Re: Steve Beachy's Retirement  
 Naming of Public Facilities

Dear Mr. Brown:

Surely, this is the ending of an era. The retirement of Steve Beachy, College Station's only Director of Parks and Recreation, is historic. As a former member of the Parks Board and later as Parks Board Chair, and later still as a member of the Wolf Pen Creek TIF Board and its current Chair, it has been my pleasure to have served under and with Mr. Beachy as he has quietly shaped the City's exemplary programs in the parks and recreation arena for over two decades. He is a remarkable individual.

Please accept this correspondence as a request to rename College Station's Central Park in honor of Steve Beachy and to make this a part of his January 18, 2008, retirement reception. In reading the criteria for naming public facilities (April 8, 2004 – Agenda Item 10.10), Mr. Beachy is certainly a historic figure in the shaping of the city. Under his leadership and vision, all the parks and recreation areas have been created, enlarged, or enhanced. Central Park, particularly, is a testimony to his foresight. The area between Highway 6 and Texas Avenue was once College Station's least attractive feature. A combination of small creeks, drainage ponds, and flood-prone zones have now been transformed into a city center that draws local families and tourists alike to its varied venues.

In all of the accomplishments led by Steve Beachy, he has never sought personal recognition for any of it. In fact, it would seem that he leads by the adage, "There is nothing that can't be accomplished if you don't care who gets the credit." He always gives credit to others. He gives specific praise to staff and volunteers alike. He empowers others. He has listened to his staff and he has listened to the community. He has done his homework before undertaking any initiative. He has kept his superiors involved and informed. Steve Beachy has been transparent with both the administration and the public. He is truly a public servant.

I respectfully request that Central Park be renamed in honor of Steve Beachy.

Sincerely,



Sharon Colson, Ph.D.  
 Chair, Wolf Pen Creek TIF

11-19-07

*copy: Kathy Merrill*

**City of College Station, Texas**  
**GUIDELINES FOR THE NAMING OF PUBLIC FACILITIES**

Approved April 8, 2004 - Agenda Item 10.10

**Purpose**

The purpose of these guidelines is to establish a systematic and consistent approach for the official naming of public facilities in the City of College Station, including parks, facilities, recreational areas, streets, and municipal buildings.

**Objectives**

- Ensure that parks, facilities, recreational areas, and municipal buildings are easily identified and located.
- Ensure that given names to parks, facilities, recreational areas, and municipal buildings are consistent with the values and character of the area or neighborhood served.
- Encourage public participation in the naming, renaming, and dedication of parks, facilities, recreational areas, and municipal buildings.
- Encourage the dedication of lands, facilities, or donations by individuals and/or groups.
- Advance the reputation of the City as well as increase the understanding and public support for its programs.

**Criteria**

The practice of the City of College Station is to name parks, recreation areas, facilities, and municipal buildings through an adopted process utilizing the above objectives, emphasizing community values and character, local and national history, geography, the environment, civics, and service to the City of College Station. Therefore, the following criteria shall be used in determining the appropriateness of the naming designation:

- Neighborhood, geographic, or common usage identification;
- A historical figure, place, event, or other instance of historical or cultural significance;
- National and state historical leaders or heroes, both past and present;
- An individual, living or deceased [a] who has made a significant land and/or monetary contribution to the park, recreation area, facility, or municipal building, or [b] who has had the contribution made "In Memoriam" and when the name has been stipulated as a condition of the donation;
- An individual, living or deceased, who has contributed outstanding civic service to the City;
- Predominant plant materials; or
- Streams, rivers, lakes, and creeks.

Facilities or specialized areas may have a name different from that of the larger park, recreation area, facility, or municipal building.

When feasible, the process to name parks, recreation areas, facilities, and municipal buildings should begin within twelve (12) months after the City has acquired title to the land and/or formally accepted the dedication.

Names that are similar to existing parks, recreation areas, facilities, and municipal buildings should not be considered in order to minimize confusion.

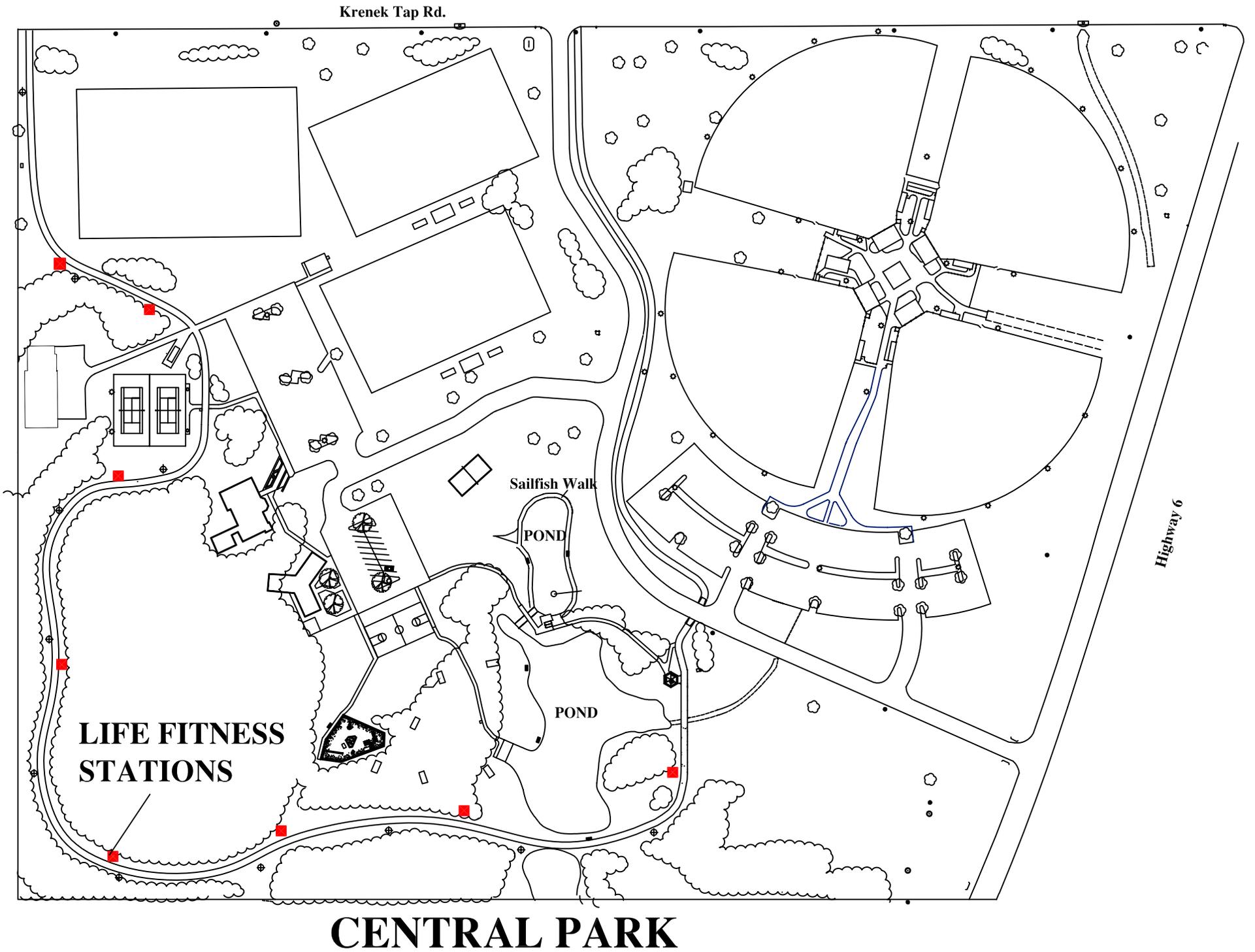
### **Renaming**

The City reserves the right to change the name of a park, recreation area, facility or municipal building to maintain consistency with these guidelines. However, renaming carries with it a much greater burden of process compared to initial naming. Tradition and continuity of name and community identification are important community values. Each request to rename must meet the criteria of this policy, but meeting all criteria does not ensure renaming.

### **Procedures**

Upon approval of these guidelines by Council, procedures consistent with the guidelines will be developed. It is anticipated that naming/renaming requests will be submitted to the City Manager. The Manager will then forward the request through an appropriate board, committee, or organization or directly to the City Council for approval. (For example, if the naming or renaming request is for a parks facility, the City Manager will submit the request to the Parks and Recreation Advisory Board who will review and make a recommendation. The City Manager will review that recommendation and then submit it to Council for approval.)

The City Council may, upon its own initiative, name or rename a City facility without following these guidelines. An individual council member may submit a naming suggestion to the City Manager, who will then apply the guidelines and procedures.



# CENTRAL PARK



## PARKS AND RECREATION ADVISORY BOARD



### REGULAR MEETING MINUTES 7:00 PM, Tuesday, January 8, 2008 Wolf Pen Creek Hospitality Center 1015 Colgate s College Station, Texas

---

**STAFF PRESENT:** Ric Ploeger, Assistant Director; Warren Struss, Interim Director; Amanda Putz, Board Secretary; Pete Vanecek, Senior Park Planner; Peter Lamont, Recreation Superintendent

**BOARD PRESENT:** Jodi Warner, Chair; Kathleen Ireland, Gary Thomas, Wayne Williams, Billy Hart, Joan Perry, Shawn Rhodes

**BOARD ABSENT:** Gary Erwin, Jody Ford

**VISITORS:** Wallace Phillips – Green Prairie Investors, “Castle Gate Communities”

1. **Call to order:** The meeting was called to order with a quorum present at 7:00 p.m. Warren Struss introduced himself to the Board and gave a brief overview of his goal for achievement during his stay in College Station.
2. **Pardon and possible action concerning requests for absences of members:** Two requests for absence had been submitted by Gary Erwin and Jody Ford. Gary Thomas moved to accept the requests as submitted. Joan Perry seconded the motion and the vote was called. All were in favor, and the absences were excused.
3. **Consideration, possible action, and discussion of minutes from the Regular meeting of December 11, 2007:** Billy Hart moved to approve the minutes and Shawn Rhodes seconded. The vote was called. All were in favor, and the motion carried unanimously.
4. **Hear visitors:** Hearing none, this item was closed.
5. **Consideration, possible action, and discussion regarding the Castlerock conceptual plan:** Ric Ploeger informed the Board that the developer plans to develop Castlerock Park with assistance from the City. Pete Vanecek explained the conceptual design to the Board. The park will be constructed in phases.

Kathleen Ireland made a motion to approve the design concept and Joan Perry seconded the motion. The vote was called. All were in favor, and the motion carried unanimously.

6. **Update, possible action, and discussion regarding the sub-committee meetings:**

§ **Field Usage Sub-committee**

- ✓ Shawn Rhodes updated the Board regarding the Field Usage Sub-committee meetings and future meetings. Some of the items being discussed by the sub-committee are:

- Ø Southeast Community Park constructed to be a practice field.
- Ø Working on getting a chart configured so we can bring the policy to the user groups.
- Ø Starting a Sports Foundation to coordinate and help enforce field usage.

§ **Park Naming Sub-committee**

- ✓ Kathleen Ireland recommended to the Parks Board that Central Park be renamed to **Stephen C. Beachy Central Park**. Ric Ploeger explained the history behind Central Park and it's unique importance to Stephen Beachy.

Wayne Williams made a motion to rename the park to Stephen C. Beachy Central Park, and Shawn Rhodes seconded the motion. The vote was called. All were in favor, and the motion carried unanimously.

*Joan Perry submitted a request to rename Thomas Park to Mable Clare Thomas Park.*

7. **Update, possible action, and discussion regarding status of registration software and information technology programs:**

Peter Lamont updated the Board regarding the status of internet registration. Internet registration had three activities online: Swimming, Tennis, and Youth Basketball. All of the registrations had been successful, Internet registration will be available for Xtra Education beginning January 22<sup>nd</sup>. This was an informational item only, and no action was required.

8. **Discussion, consideration, and possible action regarding the future Bond Issue:**

Ric Ploeger updated the committee on the future bond issue. City Council had designated a Citizens Committee to review all of the city's projects starting in February 2008. Prior to the February meeting of the Citizens Committee there will be public hearings held so the City can obtain input from the public. This was an informational item only, and no action was required.

9. **Discussion and possible action concerning Parks and Recreation Advisory Board**

**Goals:** Some revisions were cited on the Goals list, and brief discussion followed. This was an informational item only, and no action was required.

10. **Presentation, possible action and discussion concerning the current Capital Improvement Program:**

- **Current Capital Improvement and Park Land Dedication Project Lists**
  - This was an informational item only, and no action was required.
- **Dedications of Less than Three Acres: Ramada Inn Redevelopment**
  - This was an informational item only, and no action was required.
- **Dedications of Less than Three Acres: Rock Prairie Apartments – Aggieland Realty Group (Zone 9)**
  - This was an informational item only, and no action was required.

11. **Presentation, possible action, and discussion on future agenda items: A Board Member may inquire about a subject for which notice has not been given. A statement of specific factual information or the recitation of existing policy may be given. Any deliberation shall be limited to a proposal to place the subject on an agenda for a subsequent meeting:**

§ Next Regular Meeting ~ February 12, 2008, Wolf Pen Creek Hospitality Center

12. **Adjourn:** Kathleen Ireland made a motion to adjourn the meeting and Billy Hart seconded the motion. The vote was called. All were in favor, and the meeting adjourned at 8:08 p.m.

**24 January 2008 and 29 January 2008  
Regular Agenda Item 2  
Annexation Public Hearing**

**To:** Glenn Brown, City Manager

**From:** Bob Cowell, AICP, Director of Planning and Development Services

**Agenda Caption:** Public hearing, presentation, possible action, and discussion regarding the service plan for six areas identified for annexation under the exempt status.

**Recommendation:** N/A

**Summary:** The TEXAS LOCAL GOVERNMENT CODE requires that Cities conduct two public hearings prior to initiating annexation proceedings. As part of the public hearings, staff will present an overview of the annexation service plan (see attached).

The purpose of the public hearings is to give individuals the opportunity to express their views regarding the proposed annexation and the service plan. Council is not expected to take any action at either public hearing. The final annexation ordinance is currently scheduled to be presented to Council on 28 February.

**Budget & Financial Summary:** An updated fiscal impact analysis (FIA) was presented to Council on 10 January 2008. The FIA projects annual revenues of \$1,037,992 upon full build-out of all annexation areas.

**Attachments:**

1. Annexation Service Plan
2. Annexation Information (Why Cities Annex)
3. Annexation Areas Map

**CITY OF COLLEGE STATION SERVICE PLAN  
FOR AREAS TO BE ANNEXED  
FEBRUARY 28, 2008**

**I. ANNEXATION AREAS**

The annexation areas are located in various parts of the City of College Station's Extraterritorial Jurisdiction. These properties are illustrated in Figure 1 and described below.

- Area 1** - located generally at the intersection of Raymond Stotzer Parkway and Turkey Creek Road and containing approximately 102 acres.
- Area 2** - located generally on the north side of Rock Prairie Road at its intersection of Harris Drive and Bradley Road, consisting largely of Carter Lake Subdivision and containing approximately 209 acres.
- Area 3** - located generally at the intersection of Rock Prairie Road West and Jones-Butler Road and containing approximately 1,033 acres.
- Area 4** - located generally at the intersection of Greens Prairie Road and Wellborn Road, bisected by Greens Prairie Trail, and containing approximately 626 acres.
- Area 5** - located generally on the east side of State Highway 6, south of the existing city limits and containing approximately 1,053 acres.
- Area 6** - located generally on the west side of FM 2154 (AKA Wellborn Road) at the intersection of Capstone Drive and containing approximately 74 acres.

**II. INTRODUCTION**

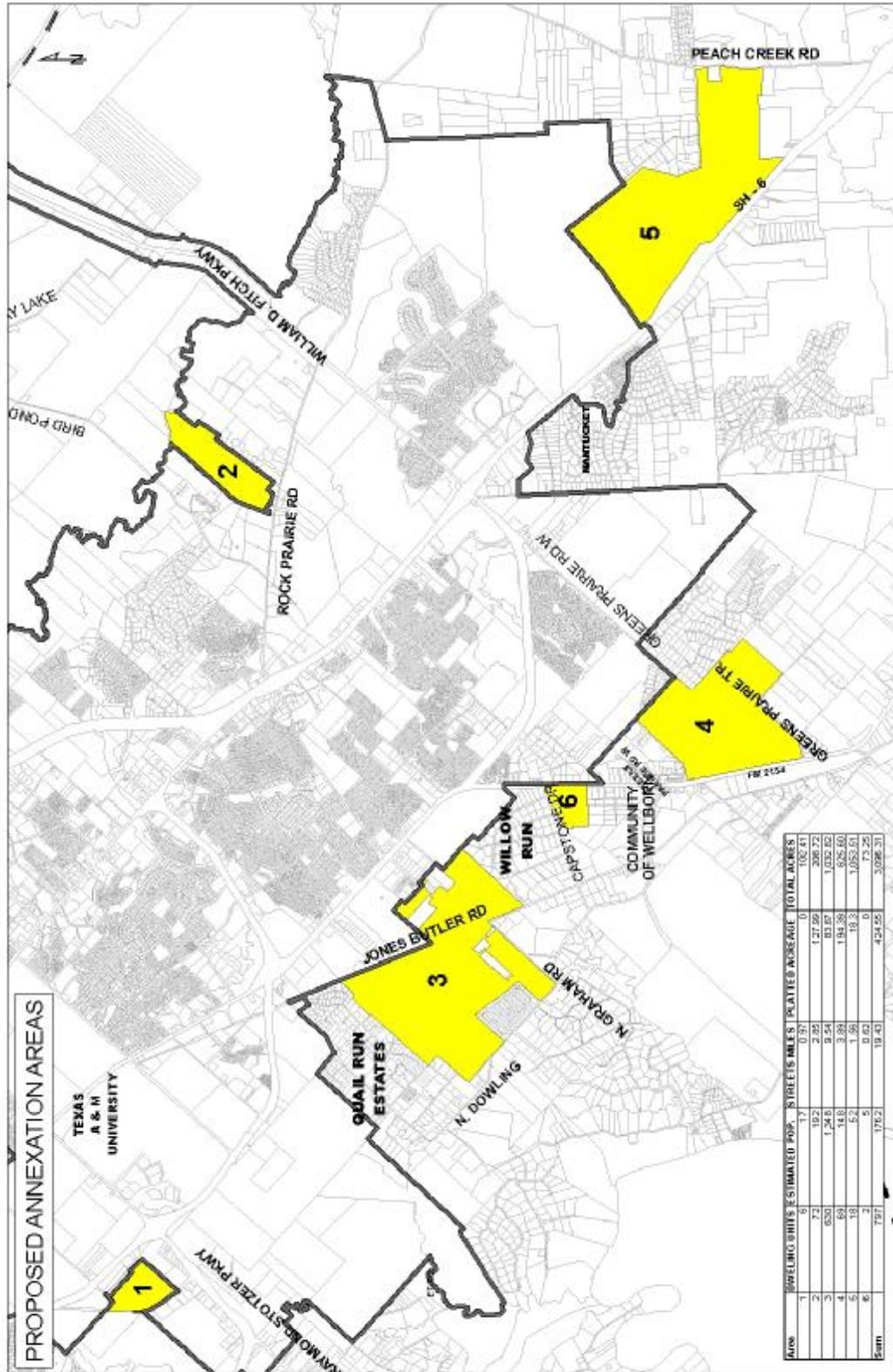
This service plan has been prepared in accordance with the TEXAS LOCAL GOVERNMENT CODE, Sections 43.021, 43.065, and 43.056(b)-(o) (Vernon 1999, AND VERNON SUPP. 2007, as amended from time to time). Municipal facilities and services to the annexed areas described above will be provided or made available on behalf of the City in accordance with the following plan. This plan provides a program under which the City of College Station will provide full municipal services to the annexed areas. All services will be provided within the time provided in TEXAS LOCAL GOVERNMENT CODE, Section 43.056(B).

This Service Plan does not:

- require the creation of another political subdivision;
- require a landowner in the area to fund the capital improvements necessary to provide municipal services in a manner inconsistent with Chapter 395, Texas Local Government Code; or
- provide services in the area in a manner that would have the effect of reducing by more than a negligible amount the level of fire and police protection and emergency medical services provided within the corporate boundaries of the municipality before annexation.

The level of services, infrastructure, and infrastructure maintenance provided to the annexed areas is comparable to the level of services, infrastructure, and infrastructure maintenance available in other parts of the City with topography, land use, and population density similar to those contemplated or projected in the annexed area.

FIGURE 1



### III. SERVICE COMPONENTS

This plan contains three service components: (1) Immediate Services, (2) Additional Services, and (3) Capital Improvement Program.

#### **Immediate Services**

As required by TEXAS LOCAL GOVERNMENT CODE, SECTION 43.056(B), certain municipal services will be provided by the City of College Station immediately upon the effective date of annexation. These services include:

- police protection;
- fire protection;
- emergency medical services;
- solid waste collection, except as provided by Subsection 43.056(o);
- operation and maintenance of water and wastewater facilities in the annexed area that are not within the service area of another water or wastewater utility;
- operation and maintenance of roads, and streets, including road and street lighting;\*
- operation and maintenance of public parks, playgrounds, and swimming pools; and
- operation and maintenance of any other publicly owned facility, building, or service.

**\*Note:** Street lighting will be maintained for fixtures located within the service territory of College Station Utilities.

#### **A. Police Protection**

The College Station Police Department will provide police service, including routine patrol, traffic enforcement, and dispatch response to emergency and non-emergency service calls.

#### **B. Fire Protection**

The College Station Fire Department will be provide fire protection, including response to emergency calls for assistance, fire prevention education, pre-fire planning, and target hazard inspections. In general, the Fire Department's goal is to provide a fire response time of five minutes or less.

Construction and development activities undertaken after the effective date of annexation shall comply with all building, life safety and fire safety codes of the City of College Station. All structures shall comply with the address standards of the College Station Code of Ordinances within ninety (90) days of the effective annexation date.

#### **C. Emergency Medical Services**

The College Station Fire Department will provide emergency medical services (EMS). Each Fire Department ambulance, engine, and ladder truck is capable of providing EMS, including defibrillation, medical administration, IV therapy, advanced airway management, and initial treatment of injuries. In general, the Fire Department's goal is to provide an EMS response time of five minutes or less.

#### **D. Solid Waste Collection**

The College Station Public Works Department will provide fee-based solid waste collection service for residential and commercial customers. Customers in the annexed area may elect to continue using a private solid waste management service provider for a period of two years after the effective date of annexation in accordance with provisions of the TEXAS LOCAL GOVERNMENT

CODE. The City will not charge a fee to a person who continues to use the services of a privately owned solid waste management service provider.

Residential Service – Residential solid waste collection (including brush and bulk items) is provided once per week. All residential service will be provided at a point of collection adjacent to, and accessible from, a public right-of-way or an improved surface acceptable to the City. Residential solid waste collection vehicles will not conduct operations on private property. However, residential service may be provided on private streets that comply with the Sanitation Division’s requirements for surface material, vehicle clearance and turning radii. In the case of multiple residences located on a privately owned road or drive, the City may require the establishment of a mass collection point at an area adjacent to the nearest public right-of-way. The City will provide residential solid waste containers.

Commercial Service - Containers and collection points may be located on private property, provided that it can be easily accessed from a public right of way, and both the route of access and the collection point meet the Sanitation Division’s requirements for approved surfaces, vehicle clearance and turning radii. The City will provide standard commercial containers.

In order to secure solid waste collection services in the annexed areas, each property owner must establish a utility account with the City of College Station. The City will not be responsible for damage to private drives, streets, or parking areas by service trucks servicing containers.

**E. Water and Wastewater Facilities**

The City of College Station will provide water and wastewater service to areas that are not located within the certificated service territory of another utility through existing facilities located within or adjacent to the area. The level of water and wastewater service, infrastructure and infrastructure maintenance provided in the annexed area will be comparable to the level of services, infrastructure and infrastructure maintenance available in other parts of the City before annexation with topography, land use, and population density similar to those reasonably contemplated or projected in the area. Municipal services to be provided within the annexed area may be provided by any of the methods in which the City provides services to other comparable areas.

**F. Roads and Streets**

The Public Works Department will maintain public roads and streets at a level comparable to the maintenance prior to annexation. These services include emergency pavement repair and preventative street maintenance. Right-of-way mowing activities along State highways are addressed in the City's maintenance agreement with Texas Department of Transportation and will be added to the City's maintenance activities immediately following annexation. Maintenance priorities are determined on a City-wide basis taking into consideration factors such as age, traffic volume, surface conditions, nature of the maintenance, public safety hazards, and available funding.

Existing street and traffic control signs shall conform to the City of College Station’s standards within ninety (90) days of the annexation. The City will install public street signs in accordance with College Station’s standards for same within ninety (90) days of the effective date of annexation.

**G. Parks and Recreation Facilities**

The City of College Station is not aware of the existence of any public parks, playgrounds or swimming pools in the areas proposed for annexation. In the event any such public facilities exist, they will be maintained to the same degree and extent that the City maintains public parks, playgrounds and swimming pools within the current City limits.

**H. Other Publicly Owned Buildings and Facilities**

The City of College Station is not aware of the existence of any publicly owned buildings in the areas proposed for annexation. In the event any such public facilities exist, they will be maintained to the same degree and extent that the City maintains such facilities within the current City limits.

## **Additional Services**

### **A. Building Permitting and Inspections**

Upon the effective date of annexation, the City will provide building permits and inspection services. This service will be made available to the annexed areas on the same basis and at the same level of service as similar facilities throughout the City. Service is provided on a “cost recovery” basis, and permit fees partially offset the costs of services delivered. Construction activities underway prior to annexation may continue provided that all construction after annexation must comply with City codes and ordinances.

All permits required by City codes and ordinances must be obtained for construction underway at the time of annexation. Permit fees will be waived for building construction underway prior to annexation.

### **B. Planning and Development Services**

Planning and development services will be made available on the effective date of the annexation. Planning & Development Services currently services this property by way of administration of the Subdivision Regulations, Chapter 9 of the College Station Code of Ordinances.

Upon annexation, planning and development services will be provided by way of the Unified Development Ordinance and other applicable codes and standards. The College Station City Council adopted the current Comprehensive Plan in August of 1997. The Comprehensive Plan contains a Land Use Plan that designates future land uses to manage the quality and quantity of growth by matching land use intensity with planned infrastructure. Upon annexation, all properties will be zoned A-O (Agricultural Open). The City's Comprehensive Plan will be used as the basis for evaluating rezoning requests after properties are annexed.

### **C. Animal Control**

The Police Department will provide animal control service upon the effective date of annexation. Animal control services include response and investigation of reported animal bites, response to reports of stray or “at large” animals, and response and investigation of animal cruelty and neglect reports.

### **D. Community Enhancement**

The Fire Department will provide Community Enhancement services upon the effective date of annexation. Community Enhancement services include response and investigation of sanitation issues, illegal signs, abandoned or inoperable motor vehicles, and zoning violations.

### **E. Recycling Collection**

For residential customers electing solid waste collection from the City of College Station, curbside recycling collection is also provided once per week. Items accepted in the curbside recycling program include:

- Newspapers and magazines
- Aluminum and steel food cans
- Clear and brown glass
- Plastic bottles
- Lead acid car batteries



#### **IV. WATER AND WASTEWATER SERVICE PROVISION**

This Water and Wastewater Service Plan (“Plan”) provides a program under which the City of College Station will provide full municipal services to the annexed area. For the purpose of this plan, “full municipal services” includes water and sewer services provided by the City within its full-purpose boundaries. The level of water and sewer service, infrastructure and infrastructure maintenance provided in the annexed area will be comparable to the level of services, infrastructure and infrastructure maintenance available in other parts of the City before annexation with topography, land use, and population density similar to those reasonably contemplated or projected in the area. Municipal services to be provided within the annexed area may be any of the methods by which the City provides services to other comparable areas. All services will be provided within the time provided in TEXAS LOCAL GOVERNMENT CODE SEC. 43.056(B). The City may extend facilities under this plan or otherwise serve this area through the use of *Impact Fees* as permitted under CHAPTER 395 OF THE TEXAS LOCAL GOVERNMENT CODE.

Water and Wastewater facilities for future development that increases densities beyond the capital improvements specified in this plan will be extended in accordance with the City’s Water and Wastewater policy in existence at the time of development. The water and wastewater extension policy is discussed in Section V, Water and Wastewater Capital Improvements. In general, the policy for extension of utility service is “development driven” in that utility line extensions are typically installed by developers, in conjunction with major development projects. The City may accept ownership and maintenance of major facilities, such as gravity sewer lines, manholes, lift stations and/or wastewater package plants, as required by the particular development. The City may elect to pay for upgrades or oversize of infrastructure projects being installed by developers. As an area develops, developers or homeowners extend water distribution and wastewater collection lines to individual lots.

Until an area becomes densely populated, the cost of utility extension is not feasible to be borne by a few lot owners. Also, in the case of wastewater treatment, developments with large lots will normally be constructed with on-site sewage facilities that are privately owned and operated.

##### **AREA 1**

###### ***Water***

The City of College Station currently holds the Water Certificate of Convenience and Necessity (CCN) for the majority of Annexation Area 1. Generally, the area south of F&B Road and east of Turkey Creek Road is within the City’s CCN. This area is served by a small diameter water line located along the south side of a portion of F&B Road. This line turns south and also serves properties along a portion of Turkey Creek Road (see Exhibit “A”). The City of College Station currently maintains the waterline, water meters and billing process.

The City is also constructing an 8” diameter water line along the north side of Raymond Stotzer Parkway to serve the new City Cemetery. This line will be available for extension to serve future development per the City’s water extension policy.

Brushy Water Supply Corporation holds the CCN service territory for a small portion of Area 1. Therefore, this area will continue to receive its water supply from Brushy Water Supply Corporation.

###### ***Wastewater***

Properties within Annexation Area 1 are currently served by private on-site sewer facilities (OSSF). As in other areas of College Station with similar topography, land use, and population density, this area will remain on private systems until such time as significant development occurs to warrant the extension of an organized sanitary sewer collection system.

## **AREA 2**

### ***Water***

Annexation Area 2 is in the water CCN service territory of Wellborn Special Utility District (WSUD). The City of College does not have the right to provide water service in annexation Area 2, therefore, no water infrastructure will be provided by the City in the area after annexation.

### ***Wastewater***

Properties within Annexation Area 2 are currently served by private on-site sewer facilities with the exception of 18 homes in the Carter Lake Subdivision that are served by an aerated lagoon operated by the Carter Lake Water Supply Corporation (see Exhibit “B”). The City of College Station will assume ownership, operation, and maintenance of the Carter Lake wastewater treatment facility (aerated lagoons) once the following is provided:

- 1) A survey of the existing wastewater collection lines;
- 2) Standard City easements for the existing wastewater collection lines;
- 3) The deed to the wastewater treatment lagoon property (or other acceptable means to operate the facility);
- 4) Written agreements from the property owners served by the Carter Lake Water Supply Corporation acknowledging that their private septic tanks will be cleaned every two years, and;
- 5) Transfer of CCN and discharge permit from the Carter Lake Water Supply Corporation to the City of College Station.

Once the City takes ownership, maintenance and operation of the wastewater treatment system, the individuals connected to the system will pay a flat monthly fee per the City’s adopted fee schedule.

As in other similarly developed areas of College Station, the remaining properties in Area 2 will remain on private systems until such time as significant development occurs to warrant the extension of an organized sanitary sewer collection system.

## **AREA 3**

### ***Water***

Water service in Annexation Area 3 is currently provided by private well, WSUD, or the City of College Station. The Rolling Ridge property, developed as a manufactured home park, is in the City’s CCN and currently served by the City via an 8” water line extending along Jones Butler Road (see Exhibit “C”). After annexation, the City will continue to provide water service to the area within our CCN. However, the City of College does not have the right to serve areas outside of our CCN, therefore, no water infrastructure will be provided to the areas outside of our CCN after annexation.

### ***Wastewater***

Wastewater service in Area 3 is currently provided by the City of College Station, a package plant operated by the developers of Rolling Ridge manufactured home park, and private on-site sewer facilities. The City serves Area 3 via a 12” sewer trunk line recently installed north of Cain Road and extending through Las Palomas Subdivision. The City Council recently granted an exception to the sewer extension policy to Great Oaks Subdivision and Oakland Ridge Subdivision, both located within Annexation Area 3. This exception allows future phases of those developments to connect to the City’s sewer system. The City also recently extended the Steeplechase sewer line across Rock Prairie Road West, near I&GN Road. Exhibit “D” illustrates these existing sewer service lines. Future development may access the existing sewer service through a combination of gravity lines and/or force mains.

The owners/developers of Rolling Ridge and Sunset Ridge Manufactured Home Park will continue to own, operate, and maintain the package plant that serves those developments.

#### **AREA 4**

##### ***Water***

Annexation Area 4 is located entirely within the water CCN service territory of WSUD. The City of College Station does not have the right to serve areas outside of our CCN. Therefore, no water infrastructure will be provided by the City after annexation.

##### ***Wastewater***

Waster water service for Annexation Area 4 is currently provided by the City of College Station and private on-site sewer facilities. College Station principally serves Creek Meadows Subdivision, a new residential development, via a gravity line and force main that runs along Greens Prairie Trail and Greens Prairie Road West (see Exhibit “E”). The balance of Area 4 is currently served by private OSSFs. As in other areas of College Station with similar topography, land use, and population density, this will continue until such time as significant development occurs to warrant the extension of an organized sanitary sewer collection system.

#### **AREA 5**

##### ***Water***

The City holds the water CCN for a portion of Annexation Area 5 (the area west of Pipeline Road and north of Peach Creek Cut-off, including the Texas World Speedway). An 8” water line currently serves the Speedway as stated on Exhibit “F”. This line is available for developers to upgrade and/or extended into other portions of our water CCN area as development occurs. The remainder of Area 5 is in the water CCN service territory of WSUD, therefore, no water infrastructure will be provided to this area after annexation.

##### ***Wastewater***

Properties within Annexation Area 5 are currently served by private on-site sewer facilities. The Speedway is currently served by a treatment system located in the northeast corner of the property. As in other areas of College Station with similar topography, land use, and population density, this area will continue to be served by private systems until such time as significant development or redevelopment occurs to warrant the extension of an organized sanitary sewer collection system.

#### **AREA 6**

##### ***Water***

Annexation Area 6 is located with the water CCN service territory of WSUD, therefore, no water infrastructure will be provided to this area after annexation.

##### ***Wastewater***

Properties within Annexation Area 6 are currently served by private on-site sewer facilities. However, a new development (Kyle View Estates) is proposed within annexation area 6 and the developer has agreed to annexation as a condition to receive City sewer service. The developer proposes to construct the necessary sewer line and lift station to connect Kyle View Estates to the City sewer system (see Exhibit “G”). The City has entered into a Development Agreement, whereby the developer will build a larger lift station on the east side of Wellborn Road, to enhance the City’s sewage collection system and open a larger area for potential sewer service. As part of the Development Agreement, the City is paying the difference for the increased sewer system capacity.



**V. CAPITAL IMPROVEMENTS**

Should the City make capital improvements to serve the annexed areas, the City reserves the right to levy an impact fee to the properties annexed according to Chapter 395 of the Texas Local Government Code and the City's Code of Ordinances. The City may, from time to time, include construction of new, expanded or replacement facilities in its Capital Improvements Program (CIP). Facilities to be included in the CIP shall be determined on a City-wide basis. Priorities shall be established by the CIP plans of the City, projected growth trends, and the City Council through its development plans and policies.

**A. Police Protection (including animal control)**

Police protection will be provided to the annexed areas through existing City facilities at a level of service comparable to the level of service in other parts of the City before annexation with topography, land use and population density similar to those reasonable contemplated or projected in the area.

**B. Fire Protection (including EMS and Community Enhancement)**

Fire protection will be provided to the annexed areas through existing City facilities and mutual aid agreements at a level of service comparable to the level of service in other parts of the City before annexation with topography, land use and population density similar to those reasonable contemplated or projected in the area.

The City will evaluate and update, as needed, its Strategic Plan to address the response time, personnel, facility and equipment needs for these areas of the City as the annexed areas develop.

**C. Solid Waste Collection**

Solid waste collection services will be provided to the annexed areas through the City's existing facilities or through franchise agreements with private services at a level of service comparable to the level of service in other parts of the City before annexation with topography, land use and population density similar to those reasonable contemplated or projected in the area.

**D. Maintenance of Public Roads and Streets**

Right-of-way maintenance will be provided through the existing facilities at a level of service not less than exists in the area immediately preceding annexation. The improvement and enlargement of roads within existing rights-of-way will be included in future capital improvements programs as practical and where needed to facilitate the maneuvering of emergency and sanitation service vehicles.

**E. Parks, Playgrounds and Swimming Pools**

Parks and recreation services will be provided through the existing facilities at a level of service not less than exists in the area immediately preceding annexation.

Additional park development in the annexed areas will be addressed through the development standards and procedures of the City as residential development occurs. Such park development includes, but is not limited to, dedication of park land and/or money in lieu of land in accordance with the City of College Station Subdivision Regulations.

**F. Other Public Building and Facilities**

Other public facilities, buildings or services will be provided through the existing facilities at a level of service not less than exists in the area immediately preceding annexation.

## **WATER AND WASTEWATER CAPITAL IMPROVEMENTS**

The water and wastewater utility extension policy of the City of College Station is as follows:

The cost of off-site extension of water and wastewater facilities to serve a lot, tract, plat, or land development shall be borne by the owner or developer of the lot, tract, plat, or land by direct installation or through the use of *Impact Fees*. Where such extension is consistent with plans for the development of the City and its utility system the City may, by decision of the City Council, participate in the cost of construction so as to provide for additional capacity for the overall development of an area.

The cost of water and wastewater facilities necessary to serve existing lots or new development within a subdivision plat or land development shall be borne by the lot owner or developer of the plat or land by direct installation or through the use of *Impact Fees*. Standard tap fees or other installation fees in effect on a citywide basis are in addition to impact fees levied.

### **AREA 1**

#### ***Water***

The City of College Station will continue to serve the portion of Annexation Area 1 located within our CCN via the existing service line. No additional water infrastructure will be provided to this area after annexation. Properties located within the water CCN service territory of Brushy Water Supply Corporation will continue to be served by Brushy Water Supply Corporation after annexation.

#### ***Wastewater***

Area 1 will continue to be served by private on-site sewer treatment systems until such time as development warrants the extension of an organized sanitary collection system.

### **AREA 2**

#### ***Water***

Area 2 is located with the water CCN service territory of WSUD. Therefore, these properties will continue to be served by WSUD after annexation.

#### ***Wastewater***

Area 2 will continue to be served by private on-site sewer treatment systems until such time as development warrants the extension of an organized sanitary collection system.

### **AREA 3**

#### ***Water***

The City of College Station will continue to serve the portion of Annexation Area 3 located within our CCN via the existing service line. No additional water infrastructure will be provided to this area after annexation. Properties located within the water CCN service territory of WSUD, will continue to be served by WSUD after annexation.

#### ***Wastewater***

The City of College Station currently provides wastewater service to a portion of Area 3. Properties within Area 3 currently served by private on site sewer treatment systems will continue to be served by private systems until such time as development and/or redevelopment warrants the extension of an organized sanitary collection system.

### **AREA 4**

#### ***Water***

Area 4 is located with the water CCN service territory of WSUD. Therefore, these properties will continue to be served by WSUD after annexation.

***Wastewater***

The City of College Station currently provides wastewater service to a portion of Area 4. Properties within Area 4 currently served by private on-site sewer treatment systems will continue to be served by private systems until such time as development and/or redevelopment warrants the extension of an organized sanitary collection system.

**AREA 5**

***Water***

The City of College Station will continue to serve the portion of Annexation Area 5 located within our CCN via the existing service line. No additional water infrastructure will be provided to this area after annexation. Properties located within the water CCN service territory of WSUD, will continue to be served by WSUD after annexation.

***Wastewater***

Area 5 will remain on private on-site sewer treatment systems until such time as development warrants the extension of an organized sanitary collection system.

**AREA 6**

***Water***

Area 6 is located with the water CCN service territory of WSUD. Therefore, these properties will continue to be served by WSUD after annexation.

***Wastewater***

Area 6 will remain on private on-site sewer treatment systems until such time as development warrants the extension of an organized sanitary collection system.

**VI. LEVEL OF SERVICES TO BE PROVIDED**

It is the intent of the City of College Station to provide the level of services required by State law. The City Council finds and determines that the services, infrastructure and infrastructure maintenance proposed by this plan are comparable to that provided to other parts of the City with topography, land use, and population density reasonably similar to the annexed area and will not reduce the level of services available to the territory prior to annexation.

Nothing in this plan shall require the City to provide a uniform level of full municipal services to each area of the City, including the annexed area, if different characteristics of topography, land use, and population density are considered a sufficient basis for providing different levels of service.

**VII. TERM**

This service plan shall be valid for a term of ten (10) years. Renewal of the service plan shall be at the discretion of City Council.

**VIII. AMENDMENTS**

The service plan may be amended if the City Council determines at a public hearing that changed conditions or subsequent occurrences make this service plan unworkable or obsolete. The City Council may amend the service plan to conform to the changed conditions or subsequent occurrences pursuant to the TEXAS LOCAL GOVERNMENT CODE, Section 43.056 (Vernon 1999 and Vernon Supp. 2007).

**APPENDIX**

Exhibit "A"

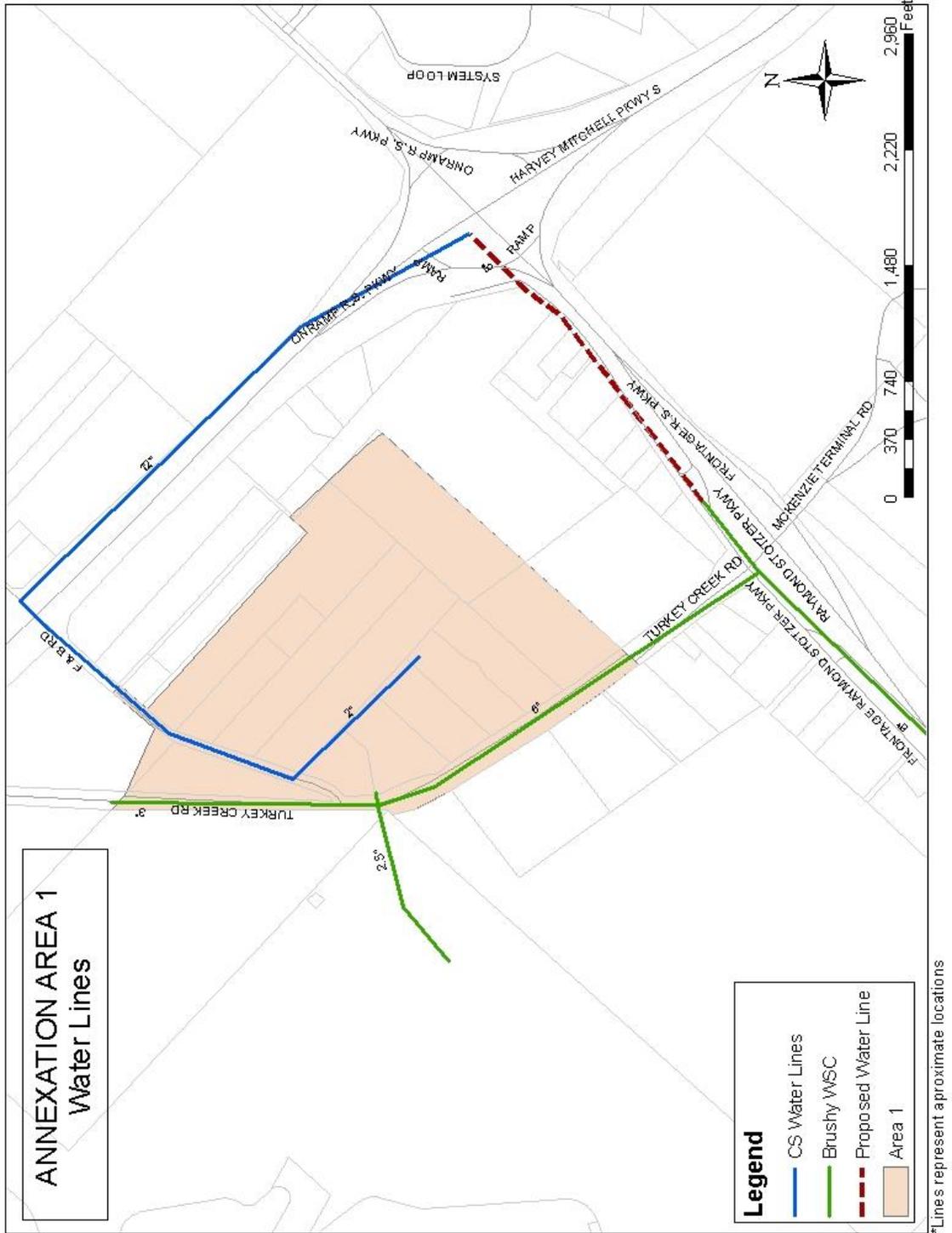
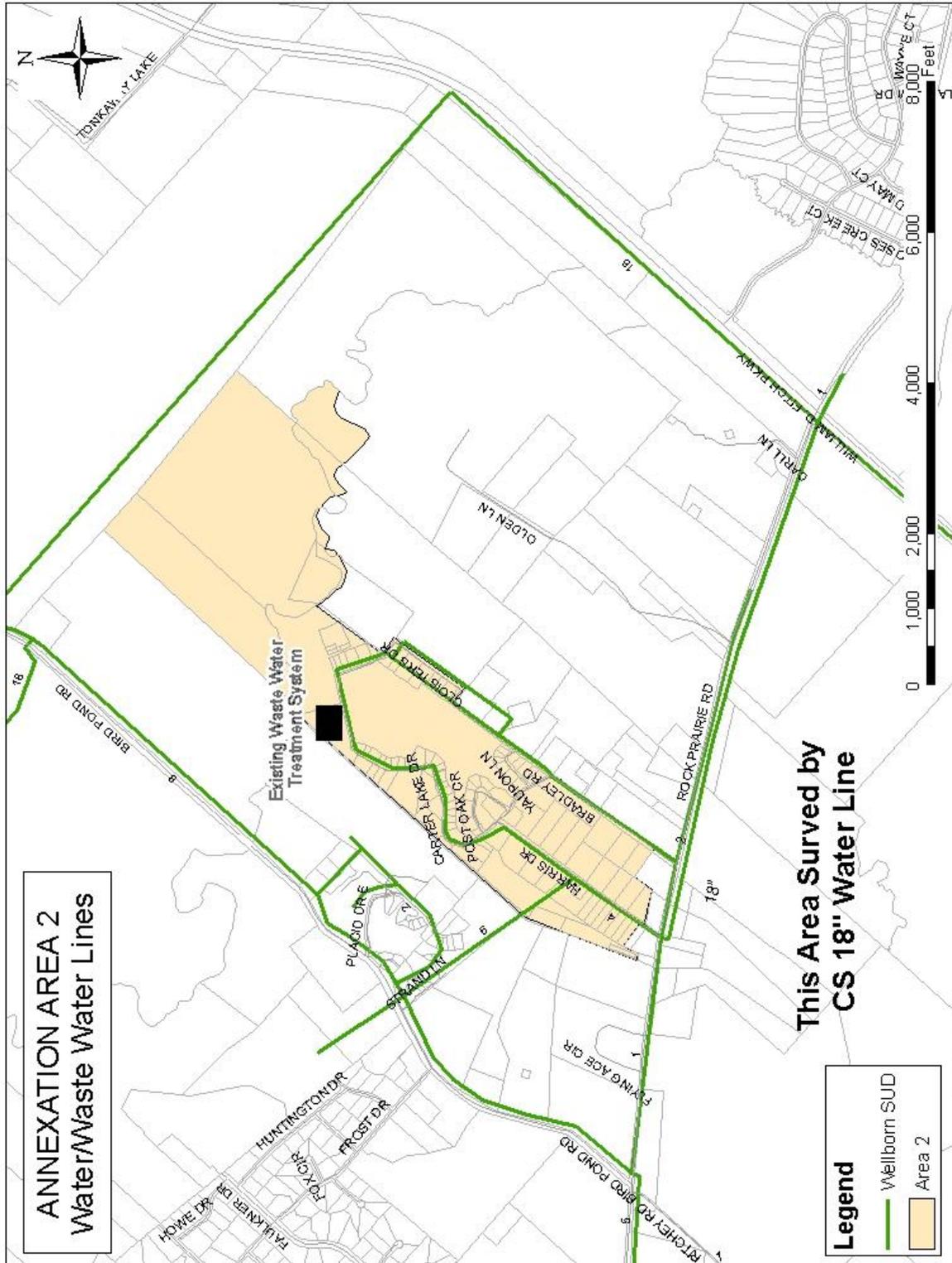


Exhibit "B"



\*Lines represent approximate locations

Exhibit "C"

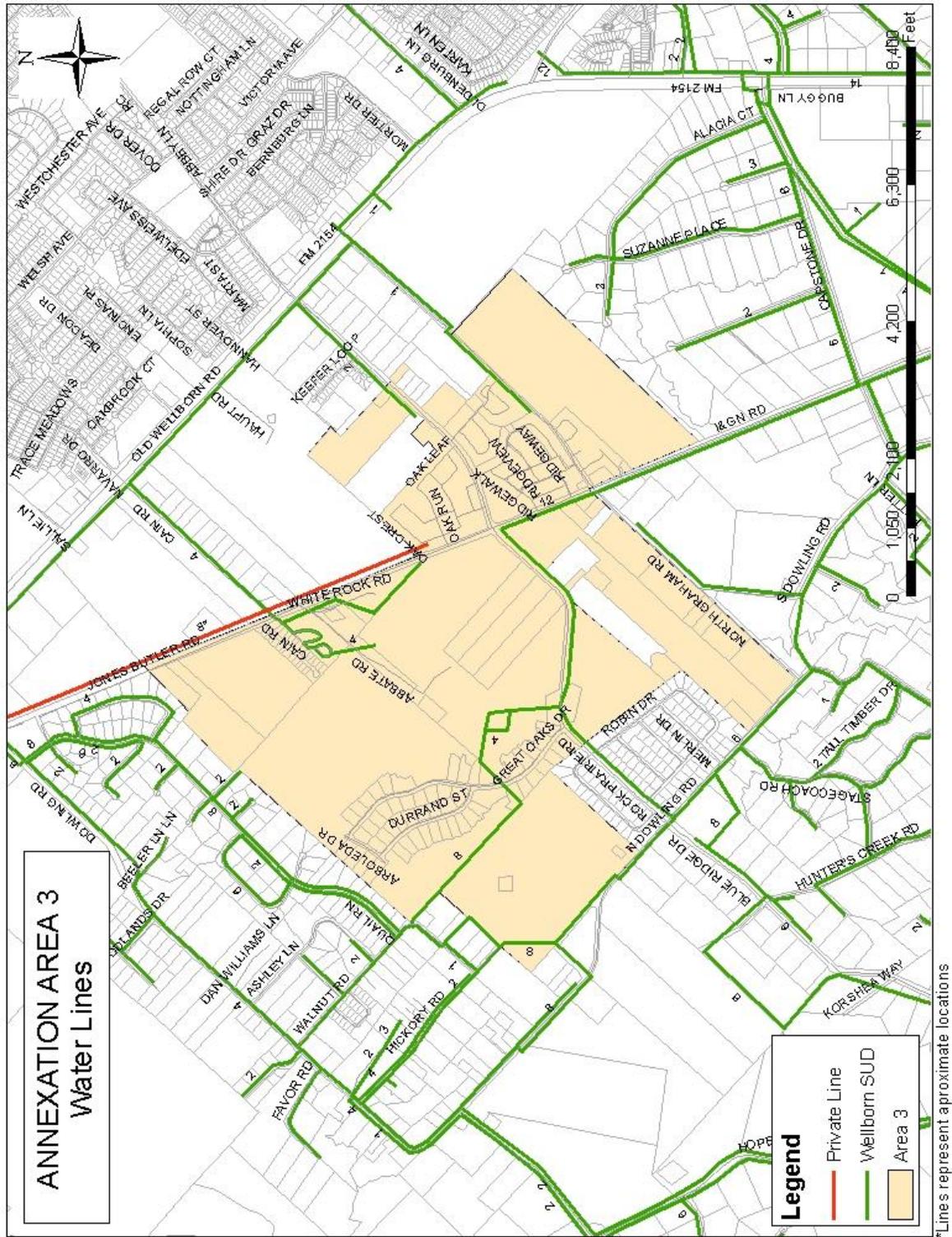


Exhibit "D"

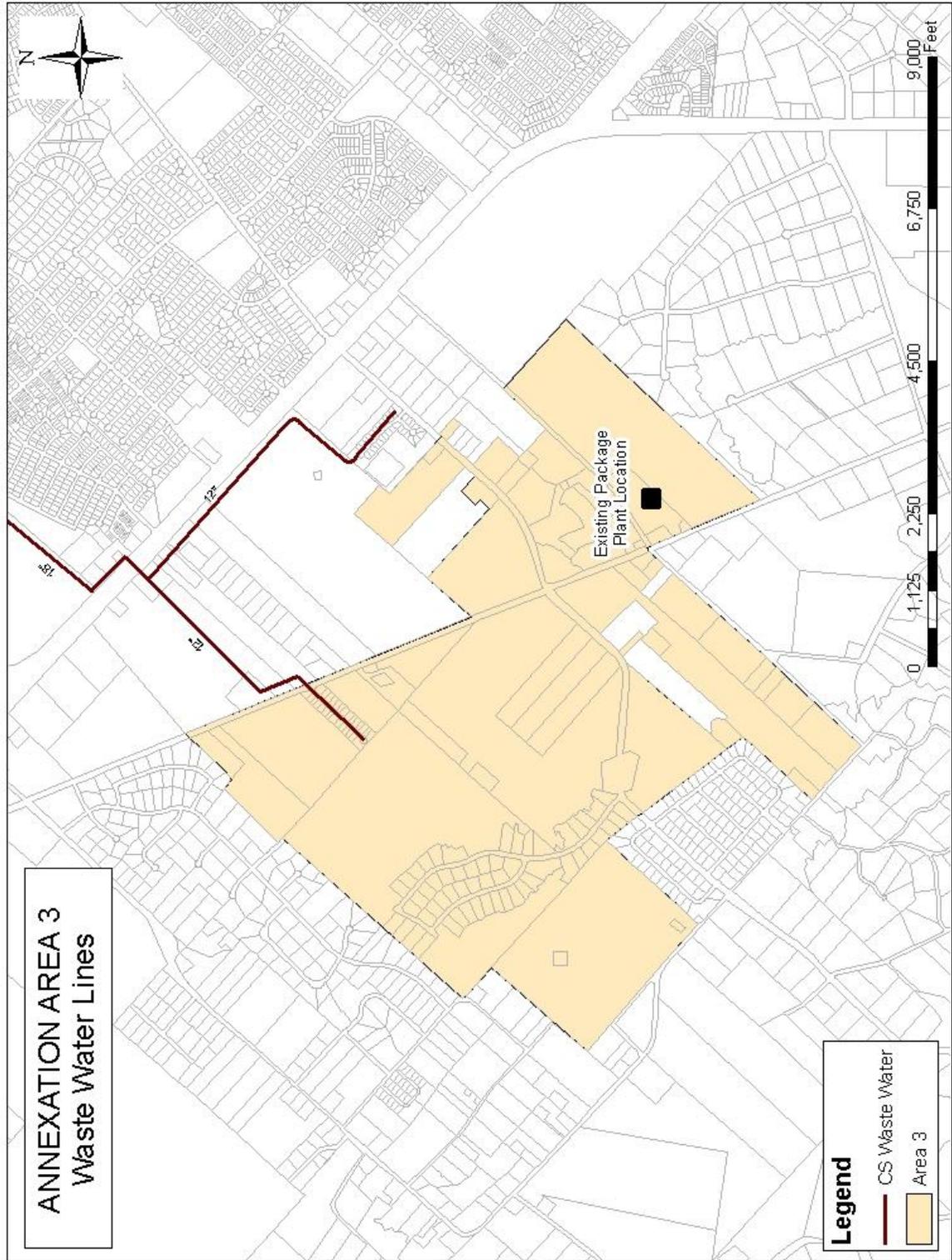


Exhibit "E"

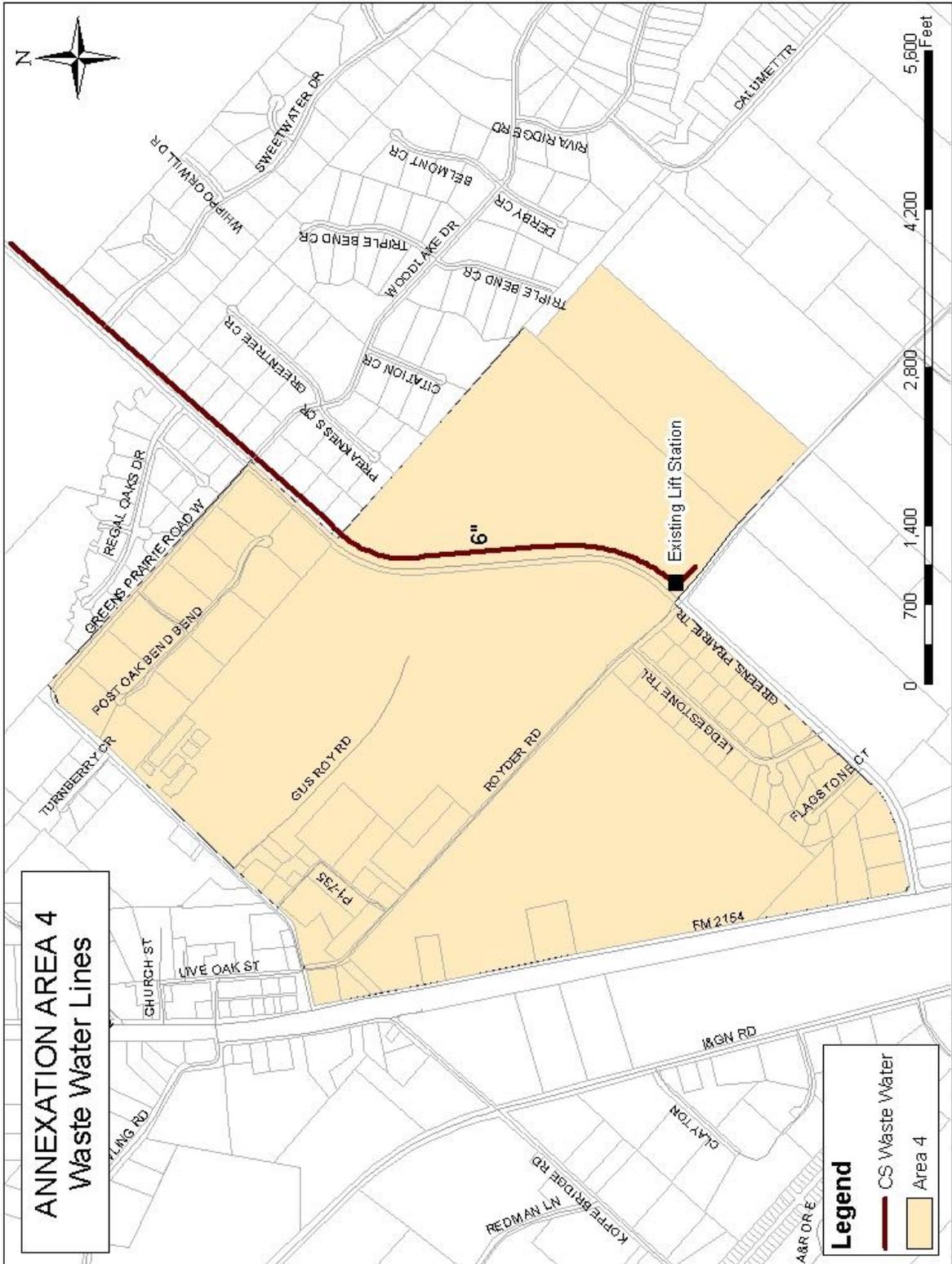
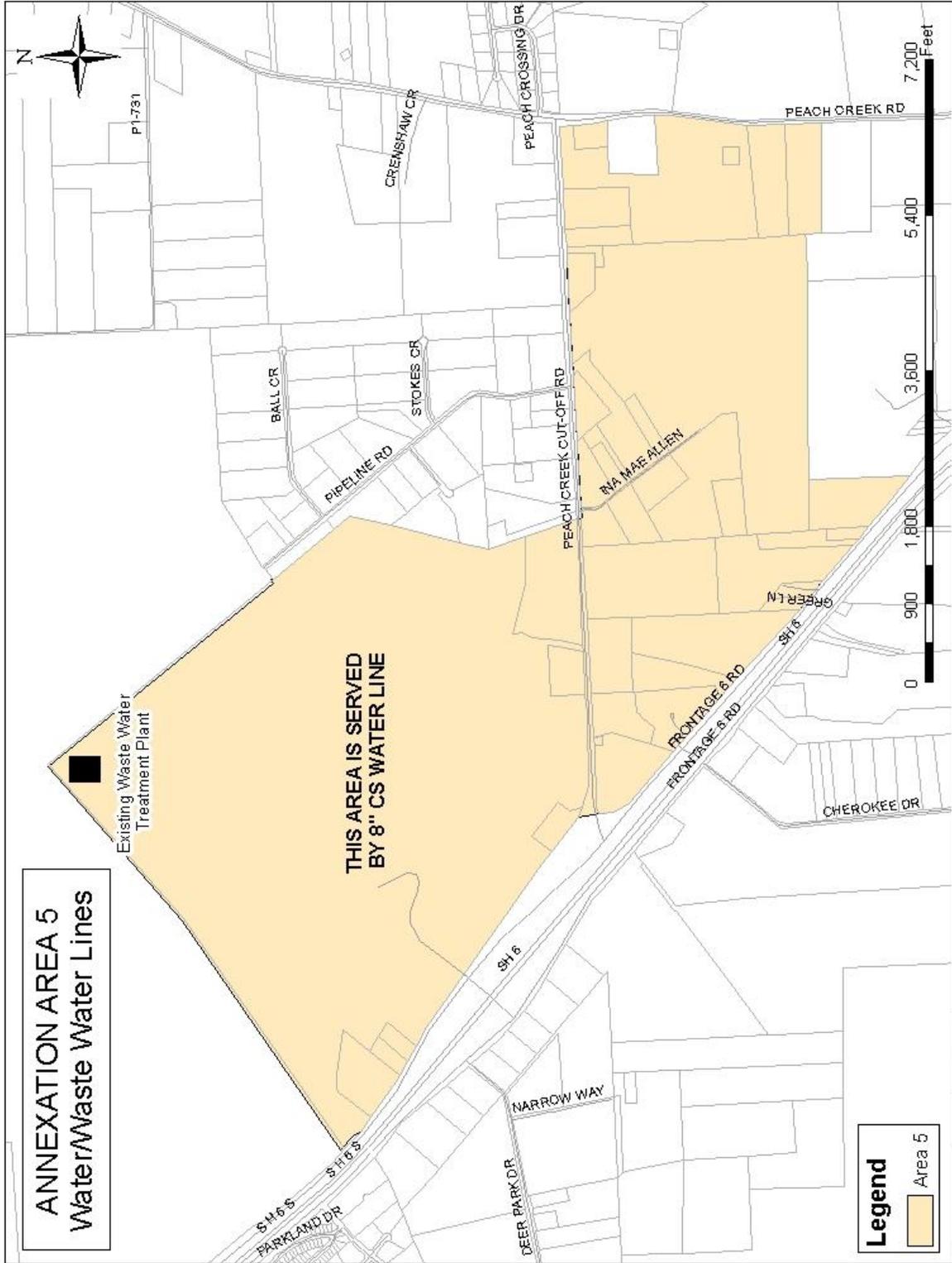
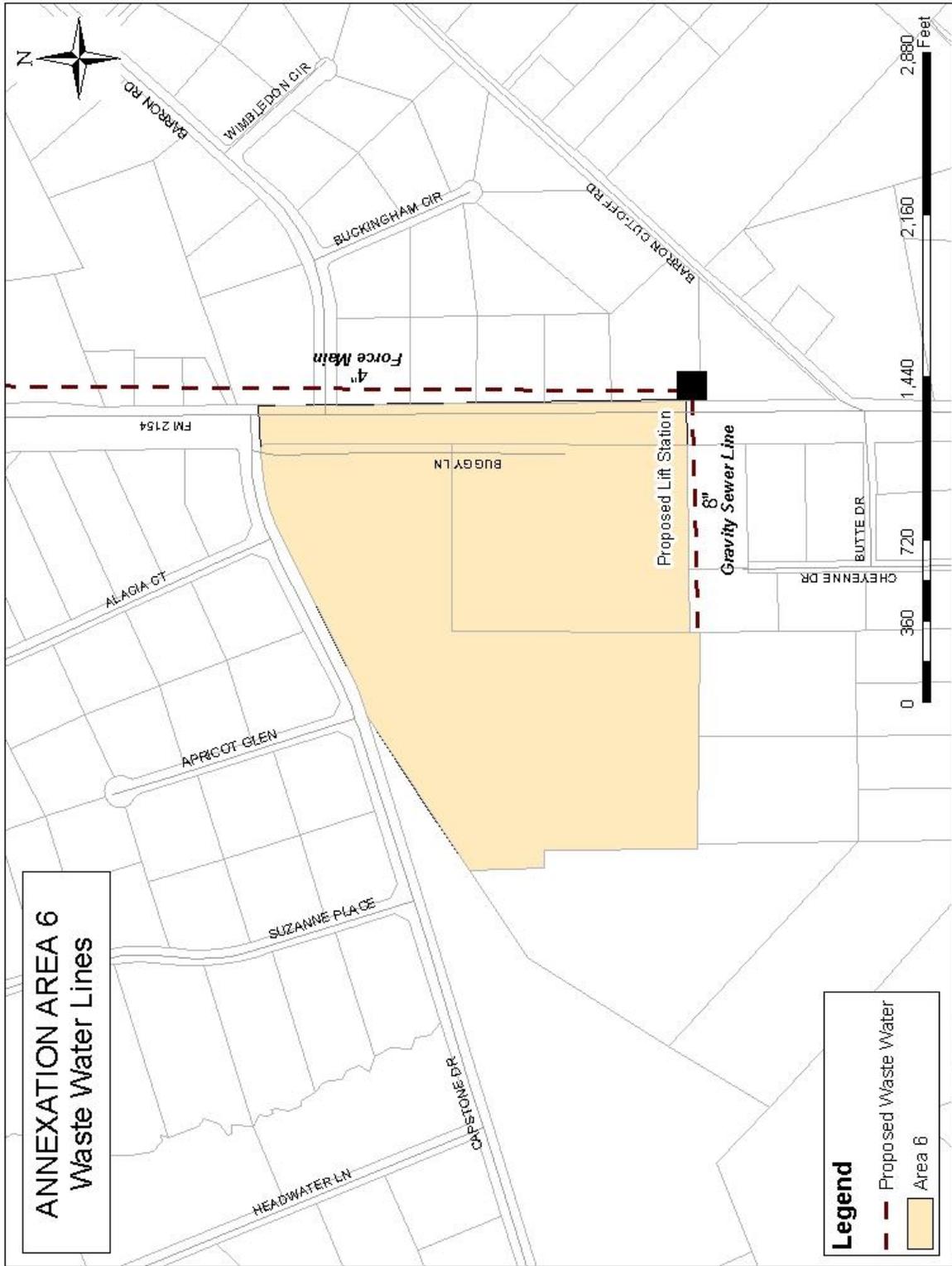


Exhibit "F"



\*Lines represent approximate locations

Exhibit "G"

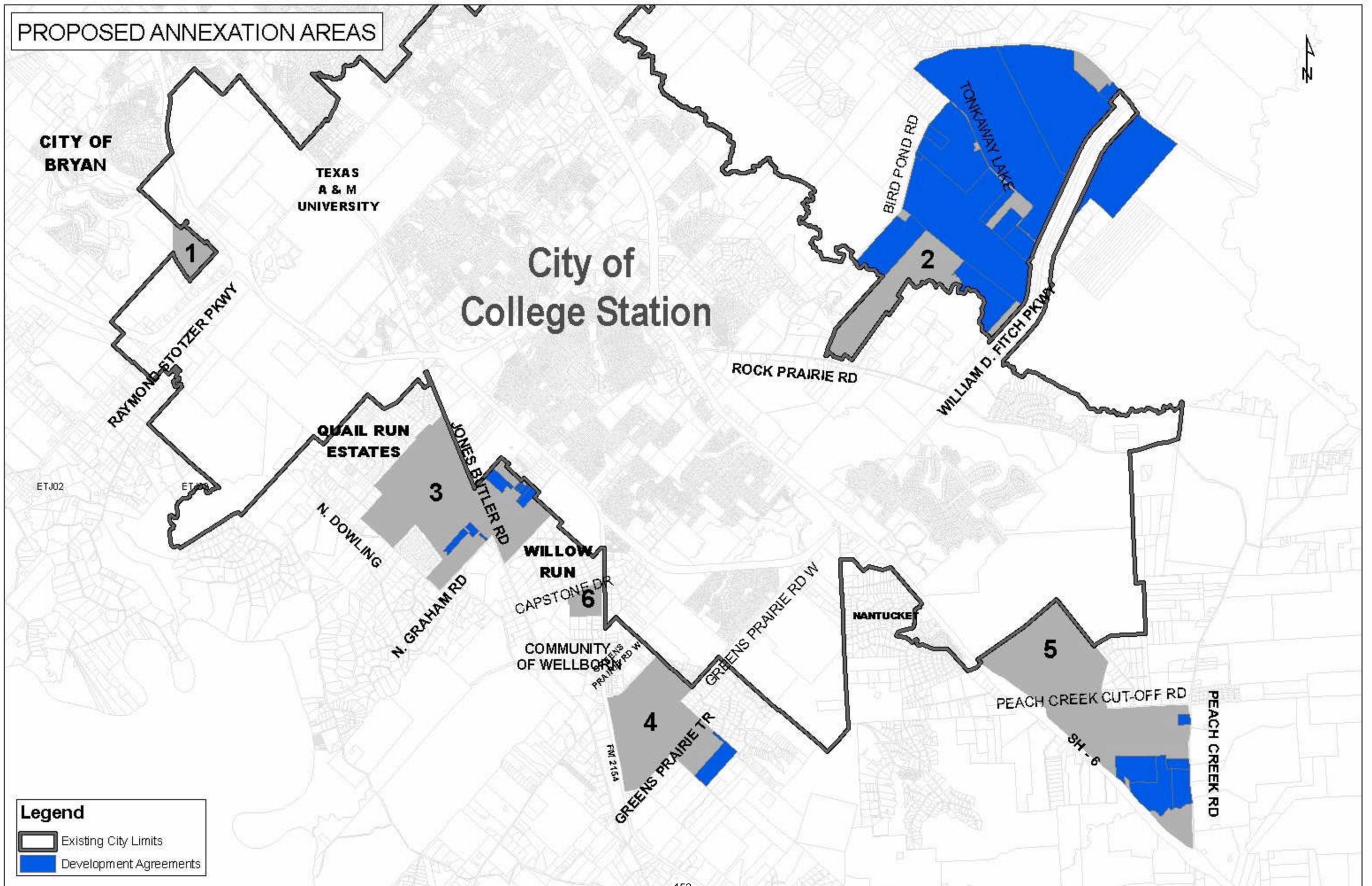


## Annexation Information

Cities have various reasons for initiating annexation. These include:

- ***Annexation to provide areas for future growth:*** Cities initiate annexation in order to provide areas for future growth and development. This can be especially critical in cities with limited vacant, developable property to accommodate growth within its existing boundaries.
- ***Annexation to secure tax base, revenue sources:*** This could include annexation of areas with desirable ad valorem values, areas with commercial activities that produce sales tax revenues or areas that produce current or future utility revenues.
- ***Annexation to cover service costs for ETJ residents using City services:*** As more and more residential areas develop within the ETJ, these residents begin to use the City's streets, parks and other facilities without paying for these services. Annexation brings the added revenue to help cover these service costs.
- ***Annexation to assert zoning or other regulatory control:*** Annexation brings territory into the full regulatory authority of a city. While the statutes provide cities with limited regulatory authority within its extraterritorial jurisdiction (ETJ), annexation into a city allows application of full land use controls and development standards. This additional control allows the City to implement the Comprehensive Plan.
- ***Annexation in response to an uncertain legislative environment:*** The State Legislature has passed several bills in recent years that make it increasingly difficult for Cities to pursue annexation. Should this trend continue, it may be in the City's best interest to initiate annexation sooner rather than later.
- ***Annexation to protect the public health & safety:*** Cities initiate annexation to provide urbanizing areas with municipal services and to exercise the regulatory authority necessary to protect public health and safety.
- ***Annexation in response to a perceived threat:*** This typically takes the form of annexation of property that is developing or proposed for development for some land use deemed undesirable or otherwise a threat if not annexed and controlled.

PROPOSED ANNEXATION AREAS



January 24, 2008  
Regular Agenda Item 3  
Aggieland Pregnancy Outreach Rezoning

**To:** Glenn Brown, City Manager

**From:** Bob Cowell, AICP, Director of Planning & Development Services

**Agenda Caption:** Public hearing, presentation, possible action, and discussion on a Rezoning from R-1 Single-Family Residential to PDD Planned Development District and A-O Agricultural-Open for 3.67 acres located at 124 Morgans Lane, generally located at Morgans Lane and the future Dartmouth Street extension.

**Recommendation(s):** The Planning and Zoning Commission unanimously recommended approval of the request at their December 6, 2007 meeting. Staff recommended denial of the request.

**Summary:** The subject request was analyzed by staff as follows:

1. **Consistency with the Comprehensive Plan:** In 1992, the 2818 Extension Study was adopted in anticipation of the extension of FM 2818 from Texas Avenue to the East Bypass. This study recommended a mixture of uses for the subject property and surrounding areas to include primarily residential with office, institutional, and a small amount of retail. The Mixed Use land use designation was assigned to the area with the adoption of the Comprehensive Plan in 1997 to reflect the City's desire for future mix of land uses. That designation was later reclassified as Planned Development according to the recommendation Mixed Use Opportunity Study in 2003.

The Planned Development category emphasizes the need to consolidate properties and master plan the area as a whole to ensure appropriate placement of different uses. While the request may incorporate one of the recommended land uses of the 2818 Extension Study, it does not meet the policies of the Comprehensive Plan as it is only one tract of the larger area that is requesting a rezoning for future development.

2. **Compatibility with the present zoning and conforming uses of nearby property and with the character of the neighborhood:** The surrounding properties are zoned C-1, R-1 and P-MUD and with the exception of a single-family house to the south of the subject property, the nearby properties are undeveloped. The proposed uses in the PDD include counseling offices, community outreach center, group home, walking trails and a playground. These uses are relatively low-impact uses and would probably not negatively impact the single-family house adjacent to the property.
3. **Suitability of the property affected by the amendment for uses permitted by the district that would be made applicable by the proposed amendment:** The proposed uses in the PDD would likely be suitable to the properties affected by the rezoning; however, Staff strongly encourages a master plan of the area to determine the placement of land uses while also accommodating the adjacent floodplains and the Dartmouth Street extension that bisects the area.
4. **Suitability of the property affected by the amendment for uses permitted by the district applicable to the property at the time of the proposed amendment:** The subject property is a part of a larger Planned Development area where a planned mixed of land uses is encouraged. Additionally, the Thoroughfare Plan projects the Dartmouth

Street extension, a Minor Collector, to be built through this area, including on the subject property. For these reasons, the subject property is not suitable for R-1 development

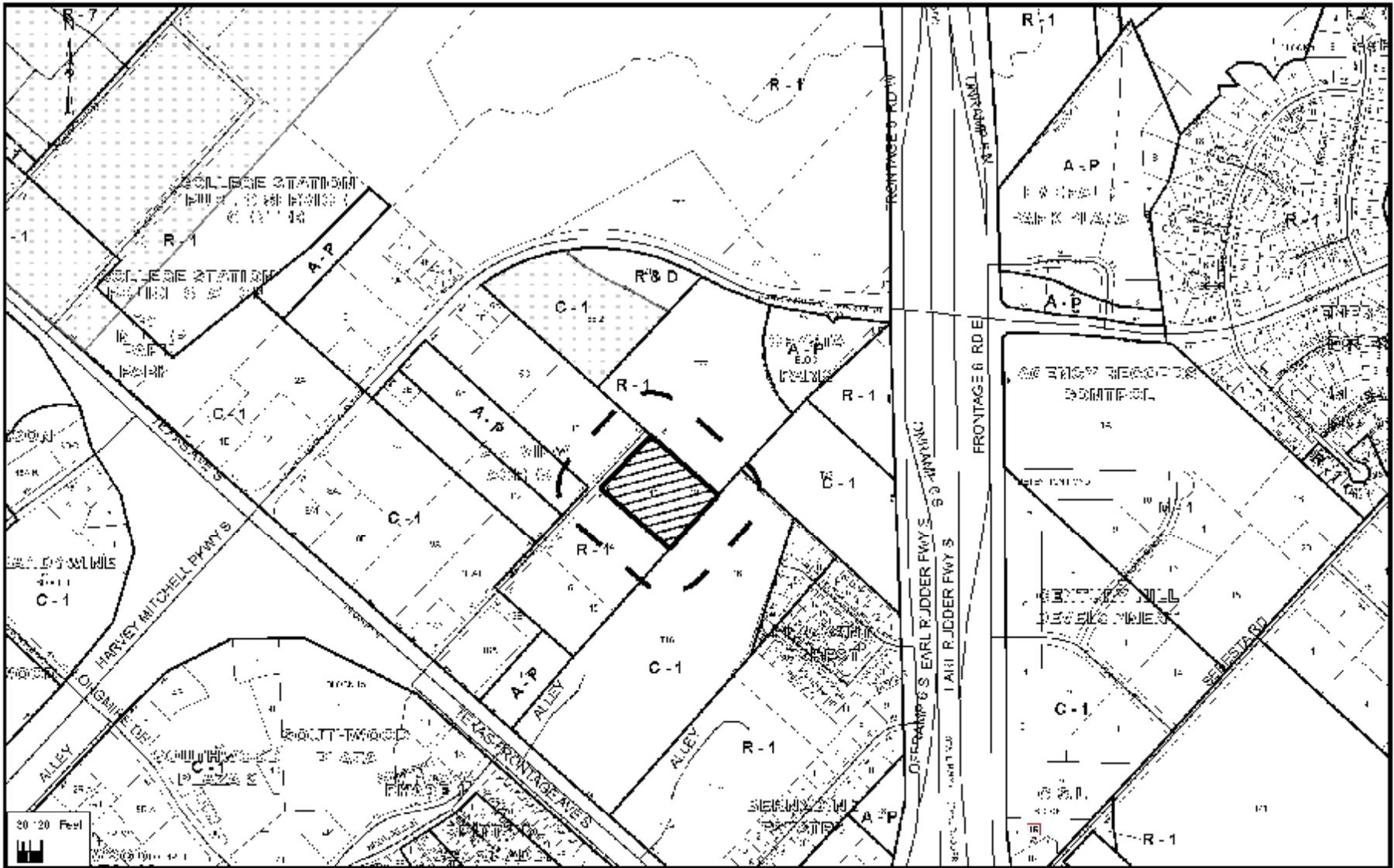
5. **Marketability of the property affected by the amendment for uses permitted by the district applicable to the property at the time of the proposed amendment:** The subject property and surrounding properties are designated as Planned Development by several studies of the Comprehensive Plan. The policies of the Comprehensive Plan encourage the consolidation of properties to be master planned as one development. By zoning one lot in a Planned Development area void of a master plan and without indication of the compatibility of this development with future developments, the marketability of the surrounding properties will be decreased as opportunity to plan the area as a whole will be lost.
6. **Availability of water, wastewater, stormwater, and transportation facilities generally suitable and adequate for the proposed use:** Development of this tract will require construction of a public street from the end of the funeral home property to this lot. Water will also need to be extended from current existing location to provide required fire flow. There is an existing sanitary sewer line that transects the property. Stormwater runoff is to the southeast towards Bee Creek Tributary A. Discharge from the property shall be designed to Unified Stormwater Design Guidelines.

The Comprehensive Plan indicates that properties within the 2818 Extension Study should be consolidated and planned for a mixture of land uses. Staff recognizes that the proposed development includes a mix of uses on the subject property and that it could be a suitable development for the area, but without a plan of land uses, the compatibility with future developments within the area is undetermined. Staff strongly encourages a master plan of the entire area to ensure that the land uses and their placements are appropriate with respect to the floodplains and future Dartmouth Street extension; therefore, Staff recommended denial of the request.

**Budget & Financial Summary:** N/A

**Attachments:**

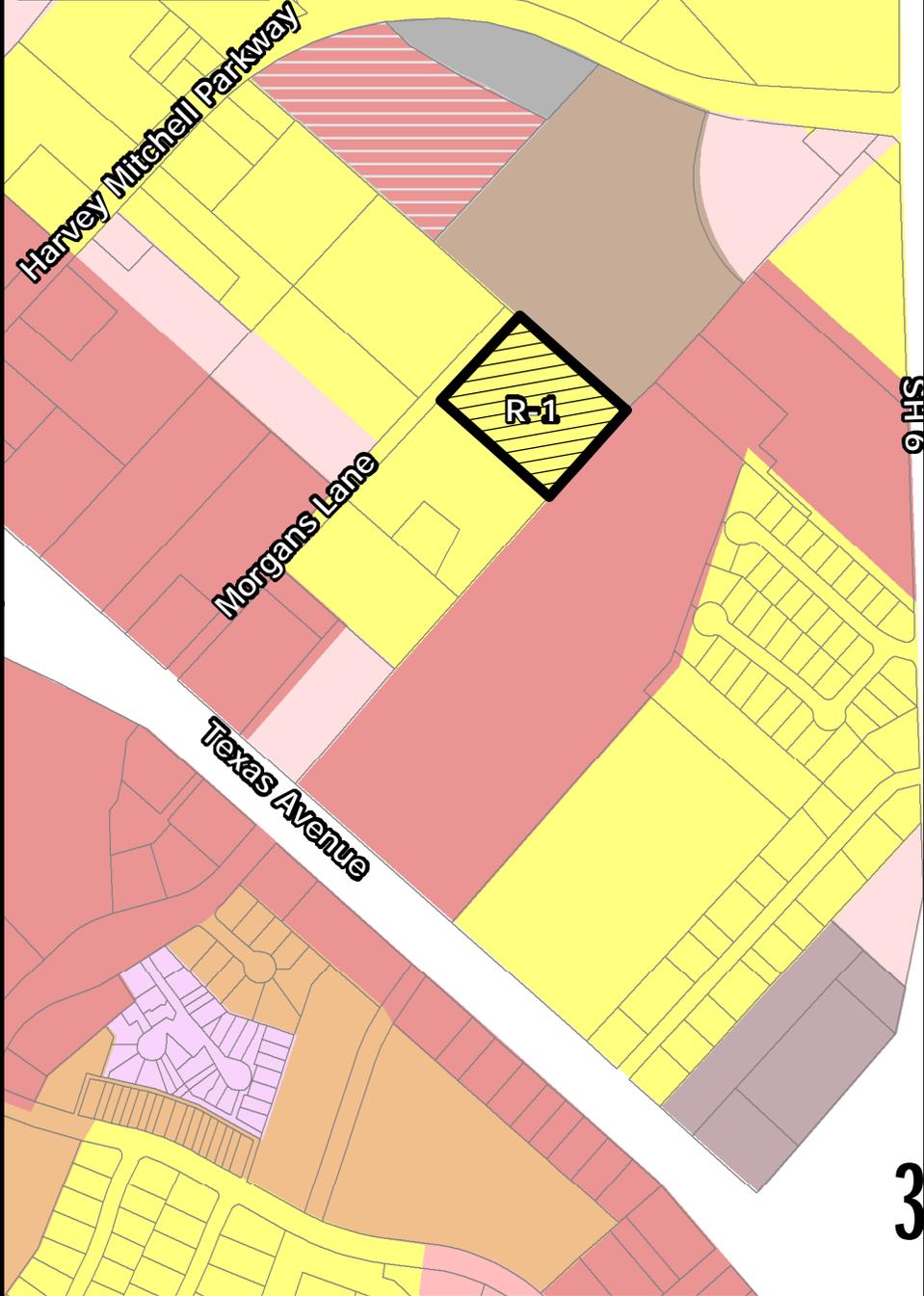
1. Small Area Map
2. Rezoning Map
3. Proposed Concept Plan
4. Draft Minutes from the Planning & Zoning Meeting on December 6, 2007
5. Ordinance



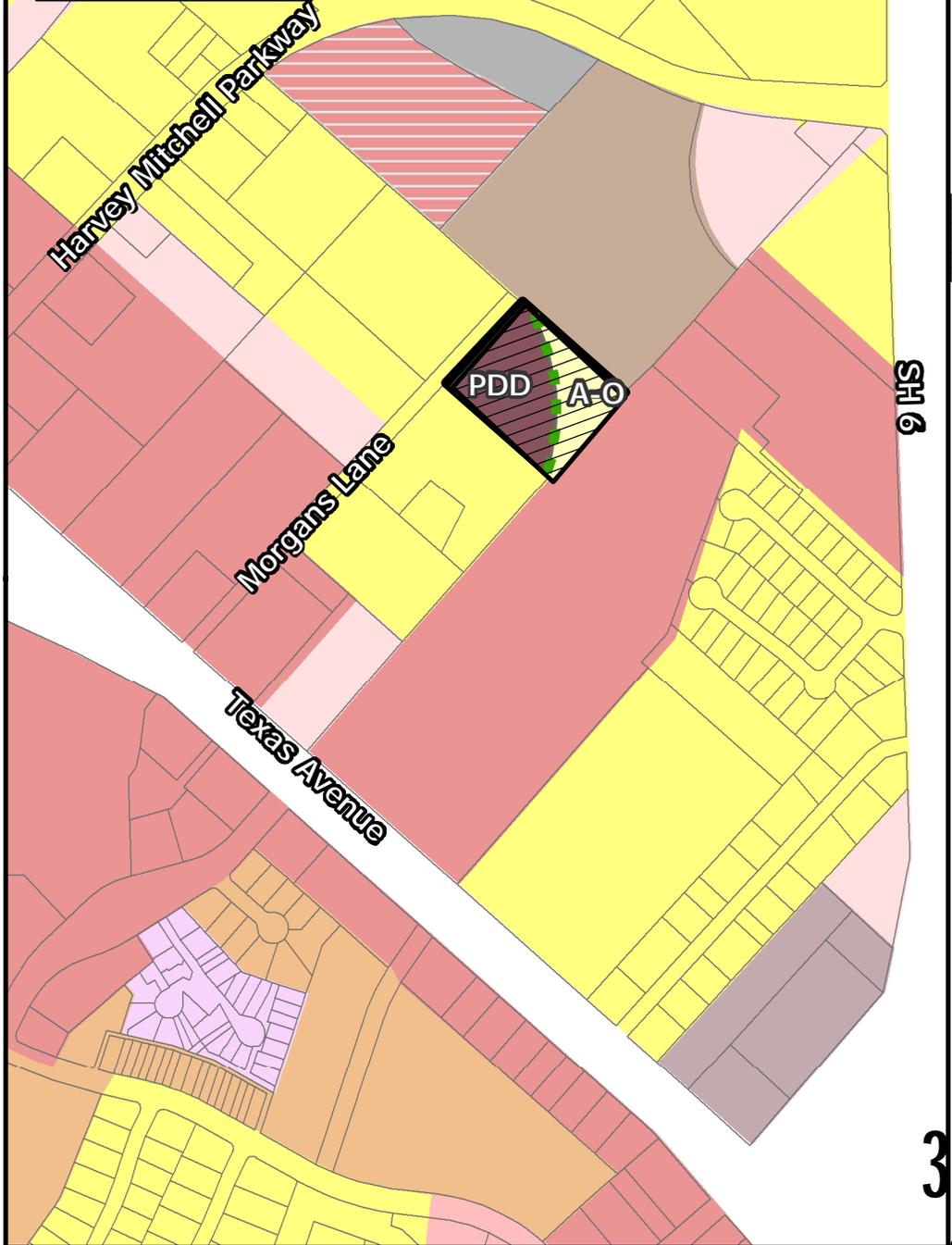
|                         |     |                             |       |                               |      |                              |
|-------------------------|-----|-----------------------------|-------|-------------------------------|------|------------------------------|
| <b>Zoning Districts</b> | R-2 | Townhouse                   | C-3   | Light Commercial              | WFC  | Wolf Pen Creek Dev. Corridor |
| A-C                     | R-4 | Multi-Family                | M-1   | Light Industrial              | NG-1 | Core Northgate               |
| A-CR                    | R-6 | High Density Multi-Family   | M-2   | Heavy Industrial              | NG-2 | Transitional Northgate       |
| R-1                     | R-7 | Manufactured Home Park      | C-U   | College and University        | NG-3 | Residential Northgate        |
| R-1R                    | A-P | Administrative/Professional | R & D | Research and Development      | OV   | Corridor Overlay             |
| R-2                     | C-1 | General Commercial          | P-MUD | Planned Mixed-Use Development | RDC  | Redevelopment District       |
|                         | C-2 | Commercial Industrial       | PCD   | Planned Development District  | KO   | Krenk Tap Overlay            |

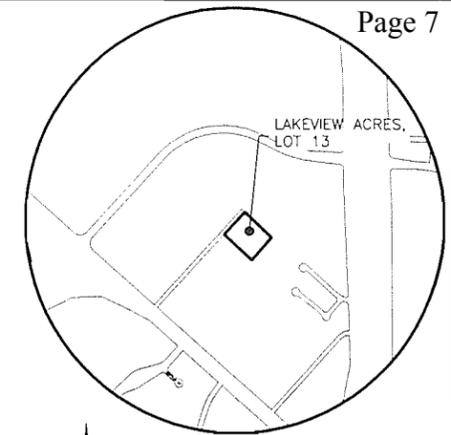
|  |                                     |                     |                 |
|--|-------------------------------------|---------------------|-----------------|
| <br><b>DEVELOPMENT REVIEW</b> | <b>AGGIELAND PREGNANCY OUTREACH</b> | Case: <b>07-267</b> | <b>REZONING</b> |
|--|-------------------------------------|---------------------|-----------------|

**CURRENT**



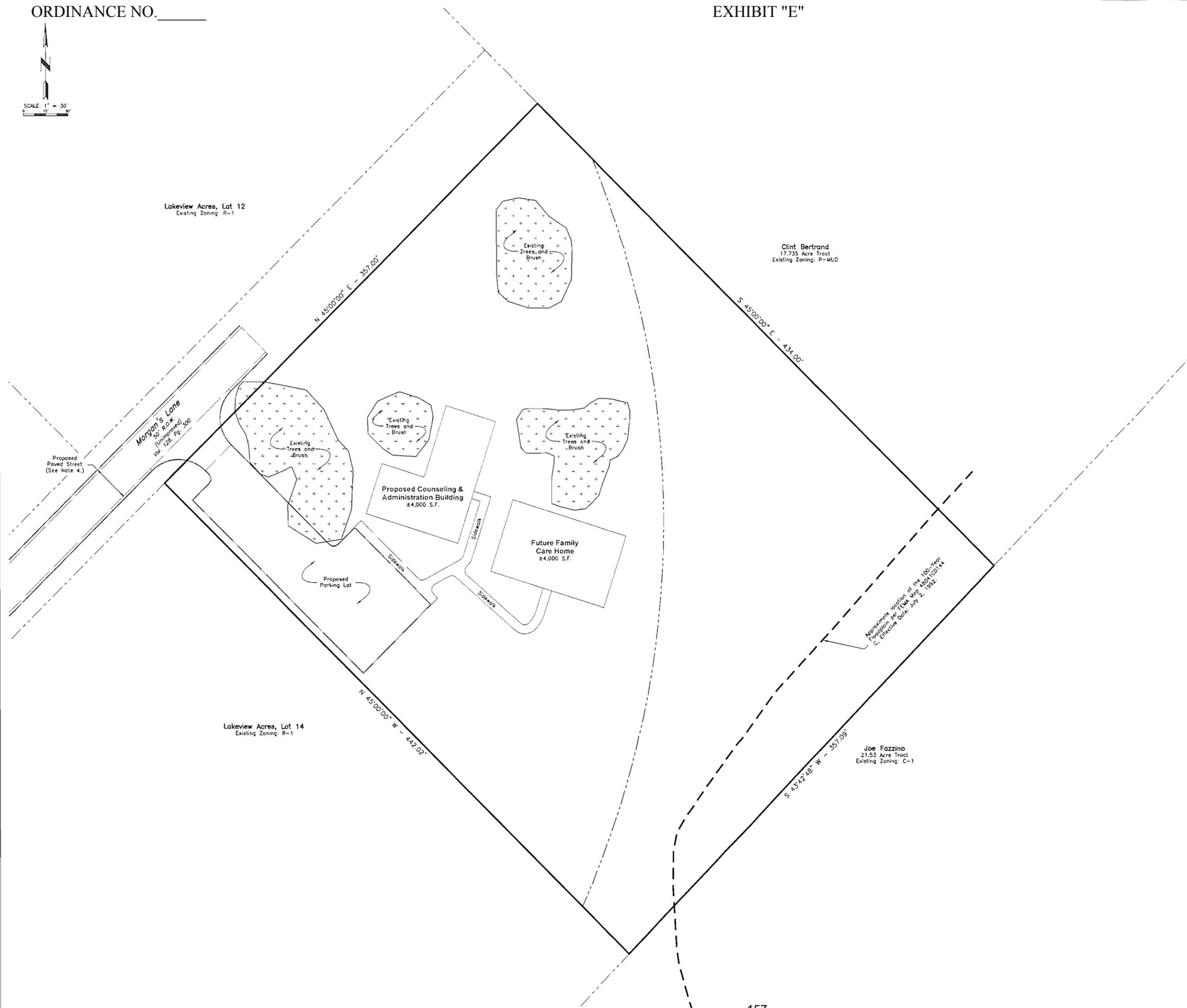
**PROPOSED**





VICINITY MAP  
Scale: 1"=±1,000'

- Notes:
1. The final location and size of proposed and future buildings may vary from this concept plan.
  2. The final location, layout and size of the proposed and future parking areas may vary from this concept plan.
  3. The final location, alignment and width of the future 100' R.O.W. may vary from this concept plan.
  4. The proposed street cross-section (i.e. curb & gutter or rural section) will be determined during the design phase of the project.



pt2  
126

07-267  
11-21-07  
1:00  
AC

**CONCEPT PLAN**

**LAKEVIEW ACRES, LOT 13**  
3.59 ACRES

out of the  
**MORGAN RECTOR LEAGUE, A-46**  
COLLEGE STATION, BRAZOS COUNTY, TEXAS

SUBMITTED: OCTOBER 26, 2007  
REVISED: NOVEMBER 21, 2007  
SCALE: 1" = 30'

---

**Owner:**  
Clint Bertrand  
2338 Harvey Mitchell Parkway S.  
College Station, TX 77845  
(979) 693-1051

**Prepared By:**  
McClure & Browne Engineering/Surveying, Inc.  
1008 Woodcreek Dr., Suite 103  
College Station, Texas 77845  
(979) 693-3638

**MEB**



**MINUTES**  
**PLANNING AND ZONING COMMISSION**  
**Regular Meeting**  
**Thursday, December 6, 2007**  
**at 7:00 p.m.**  
**City Hall Council Chambers**  
**1101 Texas Avenue**  
**College Station, Texas**

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**COMMISSIONERS PRESENT:** Chairman John Nichols, Bill Davis, Harold Strong, Derek Dictson, Glenn Schroeder, Marsha Sanford and Noel Bauman

**COMMISSIONERS ABSENT:** None

**CITY COUNCIL MEMBERS PRESENT:** James Massey

**CITY STAFF PRESENT:** Senior Planner Lindsay Boyer, Staff Planners Crissy Hartl, Matthew Robinson, and Jason Schubert, Transportation Planner Ken Fogle, Graduate Civil Engineer Josh Norton, Acting Development Engineer Carol Cotter, City Engineer Alan Gibbs, Director Bob Cowell, Assistant Director Lance Simms, Planning Administrator Molly Hitchcock, First Assistant City Attorney Carla Robinson, Information Services Representative Carrie McHugh, Staff Assistants Brittany Caldwell and Nicole Padilla

1. Call Meeting to Order.

Chairman Nichols called the meeting to order at 7:07 p.m.

2. Public hearing, presentation, possible action, and discussion on a Rezoning from R-1 Single-Family Residential to PDD Planned Development District and A-O Agricultural-Open for 3.67 acres located at 124 Morgans Lane, generally located at Morgans Lane and the future Dartmouth Street extension. **Case #07-00500267 (CH)**

Crissy Hartl, Staff Planner, presented the Rezoning and recommended denial due to not being presented with a master plan of the area to ensure that the land uses are appropriate with respect to the floodplains and future extension of Dartmouth Street.

Carol Cotter, Acting Development Engineer, explained that there is actually more flood plain shown on the map than actually located on the property.

Kim Schams, Assistant Director of Aggieland Pregnancy Outreach, Inc., presented a presentation for the Commissioners and answered general questions from the Commissioners.

Commissioner Davis expressed approval with the applicant and stated his concern was with how the future extension of Dartmouth will line up with the property.

Chairman Nichols and Commissioner Dictson expressed concern about going against staff recommendation to deny the rezoning and both agreed there was a need to have a master plan for the area.

**Commissioner Davis motioned to approve the Rezoning. Commissioner Sanford seconded the motion, motion passed (5-2). Chairman Nichols and Commissioner Dictson voted in opposition of the Rezoning.**

3. Adjourn.

**Commissioner Davis motioned to adjourn the meeting. Commissioner Sanford seconded the motion; motion passed (7-0).**

**Meeting was adjourned at 9:01 p.m.**

DRAFT

ORDINANCE NO. \_\_\_\_\_

AN ORDINANCE AMENDING CHAPTER 12, "UNIFIED DEVELOPMENT ORDINANCE," SECTION 4.2, "OFFICIAL ZONING MAP," OF THE CODE OF ORDINANCES OF THE CITY OF COLLEGE STATION, TEXAS, BY CHANGING THE ZONING DISTRICT BOUNDARIES AFFECTING CERTAIN PROPERTIES AS DESCRIBED BELOW; DECLARING A PENALTY; AND PROVIDING AN EFFECTIVE DATE.

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF COLLEGE STATION, TEXAS:

PART 1: That Chapter 12, "Unified Development Ordinance," Section 4.2, "Official Zoning Map," of the Code of Ordinances of the City of College Station, Texas, be amended as set out in Exhibit "A", attached hereto and made a part of this ordinance for all purposes.

PART 2: That any person, firm, or corporation violating any of the provisions of this chapter shall be deemed guilty of a misdemeanor, and upon conviction thereof shall be punishable by a fine of not less than Twenty-five Dollars (\$25.00) nor more than Two Thousand Dollars (\$2,000.00). Each day such violation shall continue or be permitted to continue, shall be deemed a separate offense. Said Ordinance, being a penal ordinance, becomes effective ten (10) days after its date of passage by the City Council, as provided by Section 35 of the Charter of the City of College Station.

PASSED, ADOPTED and APPROVED this 24th day of January, 2008

APPROVED:

\_\_\_\_\_  
MAYOR

ATTEST:

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

APPROVED:

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

**EXHIBIT "A"**

That Chapter 12, "Unified Development Ordinance," Section 4.2, "Official Zoning Map," of the Code of Ordinances of the City of College Station, Texas, is hereby amended as follows:

I.

The following property is rezoned from R-1 Single Family Residential to PDD Planned Development:

2.24 Acres  
Morgan Rector Survey, A-46  
College Station, Brazos County, Texas

Being all that certain tract or parcel of land lying and being situated in the MORGAN RECTOR LEAGUE, Abstract No. 46 in College Station, Brazos County, Texas and being part of Lot 13 of the LAKEVIEW ACRES Subdivision as recorded in Volume 133, Page 182 of the Brazos County Deed Records (B.C.D.R.), said Lot 13 also being the same land conveyed to Clint Bertrand recorded in Volume 603, Page 146 (B.C.D.R.) and being more particularly described by metes and bounds as shown in Exhibit "B" and graphically shown in Exhibit "D," and detailed in a concept plan in Exhibit "E."

The uses of this Planned Development District will be restricted to the following uses:

1. Administration/counseling offices
2. Community Outreach Center
3. Group home
4. Walking trails
5. Playground

The purpose of this Planned Development District will be for the provision of local social services whose campus will look and feel like a residential area and will have relatively low traffic generation.

II.

The following property is rezoned from R-1 Single Family Residential to A-O Agricultural-Open:

1.35 Acres  
Morgan Rector Survey, A-46  
College Station, Brazos County, Texas

Being all that certain tract or parcel of land lying and being situated in the MORGAN RECTOR LEAGUE, Abstract no. 46 in College Station, Brazos County, Texas and being part of Lot 13 of the LAKEVIEW ACRES Subdivision as recorded in Volume 133, Page 182 of the Brazos

County Deed Records (B.C.D.R.) said Lot 13 also being the same land conveyed to Clint Bertrand recorded in Volume 603, Page 146 (B.C.D.R.) and being more particularly described by metes and bounds as shown in Exhibit "C" and graphically shown in Exhibit "D," and detailed in a concept plan in Exhibit "E."

FIELD NOTES  
PROPOSED PDD ZONE  
2.24 ACRES

Being all that certain tract or parcel of land lying and being situated in the MORGAN RECTOR LEAGUE, Abstract No. 46 in College Station, Brazos County, Texas and being part of Lot 13 of the LAKEVIEW ACRES Subdivision as recorded in Volume 133, Page 182 of the Brazos County Deed Records (B.C.D.R.), said Lot 13 also being the same land conveyed to Clint Bertrand recorded in Volume 603, Page 146 (B.C.D.R.) and being more particularly described by metes and bounds as follows:

BEGINNING: at the west corner of said Lot 13, LAKEVIEW ACRES Subdivision, the north corner of Lot 14 of said LAKEVIEW ACRES Subdivision and said corner also being in the southeast right-of-way line of Morgan Lane (based on a 50' width);

THENCE: N 45° 00' 00" E along the said southeast line of Morgan Lane for a distance of 357.00 feet for corner marking the north corner of said Lot 13, said corner also being in the southwest line of the 17.735 acre C.A. Bertrand tract recorded in Volume 305, Page 853 (B.C.D.R.);

THENCE: S 45° 00' 00" E along the common line of said Lot 13 and the said 17.735 acre Bertrand tract for a distance of 51.80 feet for corner;

THENCE: 511.04 feet through said Lot 13 in a clockwise direction along the arc of a curve having a central angle of 46° 50' 54", a radius of 625.00 feet, a tangent of 270.78 feet and a long chord bearing S 00° 55' 29" W at a distance of 496.92 feet for corner in the common line of said Lots 13 and 14;

THENCE: N 45° 00' 00" W along said common line for a distance of 397.46 feet to the POINT OF BEGINNING and containing 2.24 acres of land, more or less.

07-267  
11-15-07  
2:00 AM

FIELD NOTES  
PROPOSED A-O ZONE  
1.35 ACRES

Being all that certain tract or parcel of land lying and being situated in the MORGAN RECTOR LEAGUE, Abstract No. 46 in College Station, Brazos County, Texas and being part of Lot 13 of the LAKEVIEW ACRES Subdivision as recorded in Volume 133, Page 182 of the Brazos County Deed Records (B.C.D.R.), said Lot 13 also being the same land conveyed to Clint Bertrand recorded in Volume 603, Page 146 (B.C.D.R.) and being more particularly described by metes and bounds as follows:

BEGINNING: at the east corner of said Lot 13, LAKEVIEW ACRES Subdivision, the south corner of the 17.735 acre C.A. Bertrand tract recorded in Volume 305, Page 853 (B.C.D.R.), said corner also being in the northwest line of a 21.53 acre Joe Fazzino tract recorded in Volume 5961, Page 27 (B.C.D.R.);

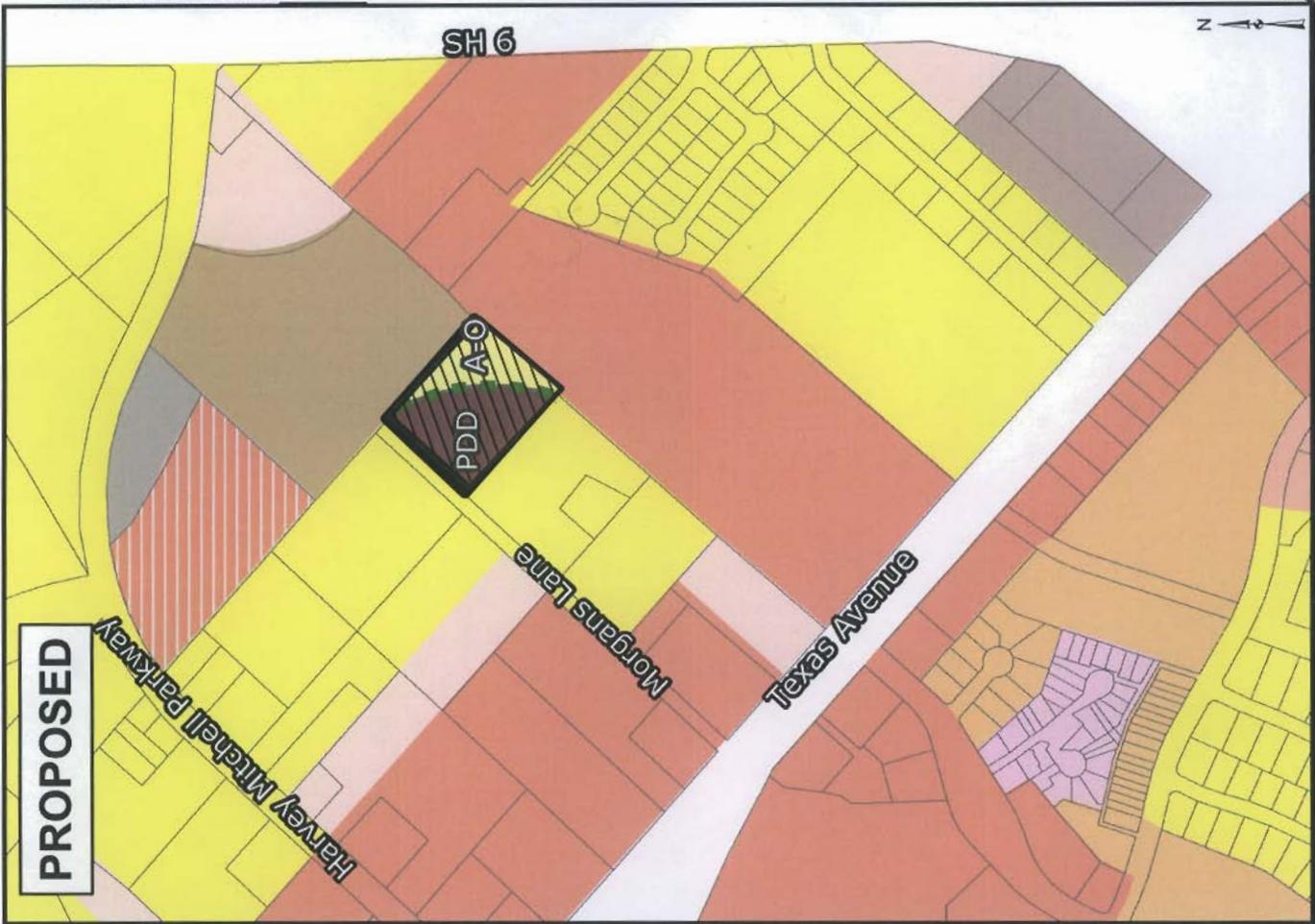
THENCE: S 43° 42' 48" W along the common line of said Lot 13 and the said 21.53 acre Fazzino tract for a distance of 357.09 feet for corner marking the common most southerly corner of the beforesaid Lot 13 and Lot 14 of said LAKEVIEW ACRES Subdivision;

THENCE: N 45° 00' 00" W along the common line of said Lots 13 and 14 for a distance of 44.56 feet for corner;

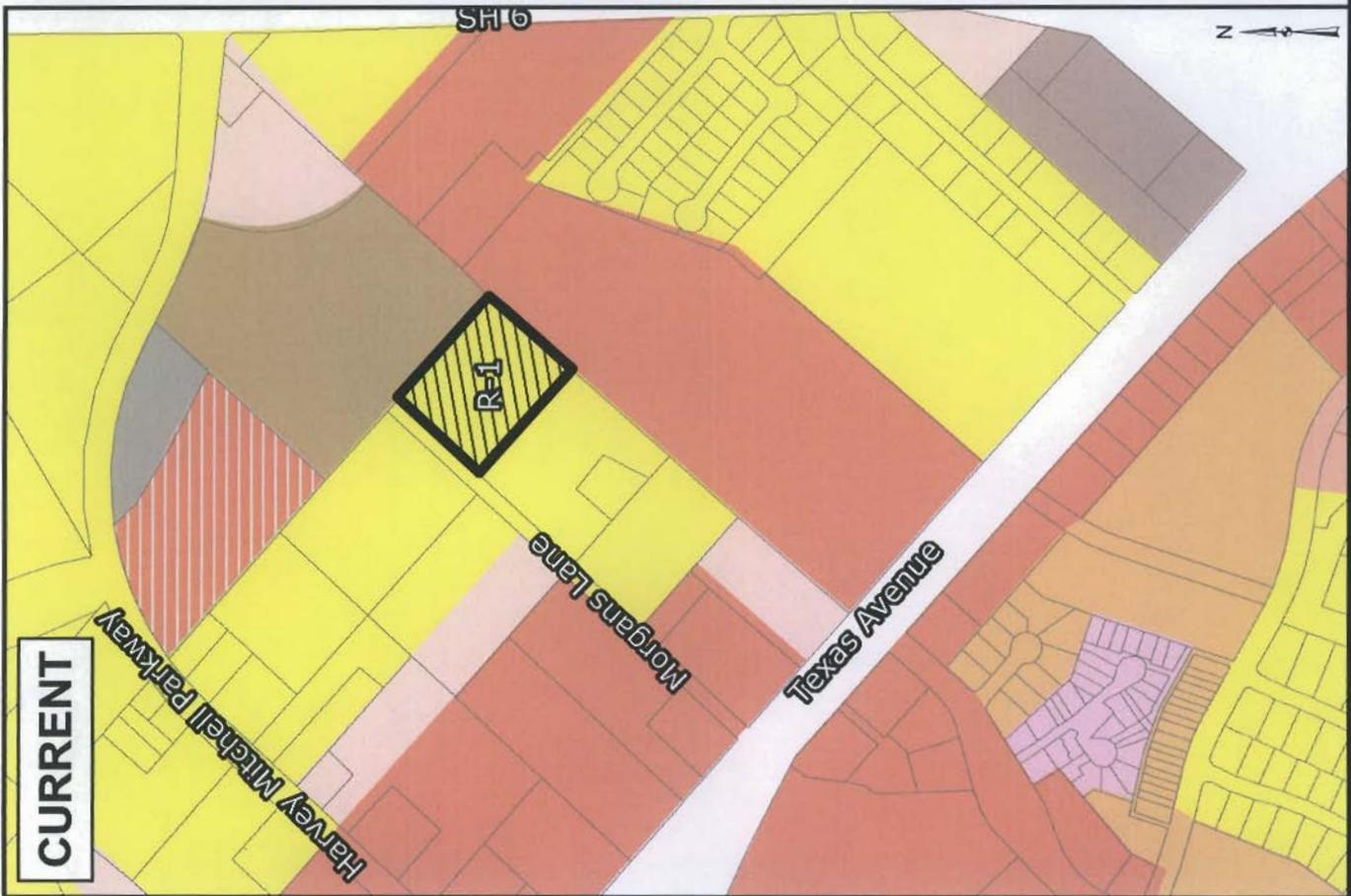
THENCE: 511.04 feet through said Lot 13 in a counter-clockwise direction along the arc of a curve having a central angle of 46° 50' 54", a radius of 625.00 feet, a tangent of 270.78 feet and a long chord bearing N 00° 55' 29" E at a distance of 496.92 feet for corner, said corner being in the northeast line of said Lot 13 and the said northwest line of the 17.735 acre Bertrand tract;

THENCE: S 45° 00' 00" E along the beforesaid common line for a distance of 382.20 feet to the POINT OF BEGINNING and containing 1.35 acres of land, more or less.

07-267  
11-15-07  
2:00  
AC



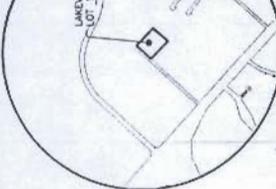
**PROPOSED**



**CURRENT**

Case: 07-267

Aggiland Pregnancy Outreach Rezoning



VICINITY MAP  
SEE EXHIBIT

- 1. This map shows the lot of proposed and future buildings.
- 2. The lot is shown with its boundaries.
- 3. The lot is shown with its area.
- 4. The lot is shown with its perimeter and area.
- 5. The lot is shown with its perimeter and area.
- 6. The lot is shown with its perimeter and area.

P12  
12-6

07-26-07  
11-21-07  
1:00  
AC

**CONCEPT PLAN**

**LAKEVIEW ACRES, LOT 13**  
3.59 ACRES

MORGAN RECTOR LEAGUE, A-46  
COLLEGE STATION, BRAZOS COUNTY, TEXAS

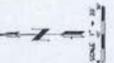
DATE: NOVEMBER 21, 2007  
SCALE: 1" = 30'

Prepared by: Morgan Rector League, Inc.  
2208 Westwood Avenue, Suite 105  
College Station, Texas 77805  
1979 832-1051

**MRB**

EXHIBIT "E"

ORDINANCE NO. \_\_\_\_\_



Lakeview Acres, Lot 12  
Country Family, Ltd.

S 43°00'00" E - 434.00'

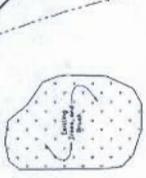
N 43°00'00" E - 351.00'

N 43°00'00" E - 443.00'

Lakeview Acres, Lot 14  
Country Family, Ltd.

ONE FUTURE  
3332 Westwood  
College Station, TX

WEST - 8.00' x 10.00'



**January 24, 2008  
Regular Agenda Item 4  
Holick Street Parking Restrictions**

**To:** Glenn Brown, City Manager

**From:** Mark Smith, Director of Public Works

**Agenda Caption:** Presentation, public Hearing, possible action, and discussion on consideration of an ordinance amending Chapter 10, "Traffic Code," to restrict parking on the west side of Holick Street between Anna Street and Park Place.

**Recommendation(s):** Staff recommends approval of the ordinance amendment.

**Summary:** At the October 29<sup>th</sup> Traffic Management Team meeting, the residential portion of Holick Street was evaluated per a request from a resident. Holick Street is very narrow and there are a large number of vehicles that park on both sides of the street during TAMU, CISD, and Grace Bible Church events, making it difficult to travel down the street or back out of a driveway. It was determined that parking should be removed from the west side of the street between Anna Street and Park Place.

This item will amend Chapter 10, "Traffic Code," by restricting parking on the identified section of Holick Street:

A Safe Routes To School project is planned that will install sidewalks along Holick and Anna Streets to provide safe pedestrian access for students to the adjacent schools. We plan to construct the sidewalks during the summer months of 2008.

**Budget & Financial Summary:** The "No Parking" signs are planned operation and maintenance expenses accounted for in the Public Works Traffic Operation budget.

**Attachments:**

1. Ordinance
2. Location Map

ORDINANCE NO. \_\_\_\_\_

AN ORDINANCE AMENDING CHAPTER 10, "TRAFFIC CODE", OF THE CODE OF ORDINANCES OF THE CITY OF COLLEGE STATION, TEXAS, BY AMENDING SCHEDULE XII AS REFERENCED IN SUBSECTION E.2 OF SECTION 4 THEREOF; PROHIBITING PARKING ALONG THE WEST SIDE OF HOLIK STREET BETWEEN ANNA STREET AND PARK PLACE; PROVIDING A SEVERABILITY CLAUSE; DECLARING A PENALTY; AND PROVIDING AN EFFECTIVE DATE.

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF COLLEGE STATION, TEXAS:

PART 1: That Chapter 10, "Traffic Code", of the Code of Ordinances of the City of College Station, Texas, be amended by amending schedule XII as referenced in subsection E.2 of Section 4 thereof as set out in Exhibit "A", attached hereto and made a part of this ordinance for all purposes.

PART 2: That if any provisions of any section of this ordinance shall be held to be void or unconstitutional, such holding shall in no way effect the validity of the remaining provisions or sections of this ordinance, which shall remain in full force and effect.

PART 3: That any person, firm, or corporation violating any of the provisions of this chapter shall be deemed liable for a civil offense and, upon a finding of liability thereof, shall be punished by a civil penalty of not less than One Dollar (\$1.00) nor more than Five Hundred Dollars (\$500.00). Said Ordinance becomes effective ten (10) days after date of passage by the City Council, as provided by Section 35 of the Charter of the City of College Station.

PASSED, ADOPTED and APPROVED this \_\_\_\_\_ day of \_\_\_\_\_, 2008.

APPROVED:

\_\_\_\_\_  
Mayor

ATTEST:

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

APPROVED:

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

**EXHIBIT “A”**

That the Traffic Control Device Inventory - Schedule XII as referenced in Chapter 10, “Traffic Code”, Section 4, “Administrative Adjudication of Parking Violations,” Sub-section E is hereby amended to include the following:

“Holik Street – No parking on the west side of Holik Street between Anna Street and Park Place.”



Proposed Parking Restriction



# Holik Street Parking Restriction

0 50 100 200  
Feet

**January 24, 2008  
Regular Agenda Item 5  
Redmond Drive Parking Restrictions**

**To:** Glenn Brown, City Manager

**From:** Mark Smith, Director of Public Works

**Agenda Caption:** Presentation, public hearing, discussion, and possible action on consideration of an ordinance amending Chapter 10, "Traffic Code," to restrict parking on the north side of Redmond Drive between Lenert Circle and Rosemary Lane and on the west side of Rosemary Lane between Redmond Drive and Milliff Road.

**Recommendation(s):** Staff recommends approval of the ordinance amendment.

**Summary:** This item will amend Chapter 10, "Traffic Code," by restricting parking on the north side of Redmond Drive between Lenert Circle and Rosemary Lane and on the west side of Rosemary Lane between Redmond Drive and Milliff Road.

A resident of the Redmond Area mentioned that Redmond Drive can be difficult to drive down with the on-street parking.

The Traffic Management Team discussed the requested parking removal at its October meeting and recommended that the parking be removed.

**Budget & Financial Summary:** The "No Parking" signs are planned operation and maintenance expenses accounted for in the Public Works Traffic Operation budget.

**Attachments:**

1. Ordinance
2. Location Map

ORDINANCE NO. \_\_\_\_\_

AN ORDINANCE AMENDING CHAPTER 10, "TRAFFIC CODE", OF THE CODE OF ORDINANCES OF THE CITY OF COLLEGE STATION, TEXAS, BY AMENDING SCHEDULE XII AS REFERENCED IN SUBSECTION E.2 OF SECTION 4 THEREOF; PROHIBITING PARKING ALONG THE NORTH SIDE OF REDMOND DRIVE BETWEEN LENERT CIRCLE AND ROSEMARY LANE AND ON THE WEST SIDE OF ROSEMARY LANE BETWEEN REDMOND DRIVE AND MILLIFF ROAD; PROVIDING A SEVERABILITY CLAUSE; DECLARING A PENALTY; AND PROVIDING AN EFFECTIVE DATE.

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF COLLEGE STATION, TEXAS:

PART 1: That Chapter 10, "Traffic Code", of the Code of Ordinances of the City of College Station, Texas, be amended by amending schedule XII as referenced in subsection E.2 of Section 4 thereof as set out in Exhibit "A", attached hereto and made a part of this ordinance for all purposes.

PART 2: That if any provisions of any section of this ordinance shall be held to be void or unconstitutional, such holding shall in no way effect the validity of the remaining provisions or sections of this ordinance, which shall remain in full force and effect.

PART 3: That any person, firm, or corporation violating any of the provisions of this chapter shall be deemed liable for a civil offense and, upon a finding of liability thereof, shall be punished by a civil penalty of not less than One Dollar (\$1.00) nor more than Five Hundred Dollars (\$500.00). Said Ordinance becomes effective ten (10) days after date of passage by the City Council, as provided by Section 35 of the Charter of the City of College Station.

PASSED, ADOPTED and APPROVED this \_\_\_\_\_ day of \_\_\_\_\_, 2008.

APPROVED:

\_\_\_\_\_  
Mayor

ATTEST:

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

APPROVED:

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

**EXHIBIT “A”**

That the Traffic Control Device Inventory - Schedule XII as referenced in Chapter 10, “Traffic Code”, Section 4, “Administrative Adjudication of Parking Violations,” Sub-section E is hereby amended to include the following:

“Redmond Drive – NO PARKING on the north side of Redmond Drive between Rosemary Lane and Lenert Circle.”

“Rosemary Lane – NO PARKING on the west side of Rosemary Lane between Redmond Drive and Milliff Road.”



Proposed Parking Restriction



# Redmond Drive Parking Restriction

0 50 100 200 Feet

**January 24, 2008  
Regular Agenda Item 6  
University Oaks Boulevard Parking Restrictions**

**To:** Glenn Brown, City Manager

**From:** Mark Smith, Director of Public Works

**Agenda Caption:** Presentation, public hearing, possible action, and discussion on consideration of an ordinance amending Chapter 10, "Traffic Code," to restrict parking on the north side of University Oaks Boulevard beginning 505 feet east of George Bush Drive East and extending 560 feet east.

**Recommendation(s):** Staff recommends approval of the ordinance amendment.

**Summary:** This item will amend Chapter 10, "Traffic Code," by restricting parking on the north side of University Oaks Boulevard beginning 505 feet east of George Bush Drive East and extending 560 feet east.

The Police Department has commented that the on-street parking is creating issues at driveways for entering and exiting traffic as well as TAMU buses trying to pass each other.

The Traffic Management Team discussed the requested parking removal at its October meeting and recommended that the parking be removed at the entrance to the Cambridge Apartments. The given location of the parking removal will resolve sight distance issues for vehicles exiting the Cambridge Apartments.

**Budget & Financial Summary:** The "No Parking" signs are planned operation and maintenance expenses accounted for in the Public Works Traffic Operation budget.

**Attachments:**

1. Ordinance
2. Location Map

ORDINANCE NO. \_\_\_\_\_

AN ORDINANCE AMENDING CHAPTER 10, "TRAFFIC CODE", OF THE CODE OF ORDINANCES OF THE CITY OF COLLEGE STATION, TEXAS, BY AMENDING SCHEDULE XII AS REFERENCED IN SUBSECTION E.2 OF SECTION 4 THEREOF; PROHIBITING PARKING ALONG THE NORTH SIDE OF UNIVERSITY OAKS BOULEVARD BEGINNING 505 FEET EAST OF GEORGE BUSH DRIVE EAST AND EXTENDING 560 FEET EAST; PROVIDING A SEVERABILITY CLAUSE; DECLARING A PENALTY; AND PROVIDING AN EFFECTIVE DATE.

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF COLLEGE STATION, TEXAS:

PART 1: That Chapter 10, "Traffic Code", of the Code of Ordinances of the City of College Station, Texas, be amended by amending schedule XII as referenced in subsection E.2 of Section 4 thereof as set out in Exhibit "A", attached hereto and made a part of this ordinance for all purposes.

PART 2: That if any provisions of any section of this ordinance shall be held to be void or unconstitutional, such holding shall in no way effect the validity of the remaining provisions or sections of this ordinance, which shall remain in full force and effect.

PART 3: That any person, firm, or corporation violating any of the provisions of this chapter shall be deemed liable for a civil offense and, upon a finding of liability thereof, shall be punished by a civil penalty of not less than One Dollar (\$1.00) nor more than Five Hundred Dollars (\$500.00). Said Ordinance becomes effective ten (10) days after date of passage by the City Council, as provided by Section 35 of the Charter of the City of College Station.

PASSED, ADOPTED and APPROVED this \_\_\_\_\_ day of \_\_\_\_\_, 2008.

APPROVED:

\_\_\_\_\_  
Mayor

ATTEST:

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

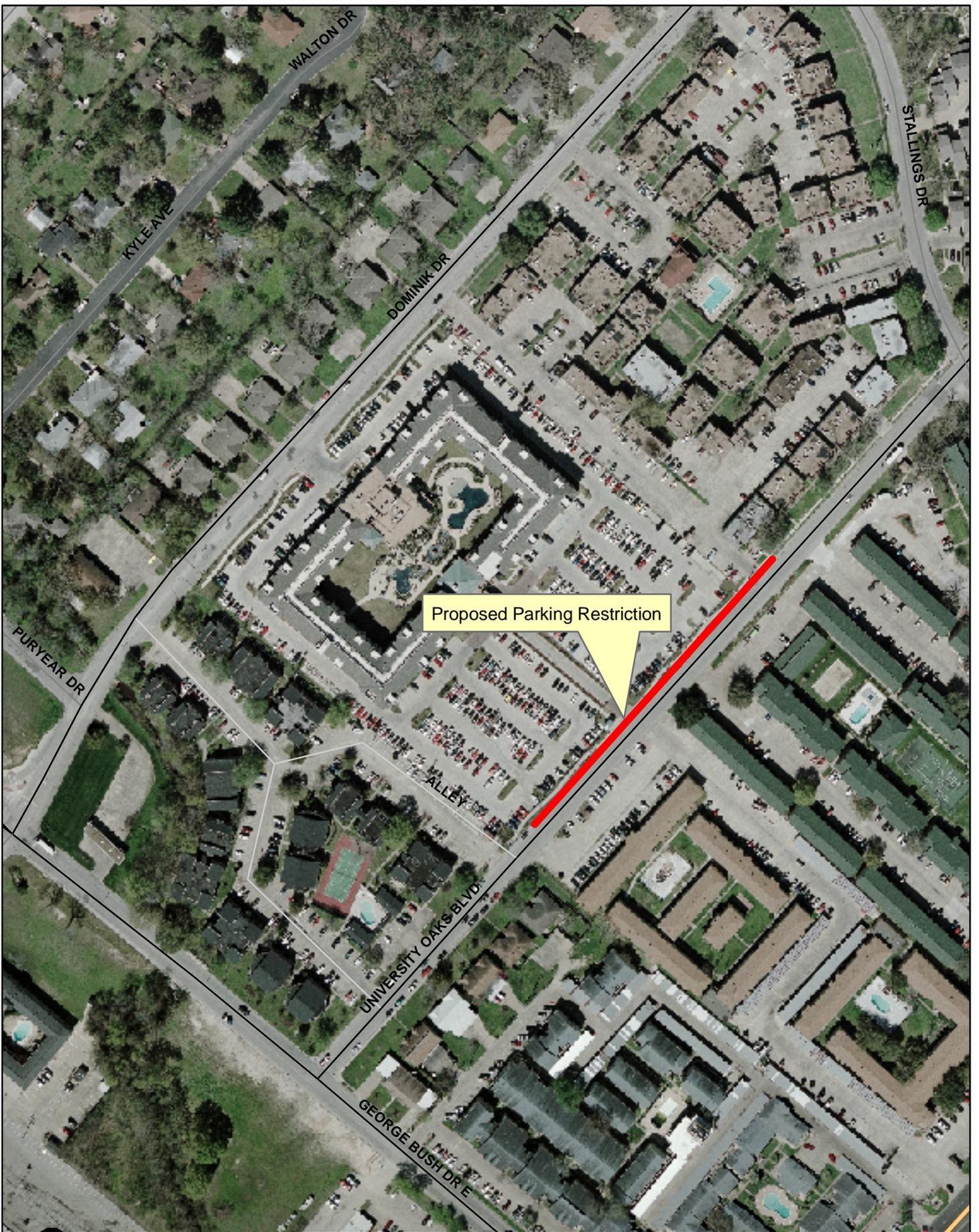
APPROVED:

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

**EXHIBIT “A”**

That the Traffic Control Device Inventory - Schedule XII as referenced in Chapter 10, “Traffic Code”, Section 4, “Administrative Adjudication of Parking Violations,” Sub-section E is hereby amended to include the following:

“University Oaks Blvd – NO PARKING on the north side of University Oaks Blvd beginning 505 feet east of George Bush Drive East and extend 560 feet east.”



Proposed Parking Restriction



# University Oaks Blvd. Parking Restriction

0 50 100 200  
Feet

**January 24, 2008  
Regular Agenda Item 7  
Public Hearing and Consideration of Budget Amendment #1**

**To:** Glenn Brown, City Manager

**From:** Jeff Kersten, Chief Financial Officer

**Agenda Caption:** Public Hearing, possible action, and discussion on an ordinance Budget Amendment #1 amending ordinance number 2999 which will amend the budget for the 2007-2008 Fiscal Year and authorizing amended expenditures in the amount of \$1,059,823.

**Recommendation(s):** Staff recommends the City Council hold the public hearing on Budget Amendment #1, and approve the budget amendment ordinance.

**Summary:** The proposed budget amendment is to increase appropriations in the 2007-2008 budget by \$1,059,823. The charter of the City of College Station provides for the City Council to amend the annual budget in the event there are revenues available to cover increased expenditures and after holding a public hearing on such budget amendment. A number of items have been identified that need to be considered in a budget amendment. Attached is a list of the items in the proposed budget amendment.

**Budget & Financial Summary:** The City has resources or can reasonably expect resources to cover each of the appropriations in this budget amendment.

**Attachments:**

1. Budget Amendment #1 Detail List
2. Ordinance

## Fiscal Year 2007-2008 Budget Amendment #1 Detail Listing

The proposed budget amendment is to increase the appropriations for the items listed below by \$921,584

- 1. Gainsharing: \$205,711**  
On December 13, 2007, the City Council approved the gainsharing distribution for FY07. At that time it was indicated that a budget amendment would be necessary to provide the budget appropriation for this item. Resources have been identified and are available in the various applicable operating funds for this expenditure. This item will appropriate the funds for expenditure.
- 2. PD Selective Traffic Enforcement Program (STEP) Grant: \$51,609**  
This item is to appropriate funds for a federal grant received by the City of College Station's Police Department. The grant, administered by the Texas Department of Transportation, covers overtime and benefit costs for Officers addressing hazardous traffic violations at selected locations throughout the City. The funds for this item are available in the General Fund balance. The City will be reimbursed 75% of the total grant expense.
- 3. Governor's Division of Emergency Management (GDEM) FY07 Homeland Security Grant: \$188,800:** This item is for the appropriation of resources for the grant the City of College Station has been awarded through the GDEM. The funds will be used by city departments to purchase equipment that will enhance the City's response capabilities to terrorist threats or incidents. The Federal Grant Award Number is 2007-GE-T7-0024. The City will be reimbursed 100% of expenses. The grant funds will be available in the General Fund balance.
- 4. Police Department Internet Crimes Against Children Grant from Attorney General of Texas Office: \$9,500:** This item is for the appropriation of resources for a federal grant the City of College Station Police Department has been awarded through the Texas Attorney General's Office. The grant is in the amount of \$9,500 to help combat online child exploitation crimes. The grant number is 2006-MC-CX-K012. The funds are available for this item in the General Fund balance.
- 5. BVSWMA – United Way: \$50,000**  
This request is to increase the budget allocation for BVSWMA by \$50,000 for United Way building payment that went to Council on October 11, 2007. The contract was approved by BVSWMA in FY07 but did not go to Council until FY08 and funds were not appropriated for contributions from BVSWMA in FY08. Funds are available in the BVSWMA Fund balance.
- 6. BVSWMA Cultural Resource Investigation & Curative Services: \$107,167**  
This request is for funds required to comply with contract 08-090 to HDR Engineering, Inc. to provide cultural resource investigation and curative services at the Twin Oaks Landfill site. The consultant contract is necessary to meet Texas Historical Commission mitigation requirements for an archaeological site at the new landfill on State Highway 30. Funds for the project are available in the BVSWMA Fund balance.
- 7. BVSWMA Wheels for Compactor: \$130,000**  
The BVSWMA landfill has two landfill compactors used in daily disposal operations at the 1000 ton per day facility. The 2001 836G Caterpillar (7370) compactor has operated over 13,000 hours and is in need of wheel refurbishing and cleaner finger installation. The teeth are more than 65% worn which results in ineffective compaction and grinding of the waste. Unit 7370 is scheduled for replacement in FY09; however, the BVSWMA staff recommends the machine undergo a certified rebuild which will extend the useful life of the machine to the extent comparable to a new machine. The FY09 rebuild will also result in approximately a \$500,000 net savings as compared to a new machine purchase. Staff currently requests funds in the amount of \$130,000 to purchase the refurbished wheels and cleaner fingers to continue with effective compaction operations and maximize use of the remaining landfill space. The funds needed for the purchase of the refurbished wheels and cleaner fingers are available in the Equipment Replacement Fund balance and this item will appropriate the funds for expenditure.

- 8. Information Technology – E-911: \$17,000**  
Revenue in the amount of \$17,000 was received from the Brazos County Emergency Communications District on September 20, 2007 for the purchase of software for the development of an interface to the CAD system. Typically, the county pays for the items directly from a fee collected on phone bills, but GEAC has to do the interface, so the County sent the funds instead. Funds for the project are available in the General Fund balance.
- 9. Police Department Generators: \$76,000**  
The replacement of two generators is budgeted for FY08 in the Equipment Replacement Fund. As part of the Police Station Improvements project, the replacement of the generators with improved and elevated generators has been included in the specifications. It is proposed that the funds budgeted in the Equipment Replacement Fund (\$76,000) be transferred to the Facilities and Technology Capital Improvements Project Fund. The funds can then be expended as part of the Police Station Improvements project.
- 10. Fleet Budget: \$27,297**  
This request is to correct the Fleet Budget due to an error during the budget preparation process. The expense was identified as necessary and entered into the budget system, but was not entered into the fund summary spreadsheet that was included in the approved version of the FY08 budget. Funds are available in the Fleet Maintenance Fund balance.
- 11. Parks Field Redevelopment Projects: \$58,500**  
Individuals and teams who participate in City sponsored athletic programs pay a field redevelopment fee when registering for the program. The fee is deposited into the Parks Capital Improvement Projects Fund. In Fiscal Year 2008, \$30,000 is budgeted for Field Redevelopment projects. However, an additional \$58,500 is needed to fund unforeseen repairs to City athletic fields at Central Park, Southwood Valley Athletic Park and Wayne Smith Park. These repairs meet the criteria for the use of field redevelopment fee funds. The money to fund these expenditures is available from the redevelopment fee collected in the Parks Capital Improvement Projects Fund.
- 12. Channel 19 Improvements: \$138,289**  
The Communications Department Staff have completed an assessment of the current CSTV-19 video equipment. Their findings indicate the need for a major investment of EG funds to provide the tools and resources required to fulfill the expectations set forth by the Communications Plan and the City Council’s “Effective Communications” strategic goal. The funds will be used for the following equipment: CSTV-19 Control Room (\$18,646), Carousel Bulleting Board/Slide Application (\$19,000), Rimage/RAID Video Storage (\$11,400), Studio & Portable Productions (\$89,243). Funds for this project are available in the General Fund balance.

ORDINANCE NO. \_\_\_\_\_

**AN ORDINANCE (BUDGET AMENDMENT 1) AMENDING ORDINANCE NUMBER 2999 WHICH WILL AMEND THE BUDGET FOR THE 2007-2008 FISCAL YEAR AND AUTHORIZING AMENDED EXPENDITURES AS THEREIN PROVIDED.**

**WHEREAS**, the City Council of the City of College Station, Texas, approved its Budget Ordinance for the 2007-2008 Fiscal Year on September 13, 2007; and

**WHEREAS**, the City Council of the City of College Station, Texas, desires to amend the approved Budget Ordinance; and

**WHEREAS**, this amendment was prepared and presented to the City Council and a public hearing held thereon as prescribed by law and the Charter of the City of College Station, Texas, after notice of said hearing having been first duly given; now, therefore,

**BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF COLLEGE STATION, TEXAS:**

**PART 1:** That Part 1 of the Budget Ordinance for the 2007-2008 Fiscal Year is amended to read as follows:

**"PART 1:** That the proposed budget as amended by the City Council of the City of College Station, which is made a part hereof to the same extent as if set forth at length herein, is hereby adopted and approved, a copy of which is on file in the Office of the City Secretary in College Station Texas. Amended appropriations for fiscal year 2007-2008 for the General Fund are \$58,340,597, for the Parks Capital Improvement Projects Fund are \$1,521,420, for the General Government Capital Improvement Projects Fund are \$5,859,723, for the Electric Fund are \$73,914,105, for the Water Fund are \$12,414,326, for the Wastewater Fund are \$12,963,095, for the Sanitation Fund are \$6,474,569, for the Parking Fund are \$724,976, for the BVSWMA Fund are \$7,121,239, for the Community Development Fund are \$3,880,003, for the Equipment Replacement Fund are \$4,864,161, for the Utility Customer Service Fund are \$2,590,191, for Fleet Maintenance Fund are \$1,720,067, for the Communications Fund are \$900,058. All other appropriations as originally adopted and amended by the City Council remain in full force and effect."

**PART 2:** That this ordinance shall become effective immediately after passage and approval.

**PASSED and APPROVED** this \_\_\_\_\_ day of \_\_\_\_\_ 2008.

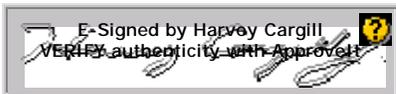
**ATTEST:**

**APPROVED:**

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

\_\_\_\_\_  
Mayor

**APPROVED:**



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

**January 24, 2008**  
**Regular Agenda Item 8**  
**Smith-Mohawk Unit, Well #1 - Oil and Gas Operations Permit**

**To:** Glenn Brown, City Manager

**From:** Mark Smith, Director of Public Works

**Agenda Caption:** Presentation, public hearing, discussion and possible action, regarding an Oil and Gas Operations Permit for the Smith-Mohawk Unit, Well #1 Re-Entry as requested by the operator, Ogden Resources, Ltd. of Bryan, Texas.

**Recommendation(s):** Staff recommends approval of the permit as drafted with a minimum of \$25,000 security provided by the applicant. The applicant has complied with the permitting requirements as outlined in Ordinance #1916.

**Summary:** The Smith-Mohawk Unit, Well #1 RE is a 919.29 acre unit well located within the city limits. The location of the drilling site is southwest corner of Harvey Mitchell Parkway (FM 2818) and Jones-Butler Road. Based on the well's location, it is classified as an urban permitted well. An urban well means any area characterized by business and commercial use, where the proposed drill site is at least three hundred feet (300') from a commercial use as defined by the City Zoning Ordinance.

There is an existing well of the drilling site. The original well, Smith-Mohawk Unit, Well #1 was permitted as a rural well in 1996. The applicant is proposing to enter the existing well bore, or hole and drill a two (2) new well along the same vertical and horizontal lines as the previous well but at a shallower depth.

Access to the site will be from the existing private access road coming off FM 2818. The City of College Station Oil and Gas Ordinance #1916 requires that a \$25,000 minimum security be established in order to assure compliance with the ordinance and permit requirements. The Oil and Gas Application Fee of \$2,000 has been paid.

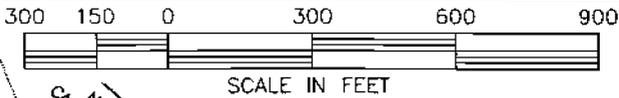
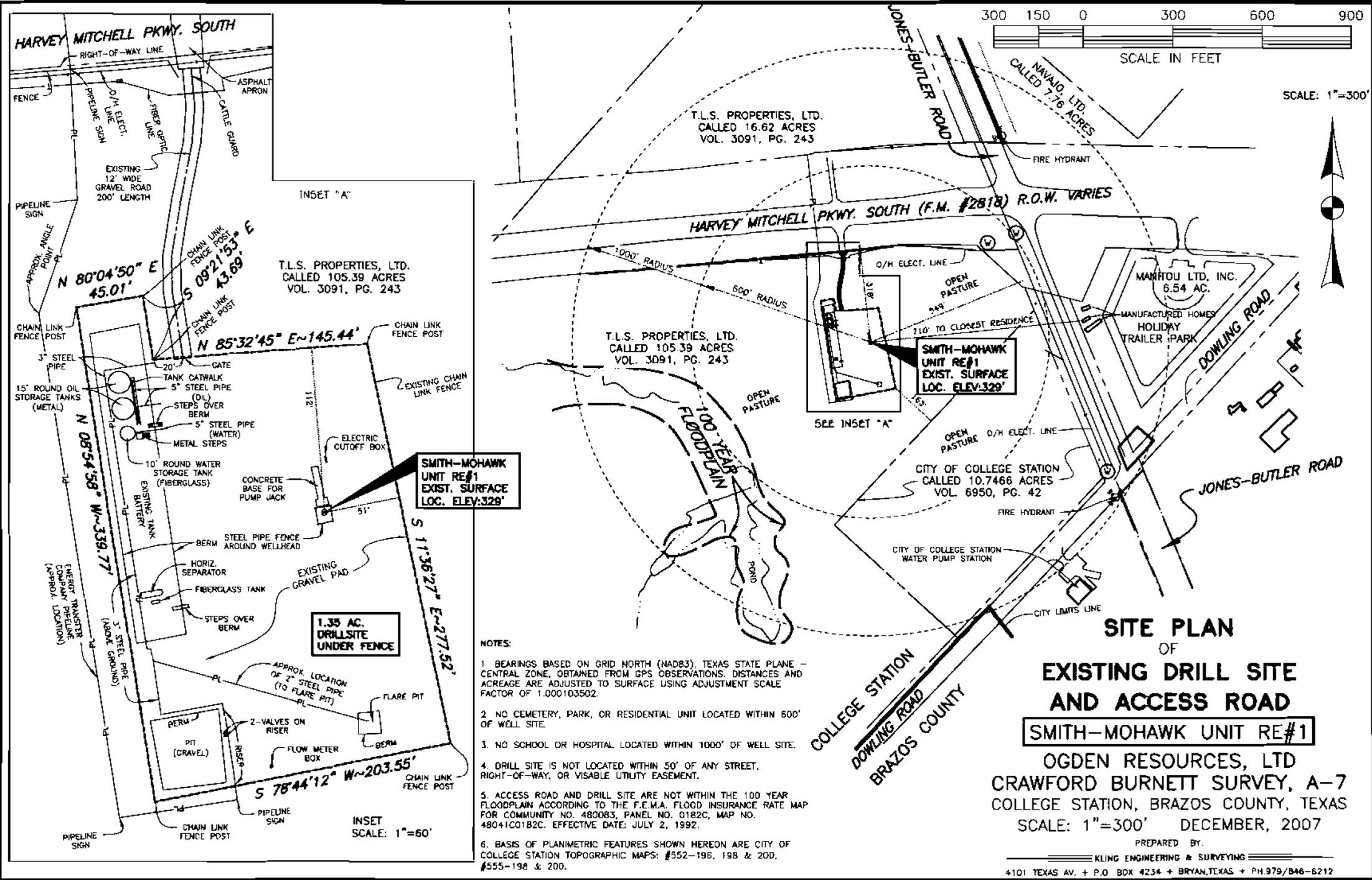
The attached City Engineer's Report was agreed upon by the Project Review Committee and its findings are recommended to the Council for their consideration. The Fire Marshall with the City Engineer has also agreed to the attached and will sign the Permit should Council approve and confirm the surety amount.

**Budget & Financial Summary:** N/A

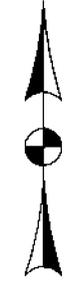
**Attachments:**

1. Vicinity Map
2. Resolution
3. Exhibit A - Application
4. Exhibit B - Location Map
5. City Engineer Report to PRC
6. Draft Permit

H:\Land Projects R2\041\Crawford Burnett A-7\A-D-03A Abell\cfd-MADB3.dwg Exhibits\Smith Mohawk Re-1 plat.dwg 12/7/2007 12:18:26 PM CST



SCALE: 1"=300'



**SMITH-MOHAWK  
UNIT RE#1  
EXIST. SURFACE  
LOC. ELEV: 329'**

**1.35 AC.  
DRILLSITE  
UNDER FENCE**

**NOTES:**

1. BEARINGS BASED ON GRID NORTH (NADB3), TEXAS STATE PLANE - CENTRAL ZONE, OBTAINED FROM GPS OBSERVATIONS. DISTANCES AND ACREAGE ARE ADJUSTED TO SURFACE USING ADJUSTMENT SCALE FACTOR OF 1.000103502.
2. NO CEMETERY, PARK, OR RESIDENTIAL UNIT LOCATED WITHIN 600' OF WELL SITE.
3. NO SCHOOL OR HOSPITAL LOCATED WITHIN 1000' OF WELL SITE.
4. DRILL SITE IS NOT LOCATED WITHIN 50' OF ANY STREET, RIGHT-OF-WAY, OR VISIBLE UTILITY EASEMENT.
5. ACCESS ROAD AND DRILL SITE ARE NOT WITHIN THE 100 YEAR FLOODPLAIN ACCORDING TO THE F.E.M.A. FLOOD INSURANCE RATE MAP FOR COMMUNITY NO. 480083, PANEL NO. 0182C, MAP NO. 48041C0182C. EFFECTIVE DATE: JULY 2, 1992.
6. BASIS OF PLANIMETRIC FEATURES SHOWN HEREON ARE CITY OF COLLEGE STATION TOPOGRAPHIC MAPS: #552-196, 198 & 200, #555-198 & 200.

**SITE PLAN  
OF  
EXISTING DRILL SITE  
AND ACCESS ROAD  
SMITH-MOHAWK UNIT RE#1**

OGDEN RESOURCES, LTD  
CRAWFORD BURNETT SURVEY, A-7  
COLLEGE STATION, BRAZOS COUNTY, TEXAS  
SCALE: 1"=300' DECEMBER, 2007

PREPARED BY:  
KLING ENGINEERING & SURVEYING  
4101 TEXAS AV. + P.O. BOX 4234 + BRYAN, TEXAS + PH. 979/846-6212

RESOLUTION NO. \_\_\_\_\_

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COLLEGE STATION, TEXAS, GRANTING AN OIL AND GAS URBAN PERMIT FOR THE SMITH-MOHAWK UNIT, WELL NO. 1RE NEAR FM 2818 AND JONES-BUTLER ROAD LOCATED WITHIN THE CITY; AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, the City Council of the City of College Station, Texas, has reviewed an application for an Oil & Gas Urban Permit ("Permit") submitted by Ogden Resources, Ltd. for the Smith-Mohawk Unit, Well No. 1RE; and

WHEREAS, Council has reviewed the Project Review Committee report and other related information relating to the afore-described proposed urban gas well located near Harvey Mitchell Parkway (FM 2818) and Jones-Butler Road located within the City of College Station (the "City"); and

WHEREAS, pursuant to Chapter 4, Section 13.J Council is required to make certain findings and determinations in granting a permit for an oil and gas operation located within the City; and

WHEREAS, the City Council of the City of College Station, Texas, now desires to make such determinations and to grant such permit; now, therefore,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF COLLEGE STATION, TEXAS:

PART 1: That the City Council hereby acknowledges receipt of an application, Project Review Committee report and other related information relating to an Oil and Gas Urban Permit to Ogden Resources, Ltd. for the Smith-Mohawk Unit, Well No. 1RE located near the intersection of Harvey Mitchell Parkway (FM 2818) and Jones-Butler Road. A copy of such paperwork and the exact location of said proposed well are attached hereto as exhibits "A" and "B", respectively.

PART 2: That the City Council hereby makes the following determinations with respect to said proposed Permit:

1. That the following amount and type of security instrument has been issued: an irrevocable letter of credit in the amount of twenty-five thousand dollars and no cents (\$25,000) and as attached hereto as exhibit "C."

2. That the operations proposed under the Permit are reasonable under the circumstances and conditions prevailing in the area;

3. That the operations proposed under the Permit are consistent with the health, safety, and welfare of the public when and if conducted in accordance with the permit conditions to be imposed; and

4. That the impact upon adjacent property and the general public of operations conducted in compliance with the Permit conditions are reasonable and justified, balancing the following factors:

- (1) The right of the owner(s) of the mineral estate to explore, develop, and produce the minerals.
- (2) The availability of alternate drill sites, both presently and at other times during the lease term.
- (3) The date of acquisition by the various owners of the surface and mineral estates.

PART 3: That based upon the above the City Council hereby grants said Permit and authorizes the City Manager or his designee to take any and all reasonable action to issue same.

PART 4: That this resolution shall take effect immediately from and after its passage.

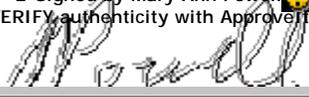
ADOPTED this \_\_\_\_\_ day of \_\_\_\_\_, A.D. 2008.

ATTEST:

APPROVED:

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

\_\_\_\_\_  
MAYOR

E-Signed by Mary Ann Powell  
VERIFY authenticity with ApproveIT  


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

# Application for Permit

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**TO CONDUCT OPERATIONS FOR THE DISCOVERY AND PRODUCTION  
OF OIL, GAS, AND ASSOCIATED HYDROCARBONS  
WITHIN THE CITY OF COLLEGE STATION, TEXAS**

**OGDEN RESOURCES, LTD.  
SMITH-MOHAWK UNIT, WELL #1 RE-ENTRY  
BRAZOS COUNTY, TEXAS**

**1. APPLICANT'S NAME AND ADDRESS**

Stephen E. Ogden, President  
Ogden Resources, Ltd.  
3740 Copperfield Drive, Suite 103  
Bryan, Texas 77802-5933  
979/776-2704

**2. NAME AND ADDRESS OF DRILLING COMPANY**

Nabors Drilling USA, LP  
515 West Greens Road, Suite 1000  
Houston, Texas 77067

**3. NAME AND ADDRESS OF OPERATOR**

Ogden Resources, Ltd.  
3740 Copperfield Drive, Suite 103  
Bryan, Texas 77802-5933

**4. PROPOSED NAME OF WELL**

Smith-Mohawk Unit, Well #1 Re-Entry

**5. PROPOSED DEPTH OF WELL**

Ogden Resources Ltd. intends to re-enter the Smith-Mohawk Unit, Well #1 and drill a 3500' (ST#02) updip lateral and a 3000' (ST#03) downdip lateral in the Lower Austin Chalk formation. The approximate depth of ST#02 is 9400'± (TVD) and 12,900'± (MD). The approximate depth of ST#03 is 9600'± (TVD) and 12,600'± (MD).

**6. LOCATION AND DESCRIPTION OF ALL IMPROVEMENTS AND STRUCTURES WITHIN ONE THOUSAND (1000) FEET OF THE WELL**

Please refer to attached Exhibit A

**7. SITE PLAN OF PROPOSED OPERATION, SHOWING LOCATION OF ALL IMPROVEMENTS AND EQUIPMENT**

Please refer to attached Exhibit B

07-327  
12-12-07  
12:30  
AC

## Application for Permit

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- 8. AREA MAP SHOWING PROPOSED TRANSPORTATION ROUTE AND ROADS FOR EQUIPMENT, CHEMICALS, OR WASTE PRODUCTS USED OR PRODUCED BY THE OIL OR GAS OPERATION, AND ALL NATURAL FEATURES OF THE SITE**

Please refer to attached Exhibit C

- 9. DESCRIPTION OF TYPE, KIND, SIZE, AND AMOUNT OF MAJOR EQUIPMENT USED BEFORE COMPLETION AND RE-WORKING**

Please refer to attached Exhibit D

- 10. DESCRIPTION OF SURFACE EQUIPMENT AFTER DRILLING AND COMPLETION**

Please refer to attached Exhibit A

- 11. WELL SURFACE CASING AND CEMENTING PROGRAM**

Please refer to attached Exhibit E

- 12. COPIES OF RAILROAD COMMISSION FORMS AND DRILLING PERMIT**

Please refer to attached Exhibit F

- 13. SECURITY INSTRUMENT CONSISTING OF AN IRREVOCABLE LETTER OF CREDIT, INDEMNITY BOND, OR CERTIFICATE OF DEPOSIT, AS REQUIRED BY THIS ORDINANCE AND IN THE AMOUNT DETERMINED BY THE CITY COUNCIL WITHIN 30 DAYS AFTER COUNCIL APPROVAL**

Ogden Resources Ltd. commits to provide the required security instrument in the amount determined by the City Council within 30 days after Council approval of this permit application.

- 14. NAME OF REPRESENTATIVE WITH SUPERVISORY AUTHORITY OVER ALL OIL OR GAS OPERATION SITE ACTIVITIES AND PHONE NUMBER WHEN HE CAN BE REACHED TWENTY-FOUR (24) HOURS A DAY**

Mike Crocker 979/224-1771 or

Steve Ogden 979/218-1685

- 15. LEGAL DESCRIPTION OF THE PROPERTY TO BE USED FOR THE OIL OR GAS OPERATION, THE PARCEL, AND THE PRODUCTION UNIT (PLAT DESCRIPTION OR METES AND BOUND BEARINGS) AND NAME OF THE GEOLOGIC FORMATION AS USED BY THE RAILROAD COMMISSION. PROPERTY RECORDED BY PLAT SHOULD REFERENCE SUBDIVISION, BLOCK AND LOT NUMBERS.**

Legal description of property: 919.29 acres out of the Crawford Burnett Survey, A-7, T. Henry Survey, A-131, and W.H. Frazier Survey, A-122, Brazos County, Texas (Please refer to attached Exhibit A for additional information.)

Geologic formation: Giddings (Austin Chalk) - 3

## Application for Permit

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**16. MINERAL LESSEE NAME AND ADDRESS**

Please refer to attached Exhibit G

**17. SURFACE OWNER NAME AND ADDRESS**

Mr. Bruce Smith  
TLS Properties, Ltd.  
Post Office Box 19572  
Houston, Texas 77224

**18. NAME AND ADDRESS OF AN INDIVIDUAL REPRESENTING THE OWNER/APPLICANT DESIGNATED TO RECEIVE NOTICE**

Stephen E. Ogden, President  
Ogden Resources, Ltd.  
3740 Copperfield Drive, Suite 103  
Bryan, Texas 77802-5933  
979/776-2704

**19. EVIDENCE OF INSURANCE INFORMATION AS REQUIRED BY ORDINANCE No. 1916:**

- (a) Commercial General Liability \$500,000
- (b) Automobile Liability \$500,000
- (c) Workers' Compensation \$100,000

Please refer to attached Exhibit H

**20. SURVEY OF PRODUCTION UNIT AT A SCALE OF 1 per 300 OR GREATER BY A TEXAS CERTIFIED SURVEYOR INCLUDING:**

- (a) Lengths and bearings of all boundary lines for production
- (b) Exact acreage of the production unit
- (c) Exact location of the well within production unit with distances of a minimum of two adjacent boundary line of the production unit
- (d) Length of maximum diagonal within the production unit.

Please refer to attached Exhibit I

**21. OWNER AND ADDRESS OF EACH PARCEL OF PROPERTY WITHIN ONE THOUSAND (1000) FEET OF THE PROPOSED DRILL SITE**

Please refer to attached Exhibit J

**22. COPIES OF ALL REPORTS REQUIRED BY THE DEPARTMENT OF WATER RESOURCES AND COMMISSION**

Please refer to attached Exhibit K

# Application for Permit

## 23. STATEMENT UNDER OATH SIGNED BY APPLICANT THAT THE INFORMATION SUBMITTED IN THE APPLICATION IS TRUE AND CORRECT

"I, Stephen E. Ogden, President of Ogden Resources, Ltd., do hereby affirm that the information submitted in and attached to the Application for Permit to Conduct Operations for the Discovery and Production of Oil, Gas, and Associated Hydrocarbons within the City of College Station, Texas for the Smith-Mohawk Unit, Well #1 Re-Entry is true and correct."

December 7, 2007

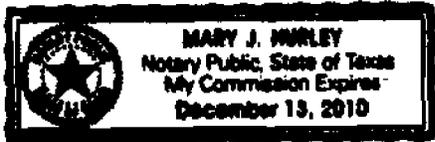
  
Stephen E. Ogden

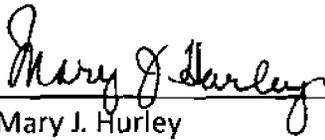
STATE OF TEXAS §

COUNTY OF BRAZOS §

Sworn to and subscribed before me this 7th day of December, 2007 by the above named **Stephen E. Ogden**, who is personally known to me.

Given under my hand and seal this day and year last written above.



  
Mary J. Hurley  
Notary Public in and for the State of Texas

## 24. INFORMATION FOR SEISMIC PERMITS

Not applicable.

## List of Exhibits

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### OGDEN RESOURCES, LTD. SMITH-MOHAWK UNIT, WELL #1 RE-ENTRY

- A. Response to Item 6: Location and description of all current improvements and structures within one thousand (1000) feet of the well (Site Plan of Existing Drill Rig Site)
- B. Response to Item 7: Site Plan of proposed operation, showing location of all improvements and equipment (Drilling Rig Layout)
- C. Response to Item 8: Area Map showing proposed transportation route and roads for equipment, chemicals, or waste products ... and all natural features of the site (Vicinity and Access Map)
- D. Response to Item 9: Description of type, kind, size, and amount of major equipment used before completion and re-working. (Equipment Inventory)
- E. Response to Item 11: Well surface casing and cementing program (Well Diagram)
- F. Response to Item 12: Railroad Commission Forms
- G. Response to Item 16: Mineral Lessees' Names and Addresses
- H. Response to Item 19: Certificate of Insurance
- I. Response to Item 20: Survey of Production Unit at a Scale of 1 per 300 or greater
- J. Response to Item 21: Property Owners within 1000 feet
- K. Response to Item 22: Copies of all reports required by the Department of Water Resources and Commission (Texas Commission on Environmental Quality)



Federal Aviation Administration  
Air Traffic Airspace Branch, ASW-520  
2601 Meacham Blvd.  
Fort Worth, TX 76137-0520

Aeronautical Study No.  
2007-ASW-11463-OE

Issued Date: 12/19/2007

STEPHEN E OGDEN  
OGDEN RESOURCES LTD  
3740 COPPERFILED DRIVE  
SUITE 103  
BRYAN, TX 77802-5933

**\*\* DETERMINATION OF NO HAZARD TO AIR NAVIGATION \*\***

The Federal Aviation Administration has conducted an aeronautical study under the provisions of 49 U.S.C., Section 44718 and if applicable Title 14 of the Code of Federal Regulations, part 77, concerning:

|            |   |
|------------|---|
| Structure: | Drilling Rig Smith-Mohawk #1  |
| Location:  | COLLEGE STATION, TX   |
| Latitude:  | 30-35-08.43N NAD 83   |
| Longitude: | 96-20-03.75W  |
| Heights:   | 130 feet above ground level (AGL)<br>459 feet above mean sea level (AMSL) |

This aeronautical study revealed that the structure does not exceed obstruction standards and would not be a hazard to air navigation provided the following condition(s), if any, is(are) met:

As a condition to this Determination, the structure is marked and/or lighted in accordance with FAA Advisory circular 70/7460-1 K Change 2, Obstruction Marking and Lighting, flags/red lights - Chapters 3(Marked),4,5(Red),&12.

See attachment for additional condition(s) or information.

This determination expires on 06/19/2009 unless:

- (a) extended, revised or terminated by the issuing office.
- (b) the construction is subject to the licensing authority of the Federal Communications Commission (FCC) and an application for a construction permit has been filed, as required by the FCC, within 6 months of the date of this determination. In such case, the determination expires on the date prescribed by the FCC for completion of construction, or the date the FCC denies the application.

**NOTE: REQUEST FOR EXTENSION OF THE EFFECTIVE PERIOD OF THIS DETERMINATION MUST BE POSTMARKED OR DELIVERED TO THIS OFFICE AT LEAST 15 DAYS PRIOR TO THE EXPIRATION DATE.**

This determination is based, in part, on the foregoing description which includes specific coordinates, heights, frequency(ies) and power. Any changes in coordinates, heights, and frequencies or use of greater power will

void this determination. Any future construction or alteration, including increase to heights, power, or the addition of other transmitters, requires separate notice to the FAA.

This determination does include temporary construction equipment such as cranes, derricks, etc., which may be used during actual construction of the structure. However, this equipment shall not exceed the overall heights as indicated above. Equipment which has a height greater than the studied structure requires separate notice to the FAA.

This determination concerns the effect of this structure on the safe and efficient use of navigable airspace by aircraft and does not relieve the sponsor of compliance responsibilities relating to any law, ordinance, or regulation of any Federal, State, or local government body.

A copy of this determination will be forwarded to the Federal Communications Commission if the structure is subject to their licensing authority.

If we can be of further assistance, please contact our office at (817) 838-1994. On any future correspondence concerning this matter, please refer to Aeronautical Study Number 2007-ASW-11463-OE.

**Signature Control No: 551553-101066453**

(DNE)

Linda Steele  
Technician

Attachment(s)  
Additional Information

**Additional information for ASN 2007-ASW-11463-OE**

Temporary drilling rigs shall be obstruction flagged AND lighted in accordance with FAA Advisory Circular 70/7460-1K, Obstruction Marking and Lighting. A copy of this advisory can be obtained at the web site: [oeaaa.faa.gov](http://oeaaa.faa.gov).

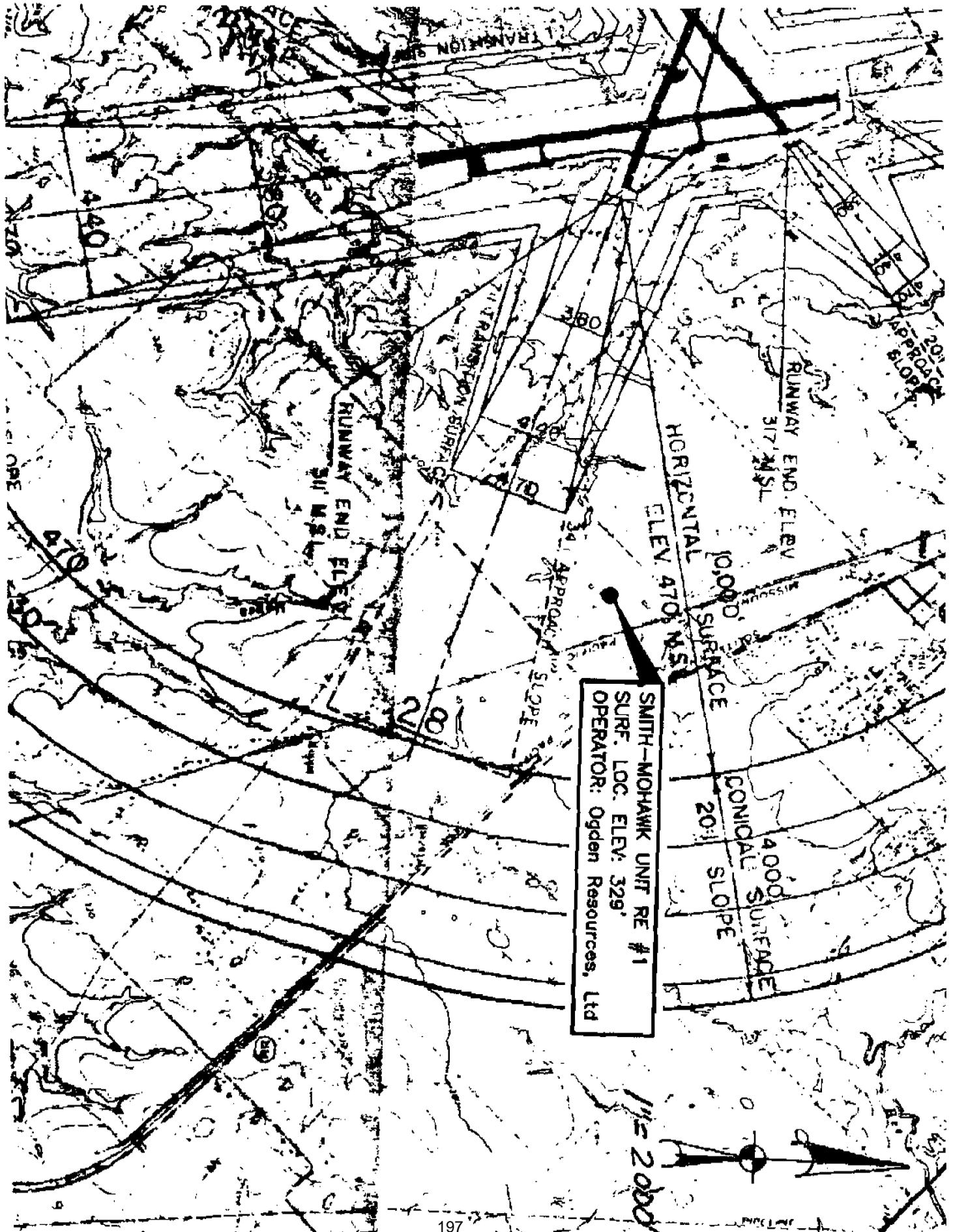
Notify the Easterwood Field Airport Manager, or his representative, prior to raising the temporary drilling rig and when the project is complete and the temporary drilling rig has been removed from the site.

This determination shall be valid for a period of 18 months. While the determination is valid, it is permissible to return the temporary drilling rig to the site without submitting a new FAA Form 7460-1, Notice of Proposed Construction or Alteration, provided there are no variances from location or height. **IF THERE ARE ANY CHANGES IN LOCATION OR HEIGHT, A NEW FAA FORM 7460-1, NOTICE OF PROPOSED CONSTRUCTION OR ALTERATION, MUST BE SUBMITTED.**



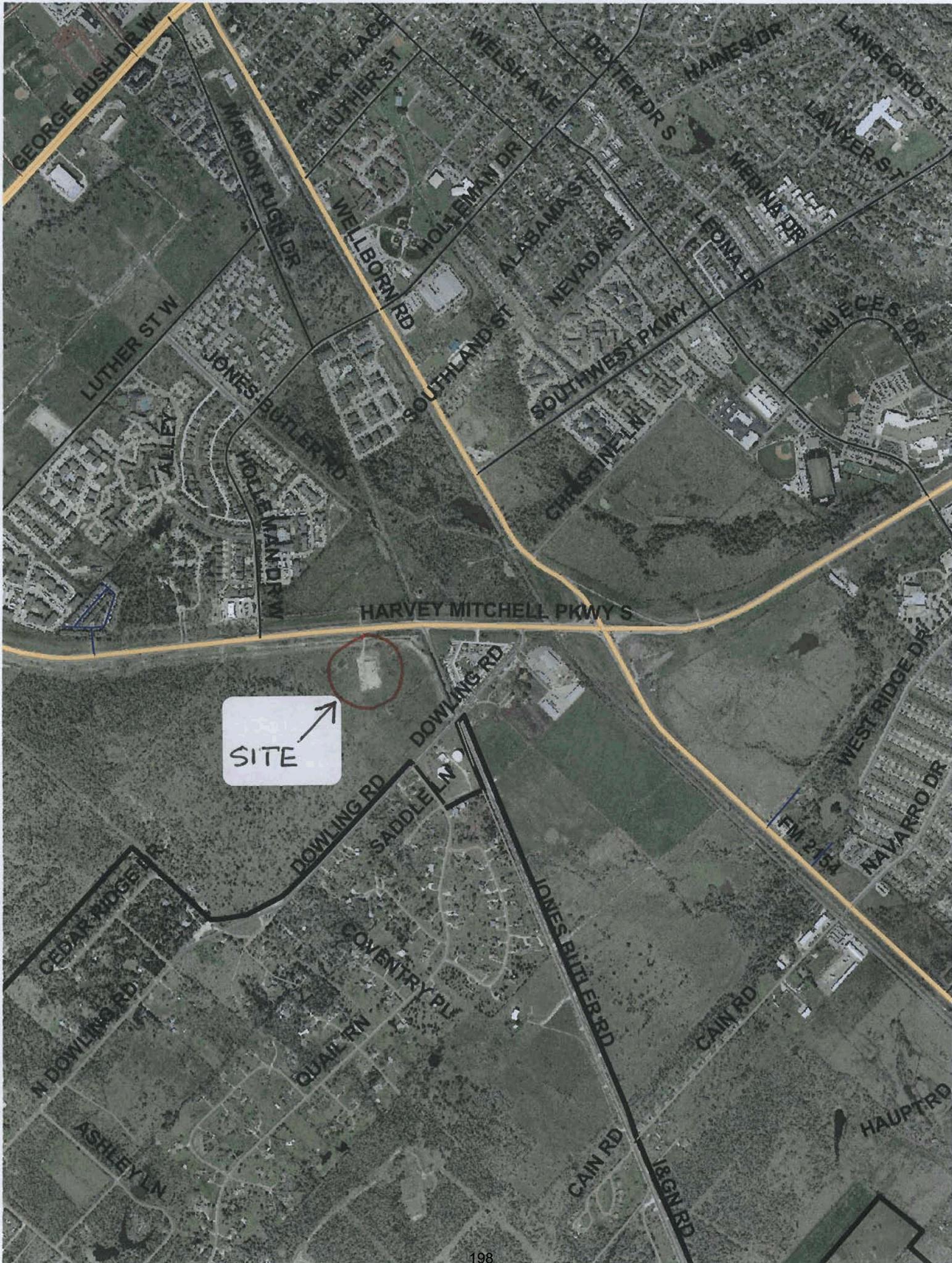


ENGINEERING & SURVEYING  
BRYAN, TEXAS



SMITH-MOHAWK UNIT RE #1  
 SURF. LOC. ELEV: 329'  
 OPERATOR: Ogden Resources, Ltd

1:2000



SITE

**OIL & GAS OPERATIONS PERMIT APPLICATION**  
**CITY ENGINEER'S REPORT TO PLAN REVIEW COMMITTEE (PRC)**

**DATE:** 1/09/08

**CASE FILE NO.** 07-327

**WELL NAME:** Smith-Mohawk Unit, Well No. 1RE

**APPLICANT:** Ogden Resources, Ltd., Bryan, Texas

**DRILLING COMPANY:** Nabors Drilling USA, LP, Houston, Texas

**TYPE:** Rural Classification, 2 each Vertical/Horizontal Wells

**LOCATION:** Surface - The southwest corner of FM 2818 and Jones-Butler Road

**DEPTH:** ST#02 9,400 feet Total Vertical Depth and 12,900 feet Measured Depth  
 ST#03 9,600 feet Total Vertical Depth and 12,600 feet Measured Depth

**ACCESS:** From Harvey Mitchell Parkway South, on an existing access road.

| <b>REQUIRED PERMITS SUBMITTED:</b>   | <b>YES</b> | <b>NO</b> | <b>NOT REQUIRED</b> |
|--------------------------------------|------------|-----------|---------------------|
| Texas Railroad Commission            | <b>X</b>   |           |                     |
| Texas Water Commission               | <b>X</b>   |           |                     |
| Federal Aviation Agency              | <b>X</b>   |           |                     |
| Airport Zoning Board Height Variance |            |           | <b>X</b>            |
| Drainage Development Permit          |            |           | <b>X</b>            |
| Driveway Access Permit               |            |           | <b>X</b>            |
| Insurance Certificates               | <b>X</b>   |           |                     |

**RECOMMEND SECURITY FOR COMPLIANCE WITH PERMIT TERMS AND ORDINANCE:**

A minimum of \$25,000 is required for security by the ordinance.

**GROUND WATER PROTECTION:**

Existing casing will be used. Surface casing was set and cemented to 2330' according to Cementing program submitted with the approved 1996 application. Water zones are protected.

| <b>FEES PAID:</b>    | <b>YES</b> | <b>NO</b> | <b>NOT REQUIRED</b> | <b>REPORT COMPLETED</b> |
|----------------------|------------|-----------|---------------------|-------------------------|
| Application Fee      | <b>X</b>   |           |                     |                         |
| Legal Consultant     |            |           | <b>X</b>            |                         |
| Technical Consultant |            |           | <b>X</b>            |                         |

**ESTIMATE OF CONSULTANT FEES:**

|                      |       |
|----------------------|-------|
| Legal                | none  |
| Technical Consultant | none  |
| Total                | \$000 |

**OTHER CONSIDERATIONS:**

There is an existing well on the drilling site. The original well is a rural classification well and was permitted in 1996. The applicant is proposing to re-enter the existing well bore, or hole, and drill two additional wells. Drilling will consist of one (1) well parallel to the original well and one (1) well in the opposite direction of the original well. Development around the site has changed the well classification from rural to urban.

**SCHEDULE FOR COUNCIL ACTION:**

City Council Regular Meeting: Publish according to Rural Classification schedule for Public Hearing and Council Action January 24, 2008.

**RURAL  
OIL AND GAS PERMIT  
ISSUED BY THE CITY OF COLLEGE STATION, TEXAS**

**PERMITTEE:** Ogden Resources, Ltd.  
3740 Copperfield Drive, Suite 103  
Bryan, Texas 77802-5933

**EXPIRATION DATE:** January 25, 2009

**WELL NAME:** Smith-Mohawk Unit, Well No. 1RE

**PERMIT NO:** 07-327

**REGULATION:** The City Council of the City of College Station has determined that the testing and exploration for and development, production and storage of oil, gas, and mineral hydrocarbons (including enhanced or secondary recovery thereof) within the City limits is an activity which necessitates reasonable regulations in order that such activities will not cause injury or property damage to the citizens of the City, and that such activities should conform to the comprehensive plan and zoning ordinances of the City as far as practicable in order to preserve the integrity of said ordinances and regulations. The City recognizes that conflicting property rights exist in the carrying out of such activities, and further recognizes the rights of all property owners, minerals and otherwise, to the peaceable enjoyment of their property and the benefits and revenues therefrom.

**UNLAWFUL:** It shall be unlawful to engage in any activity not permitted by the terms of this permit and the applicable laws, or to fail to comply with any condition set forth in this permit.

**PERMIT TERMS:** This permit is issued in accordance with Ordinance No. 1916, Chapter 4 Section 13 of the Code of Ordinances of the City of College Station, Texas, and with applicable ordinances, rules, regulations and laws of the City of College Station, the State of Texas and of the United States of America and their respective agencies, commissions and regulatory bodies.

*Ogden Resources, Ltd.* is hereby issued this Oil and Gas Permit, having posted a Security Instrument in the amount of Twenty-Five Thousand and No/100 Dollars (\$25,000.00), in the form of irrevocable letter of credit or indemnity bond, or certificate of deposit as set forth in Ordinance No. 1916, and required by action of the City Council.

Additional terms and conditions of the granting, issuance and continued effectiveness of this Oil and Gas Permit: *None*

## **I. ADMINISTRATION:**

1. Permittee shall comply with Permittee's Application for Permit to conduct operations for the Discovery and Production of Oil, Gas and Associated Hydrocarbons within the City of College Station, Texas except as modified by this permit.
2. Permittee shall assume responsibility for, and promptly pay to the City of College Station, the cost of any inspection performed by the City of College Station or its representative during the term of this Oil and Gas Permit.
3. Permittee shall comply will all applicable Ordinances, Rules, Regulations and Laws of the City of College Station, the State of Texas, and of the United States of America and their respective agencies, commissions, and regulatory bodies.

## **II. ACCESS**

1. Access to the Drill Site shall be via *existing access road off FM 2818* is acceptable. Any future required or requested modifications should be submitted for City review and permitting.
2. The access road must have at a minimum, an asphalt surface from the street to the right-of-way line that conforms to the minimum pavement design as described in the College Station Standard Specifications for Street Construction.

## **III. WATER PROTECTION:**

1. Before commencement of any earth work related to oil and gas operations, a Development Permit shall be obtained by Permittee from the City Engineer.
2. Surface casing shall be set and cemented to a depth of not less than 2,100 feet to protect fresh water.

## **IV. SCREENING AND FENCING:**

1. The site shall be screened on all four (4) sides of the production facility with a minimum of a six (6) foot solid screen fence with neutral colors as noted in the ordinance. The screen shall be constructed of a material compatible with surrounding uses which effectively screens the site. It shall have a gate which shall be kept closed and locked except while occupied by Permittee, Permittee's personnel, Permittee's agents/representatives, City Engineer/designate or the Fire Department.
2. Landscape shall be provided per the Ordinance where a landscape plan shall first be submitted to the City for approval prior to installation.

## **V. DRILLING OPERATIONS:**

1. Permittee shall confine light and noise associated with exploration and production activities to the site to the maximum extent possible. Permittee shall employ a drilling rig equipped with hospital type mufflers. Permittee shall employ properly muffled, water-cooled or electric motors for compressors during production.
2. Permittee shall comply with all Ordinances and Railroad Commission requirements pertaining to flaring gas. In no event shall the flaring of gas exceed ninety (90) calendar days after completion of the well. Further, Permittee shall install prior to entry into the target zone, a sufficient separating device or system(s) (at least two in series) to ensure that gas, oil, other fluids and solids are separated to a sufficient degree that the in the event the flaring of gas is necessary in connection with the safe drilling and completion of the well (subject to the limitation set forth herein), such flare shall, to the maximum extent possible, be clean burning and emit neither noxious smoke nor odors. Permittee shall equip flare lines with smokeless flare ignition system. The flare shall be directed away from existing trees to the maximum extent possible.
3. At the conclusion of the drilling operation all equipment, materials and constructed items shall be removed from the area outside the production site. This area shall be returned to its original state within thirty (30) days of the completion of the drilling operation.
4. All earth pits proposed to hold liquids shall be lined with an impermeable membrane or liner. Upon the completion of drilling operations all cuttings, pit contents and fluids shall be removed from the pits and Drill Site. The liner shall be removed to the maximum extent practicable and the pits shall be filled and leveled. Burning of sludge pits shall not be permitted.
5. Production and storage tanks shall be contained within earthen berms constructed in accordance with applicable oil field practice. Berms shall be constructed and maintained to retain not less than 133% of the capacity of the largest of such tanks.
6. Permittee shall paint tanks, vessels and prime movers a neutral color, or such other color scheme as may be approved by the City Planner.

## **VI. EMERGENCY SERVICES:**

1. Permittee shall erect and maintain signs which identify the well by name, the operator, his address and a 24 hr emergency contact telephone number at the well site and at the intersection of the well site access road with the public street.
2. The College Station Fire Department will provide emergency response and limited fire fighting services.



**January 24, 2008  
Regular Agenda Item 9  
Atmos Rate Settlement**

**To:** Glenn Brown, City Manager

**From:** Hayden Migl, Assistant to the City Manager

**Agenda Caption:** Presentation, public hearing, possible action, and discussion regarding an ordinance approving the Settlement Agreement between ACSC and Atmos regarding the Company's Statement of Intent to increase rates and to approve tariffs that implement the terms of the Settlement Agreement.

**Recommendation(s):** Staff recommends approval of the ordinance.

**Summary:** College Station, along with 150 other cities served by Atmos Energy Mid-Tex Division ("Atmos" or "Company"), is a member of the Atmos Cities Steering Committee ("ACSC"). Since October, ACSC members have worked diligently with Atmos representatives to explore options to address Atmos' latest request to increase rates by \$52 million and to resolve other outstanding issues. The ordinance and tariffs (Attachment B to the Ordinance) reflect the agreement reached between ACSC and Atmos Mid-Tex to reduce Atmos' requested increase by more than 80 percent and ensure that the Company is able to provide safe and reliable natural gas service.

The Settlement Agreement (Attachment A to the Ordinance) also provides rate certainty for customers by resolving outstanding appeals, creates a new process for expedited rate review by the cities, eliminates piecemeal ratemaking, reimburses ACSC for rate case expenses associated with the GRIP surcharge cases, resolves all outstanding issues between ACSC and Atmos, including six appeals currently pending in Texas courts, and avoids the necessity of costly litigation. The ACSC Executive Committee recommends that ACSC members approve the Settlement Agreement.

**Budget & Financial Summary:** Approval of the Ordinance will result in a \$10 million increase in Atmos' revenues with the costs being distributed across all of its customers. This is an 80 percent reduction of the \$52 million increase requested by Atmos in its Statement of Intent. Cities, by statute, are entitled to recover their reasonable rate case expenses from the utility. The Settlement Agreement provides for reimbursement to ACSC of rate case expenses associated with the GRIP surcharge cases, and avoids the necessity of costly litigation.

**Attachments:**

1. Ordinance
2. Settlement Agreement "Attachment A"
3. Tariffs "Attachment B"
4. Model Staff Report
5. Explanation of Key Provisions of the Settlement Agreement
6. Memorandum from Rate Case Consultants Lloyd Gosselink Attorneys at Law
7. List of ACSC Cities
8. Comparison of Customer Impacts

ORDINANCE NO. \_\_\_\_\_

**AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF COLLEGE STATION, TEXAS, ("CITY") APPROVING A SETTLEMENT AGREEMENT BETWEEN THE ATMOS CITIES STEERING COMMITTEE AND ATMOS ENERGY CORP., MID-TEX DIVISION ("ATMOS MID-TEX" OR "THE COMPANY") REGARDING THE COMPANY'S STATEMENT OF INTENT TO CHANGE GAS RATES IN ALL CITIES EXERCISING ORIGINAL JURISDICTION; DECLARING EXISTING RATES TO BE UNREASONABLE; ADOPTING TARIFFS THAT REFLECT RATE ADJUSTMENTS CONSISTENT WITH THE SETTLEMENT AGREEMENT AND FINDING THE RATES TO BE SET BY THE ATTACHED TARIFFS TO BE JUST AND REASONABLE; 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 LEGAL COUNSEL.**

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

WHEREAS, on or about September 20, 2007, Atmos Mid-Tex, pursuant to Gas Utility Regulatory Act § 104.102 filed with the City a Statement of Intent to increase system-wide gas rates by approximately \$52 million, such increase to be effective in all municipalities exercising original jurisdiction within its Mid-Tex Division service area effective on October 25, 2007; and

WHEREAS, the City took action to suspend the October 25, 2007 Effective Date and to coordinate a response to Atmos' filing with more than 150 other similarly situated municipalities through the Atmos Cities Steering Committee ("ACSC") (such participating cities are referred to herein as "ACSC Cities"); and

WHEREAS, Atmos has agreed to extend the October 25, 2007, Effective Date such that the City's jurisdiction over this matter ends March 1, 2008; and

WHEREAS, the Railroad Commission of Texas ("RRC" or the "Commission") in GUD No. 9670, issued an Order approving new system-wide rates for customers of Atmos Energy's Mid-Tex Division in March 2007, which increased residential base rates by approximately \$10 million annually; and

WHEREAS, ACSC and Atmos have each appealed the RRC's decision in Atmos' most recent system-wide rate increase as well as the decision rendered in GUD No. 9400 to the Travis County District Court; and

WHEREAS, Atmos and ACSC have been in continuing disagreement, dispute, and litigation over the application of Section 104.301 of the Texas Utilities Code and the resulting rate increases ("GRIP surcharges") established by the RRC; and

WHEREAS, Atmos filed its application for its fourth GRIP surcharge in four years on May 31, 2007, seeking to increase the rates of all customers by approximately \$12 million annually; and

WHEREAS, the ACSC Cities desire to avoid the litigation expense that would result from another lengthy contested rate case proceeding before the RRC as well as the prosecution of the appeals in various courts of the GRIP surcharges and the two previous system-wide rate decisions; and

WHEREAS, ACSC desires to recoup certain costs it previously incurred in connection with GRIP-related proceedings (costs which Atmos contends are not reimbursable rate case expenses under the Texas Utilities Code), as well as costs incurred in connection with this proceeding; and

WHEREAS, on October 18, 2007, more than 60 ACSC members met in Arlington with officers and executives of Atmos to discuss various issues, including rate making, resulting in a mutual pledge to work toward settlement; and

WHEREAS, ACSC members designated a Settlement Committee made up of ACSC representatives to work with ACSC attorneys and consultants to formulate and review reasonable settlement positions to resolve outstanding matters with Atmos, including the pending rate increase request; and

WHEREAS, the Settlement Committee and lawyers representing ACSC met several times with the Company to negotiate a Settlement Agreement resolving the issues raised in the Company's Statement of Intent filing as well as all outstanding appeals of the two prior rate cases and various GRIP filings; and

WHEREAS, the Settlement Committee, as well as ACSC lawyers and consultants believe existing rates are unreasonable and should be changed; and

WHEREAS, the ACSC Executive Committee recommends ACSC members approve the negotiated Settlement Agreement and attached tariffs; and

WHEREAS, the attached tariffs provide for an expedited rate review process as a substitute to the current GRIP process instituted by the Legislature; and

WHEREAS, the expedited rate review process as provided by the Rate Review Mechanism Tariff eliminates piecemeal ratemaking, the ACSC's major objection to the current GRIP process; and

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

WHEREAS, it is the intention of the parties that ACSC Cities receive the benefit of any Settlement Agreement that Atmos enters into with other entities arising out of its Statement of Intent or any associated appeals of a decision entered by the Railroad Commission regarding the Company's request to increase rates; and

WHEREAS, the Settlement Agreement as a whole is in the public interest; now, therefore.

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF COLLEGE STATION, TEXAS:

- PART 1. That the findings set forth in this Ordinance are hereby in all things approved.
- PART 2. That the City Council finds that the Settlement Agreement, **which is attached hereto and incorporated herein as Attachment A**, is in the public interest and is hereby endorsed in all respects.
- PART 3. That existing rates for natural gas service provided by Atmos Mid-Tex are unreasonable and new tariffs, **which are attached hereto and incorporated herein as Attachment B**, are just and reasonable and are hereby adopted.
- PART 4. That to the extent any resolution or ordinance previously adopted by the Council is inconsistent with this Ordinance, it is hereby repealed.
- PART 5. 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.
- PART 6. 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.
- PART 7. That if ACSC Cities determine any rates, revenues, terms and conditions, or benefits resulting from a Final Order or subsequent Settlement Agreement approved in any proceeding addressing the issues raised in Atmos' Statement of Intent would be more beneficial to the ACSC Cities than the terms of the attached Settlement Agreement, then the more favorable rates, revenues, terms and conditions, or benefits shall additionally accrue to the ACSC Cities. However, approval of the attached Rider RRM, Rider CEE, Rider GCR and the Rider WNA shall not be affected by the application of the provisions contained in this section, it being the understanding and the intent of the parties hereto that such tariffs shall continue according to their terms.

PART 8. That this Ordinance shall become effective from and after its passage with rates authorized by attached Tariffs to be effective for customer bills delivered on or after March 1, 2008.

PART 9. That a copy of this Ordinance shall be sent to Atmos Mid-Tex, care of Joe T. Christian, Director of Rates, at Atmos Energy Corporation, 5420 LBJ Freeway, Suite 1800, Dallas, Texas 75240, and to Geoffrey Gay, General Counsel to ACSC, at Lloyd Gosselink Blevins Rochelle & Townsend, P.C., P.O. Box 1725, Austin, Texas 78767-1725.

PASSED AND APPROVED this \_\_\_\_\_ day of \_\_\_\_\_, 2008.

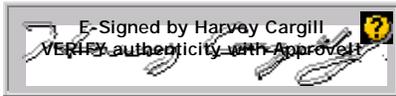
APPROVED:

\_\_\_\_\_  
Mayor

ATTEST;

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

APPROVED



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

ORDINANCE NO. \_\_\_\_\_

Page 5

ATTACHMENT A

ORDINANCE NO. \_\_\_\_\_

Page 6

ATTACHMENT B

## ATTACHMENT A

### STATEMENT OF INTENT FILED BY ATMOS ENERGY, CORP., MID-TEX DIVISION ON SEPTEMBER 20, 2007

#### SETTLEMENT AGREEMENT

This Settlement Agreement is entered into by and between Atmos Energy Corp. (“Atmos” or “the Company”) and the Atmos Cities Steering Committee (“ACSC”), whose members include the Cities of Abilene, Addison, Allen, Alvarado, Angus, Anna, Argyle, Arlington, Bedford, Bellmead, Benbrook, Beverly Hills, 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, Haslet, Heath, 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, Malakoff, Mansfield, McKinney, Melissa, Mesquite, Midlothian, Murphy, Newark, Nocona, North Richland Hills, Northlake, Oak Leaf, Ovilla, Palestine, Pantego, Paris, Parker, Pecan Hill, Plano, Ponder, Pottsboro, Prosper, Putnam, Quitman, Red Oak, Reno (Parker County), Richardson, Richland Hills, Roanoke, Robinson, Rockwall, Roscoe, Rowlett, Sachse, Saginaw, Seagoville, Sherman, Snyder, Southlake, Springtown, Stamford, Stephenville, Sulphur Springs, Sweetwater, Temple, Terrell, The Colony, Throckmorton, Tyler, University Park, Venus, Vernon, Waco, Watauga, Waxahachie, Westlake, Westworth Village, Whitesboro, White Settlement, Wichita Falls, Woodway, and Wylie (collectively “ACSC Cities”).

WHEREAS, the Settlement Agreement resolves all issues relating to the Atmos Energy Corp., Mid-Tex Division Statement of Intent filed with the ACSC Cities on September 20, 2007, in a manner that Atmos and ACSC (“the Signatories”) believe is consistent with the public interest, and the Signatories represent diverse interests;

WHEREAS, the Signatories believe that a fully contested hearing in the case would be time-consuming and entail substantial additional expense for all parties and that the public interest will be served by adoption of an ordinance consistent with the Settlement Agreement;

NOW, THEREFORE, in consideration of the mutual agreements and covenants established herein, the Signatories, through their undersigned representatives, agree to and recommend for approval by the ACSC Cities the following Settlement Terms as a means of fully resolving all issues raised in the September 20, 2007 Statement of Intent filed by Atmos on behalf of its Mid-Tex division:

#### Settlement Terms

1. Atmos and the ACSC Cities agree to the rates, terms and conditions reflected in the tariffs attached to this Settlement Agreement as Exhibit A. Said tariffs should allow Atmos an additional \$10 million in annual revenue by implementation of rates shown in

- the proof of revenues attached as Exhibit B. Atmos and the ACSC Cities further agree that the rates, terms, and conditions reflected in Exhibit A to this Settlement Agreement comply with the rate-setting requirements of Chapter 104 of the Texas Utilities Code. The gas rates, terms and conditions established by this Settlement Agreement shall be effective for bills rendered on or after March 1, 2008.
2. The net plant amounts shown in the attached Exhibit B are reasonable for the plant that is used and useful in providing gas utility service.
  3. Included as part of Exhibit A is a Rate Review Mechanism ("Rider RRM") that 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. Atmos agrees that effective with the implementation of the first RRM rate adjustment, Atmos shall file with the ACSC Cities a revised Rate R-Residential Sales Tariff to reduce the customer charge per bill from \$10.69 per month to \$7.00 per month and to increase the volumetric portion of the rate (shown as \$1.271 in Exhibit A) to the appropriate level to reflect reduction in customer charge from \$10.69 to \$7.00, as well as to reflect any change resulting from the RRM implementation. The first RRM rate adjustment is expected to occur October 1, 2008. Atmos and the ACSC Cities agree that following the initial RRM adjustment any subsequent implementation of RRM adjustments shall be supported as described in the Rider RRM, and shall limit changes to residential and commercial customer charge to no more than 20%. Further, the parties agree that any approved adjustment in excess of the 20% limitation on the residential and commercial customer charge shall be recovered through the volumetric portion of the rate.
  4. With respect to the RRM, Atmos and the ACSC Cities agree that the rate increase limitations set forth in Rider RRM under Calculation of Rate Adjustment, subpart (c) shall not preclude Atmos from recovering any excluded costs during a subsequent Evaluation Period in which the 5% limitation for O&M expenses or net plant investment, respectively, is not reached or in a subsequent Statement of Intent case. To the extent that Atmos seeks to recover any excluded costs during a subsequent Evaluation Period in which the 5% limitation for O&M expenses or net plant investment, respectively, is not reached or in a subsequent Statement of Intent case, Atmos shall identify these costs as a specific line item in the schedule accompanying the RRM rate adjustment filing.
  5. With respect to the RRM, Atmos further 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.
  6. Notwithstanding paragraph 5 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 customer rates whether such reimbursements are made during the initial review period or appeal period.

7. 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, and any such filings pending at the time the RRM is approved will be trued-up for revenue and rate base components prior to implementation of the annual RRM. 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.
8. Atmos and the ACSC Cities commit that during the Initial Implementation Period, as defined in the RRM tariff, Atmos and the ACSC Cities will not devote resources or efforts to advocate statutory changes involving rate stabilization mechanisms or the Gas Reliability Infrastructure Plan that is currently codified under TEX. UTIL. CODE §104.301.
9. Atmos and the ACSC Cities agree that the gas cost portion of uncollectible expense shall be recovered through the Company's Rider GCR rather than through base rates. The change in accounting for the gas cost portion of uncollectible expense (including both the accrual of expense and write-off of accounts) shall become effective with the implementation of the first RRM rate adjustment. The first RRM rate adjustment is expected to occur October 1, 2008. In calculating the rate for the first Rate Effective Period, the Company shall utilize the same methodology as used in the Company's September 20, 2007 Statement of Intent with the only modification being to exclude the effects of the gas cost portion of uncollectible expense from the base rate calculation.
10. Atmos and the ACSC Cities further agree that expense associated with lost and unaccountable gas shall, based on an annual period, be recoverable through the Company's Rider GCR up to a maximum of five (5) percent of the quantity of metered gas, as provided under Commission Rule 7.5525, Lost and Unaccounted for Gas. Such change shall be effective with the complete 12 month reporting period ending June 30, 2008.
11. Included as part of Exhibit A to this Settlement Agreement is a new gas conservation program tariff (Rider CEE) that will be effective October 1, 2008. Atmos and the ACSC Cities agree that Atmos will fund \$1 million of the allowable expenses incurred annually, with a customer rate component providing the remainder \$1 million of funding. All customer-supplied funds will, prior to the commencement of the program, be used toward program implementation efforts and, upon implementation, be applied directly to the gas conservation materials and supplies.

12. Atmos and the ACSC Cities agree that the Company's requested revision of its weather normalization adjustment ("WNA") mechanism is appropriate, as modified by ACSC, and should be approved as set forth in Exhibit A to this Settlement Agreement. Specifically, the revision excludes non-weather sensitive commercial customers and modifies the WNA mechanism to calculate the WNA adjustment based on weather stations at a regional level rather than under the current practice of associating all customers with a single weather location for purposes of determining the WNA adjustment.
13. Atmos and the ACSC Cities agree that the three-year gas cost review process that is currently in effect for the Mid-Tex division should be eliminated. Atmos and the ACSC Cities further agree to collaborate to establish an alternate process wherein the prudence of gas costs recovered through the Rider GCR can be addressed. Until an agreed upon replacement mechanism has been established, the current gas cost review process shall remain in effect, unless changed by order of the Commission.
14. It is the intention of the Signatories that the ACSC Cities receive the benefit of any settlement agreement that Atmos enters into with other entities arising out of GUD No. 9672 (consolidated cases) or any associated appeals of GUD No. 9672. Therefore, Atmos agrees that if the rates, revenues, terms and conditions, or benefits accruing to the settling entity would be more beneficial to the ACSC Cities than the terms of this Settlement Agreement, as determined by the ACSC Cities, such more favorable rates, revenues, terms and conditions, or benefits shall additionally accrue to the ACSC Cities. Similarly, if the Final Order in GUD No. 9672 or orders resulting from any associated appeals are determined by the ACSC Cities to result in rates, revenues, terms and conditions, or benefits that are more beneficial than the terms of this Settlement Agreement, such more favorable terms, revenues, terms and conditions shall additionally accrue to the ACSC Cities. However, the Signatories agree that the approval of the Rider RRM, the Rider WNA, the Rider CEE, and the Rider GCR, as shown in Exhibit A hereto, shall not be affected by the application of the "most favored nations" provisions contained in this paragraph, it being the understanding and the intent of the Signatories hereto that such tariffs shall continue in effectiveness according to their terms. The Signatories further agree that the agreement reflected in paragraph 10 of this Settlement Agreement shall not be affected by the application of the "most favored nations" provisions contained in this paragraph.
15. Atmos agrees to reimburse the ACSC Cities previously incurred rate case expenses within 30 days of the date the last ACSC City ordinance approving this Settlement Agreement is entered, and any additional rate case expenses incurred through the date of the entry of the last ACSC City ordinance, within 30 days of receipt of invoices.
16. Atmos agrees to reimburse the ACSC Cities for expenses associated with all 2003, 2004, 2005, and 2006 GRIP filings and related court appeals up to \$567,213 within 30 days of the date the last ACSC City ordinance approving this Settlement Agreement is entered.
17. Atmos and the ACSC Cities further agree that all expenses reimbursed pursuant to paragraphs 15 and 16 of this Settlement Agreement, as well as all reasonable rate case

expenses directly incurred by Atmos in connection with the September 20, 2007 Statement of Intent filed on behalf of its Mid-Tex Division through February 29, 2008, shall be recoverable through a surcharge to customer rates within the ACSC Cities. With respect to the rate case expenses directly incurred by Atmos, the amount to be recovered through the surcharge to customers within the ACSC Cities shall be determined on a pro rata basis, consistent with the ACSC Cities' percentage of total Mid-Tex residential load (52%). The surcharge shall be recovered over a twelve month period beginning in April of 2008.

18. Within 30 days of the date the last ACSC City ordinance approving this Settlement Agreement is entered, Atmos and the ACSC Cities agree to file a Notice of Non-Suit or Motion to Dismiss, whichever is applicable, in the following proceedings:

Cause No. D-1-GN-06-000337 (Consolidated), *Atmos Cities Steering Committee v. The Railroad Commission of Texas*, In the 345th District Court, Travis County, Texas. This case includes the following cases:

- a. Cause No. D-1-GN-06-000333; *Atmos Cities Steering Committee v. The Railroad Commission of Texas*, In the 345th District Court, Travis County, Texas.
- b. Cause No. D-1-GN-06-000334; *Atmos Cities Steering Committee v. The Railroad Commission of Texas*, In the 345th District Court, Travis County, Texas.
- c. Cause No. D-1-GN-06-000335; *Atmos Cities Steering Committee v. The Railroad Commission of Texas*, In the 345th District Court, Travis County, Texas.
- d. Cause No. D-1-GN-06-000336; *Atmos Cities Steering Committee v. The Railroad Commission of Texas*, In the 345th District Court, Travis County, Texas.
- e. Cause No. D-1-GN-06-000332; *Atmos Cities Steering Committee v. The Railroad Commission of Texas*, In the 345th District Court, Travis County, Texas.
- f. Cause No. D-1-GN-05-002182; *Atmos Cities Steering Committee v. The Railroad Commission of Texas*, In the 345th District Court, Travis County, Texas.
- g. Cause No. D-1-GN-06-004206; *Atmos Cities Steering Committee v. The Railroad Commission of Texas*, In the 345th District Court, Travis County, Texas.

Cause No. D-1-GN-06-001612; *Atmos Cities Steering Committee v. The Railroad Commission of Texas*, In the 345th District Court, Travis County, Texas.

Cause No. D-1-GN-06-001852; *Atmos Cities Steering Committee v. The Railroad Commission of Texas*, In the 345th District Court, Travis County, Texas.

Cause No. D-1-GV-06-000603; *Atmos Cities Steering Committee v. The Railroad Commission of Texas*, In the 345th District Court, Travis County, Texas.

Cause No. D-1-GV-06-000605; *Atmos Cities Steering Committee v. The Railroad Commission of Texas*, In the 345th District Court, Travis County, Texas.

Cause No. D-1-GN-06-004518; *Atmos Cities Steering Committee v. The Railroad Commission of Texas*, In the 345th District Court, Travis County, Texas.

Cause Number: 03-06-00580-CV; *Atmos Energy Corporation, as successor by merger to TXU Gas Company, Allied Coalition of Cities, and City of Dallas v. Railroad Commission of Texas*; In the Third District Court of Appeals at Austin, Texas.

Cause No. D-1-GN-07-002871, *Atmos Cities Steering Committee v. Railroad Commission of Texas*, In the 53rd District Court, Travis County, Texas.

Cause No. D-1-GN-07-002796, *Atmos Energy Corporation v. Railroad Commission of Texas*, In the 250th District Court, Travis County, Texas.

Cause No. GV5-00875; *Allied Coalition of Cities v. The Railroad Commission of Texas*, In the 345th District Court, Travis County, Texas.

19. Atmos and the ACSC Cities agree that Atmos may make all future filings, including, but not limited to, the annual RRM adjustment and any Statement of Intent filing with the ACSC Cities on an electronic basis, rather than by paper copy. Electronic Filings shall fulfill the requirements of TEX. UTIL. CODE §104.103. The appropriate ACSC Cities representative shall provide a list of the ACSC Cities to Atmos by March 1, 2008, and agrees to notify Atmos of any change in the ACSC Cities Coalition within 30 days of the effective date of any such change in order for Atmos to maintain adequate service records. Atmos further agrees to make paper copies of filings available to any ACSC City that requests a copy.
20. Atmos and the ACSC Cities agree that the ACSC Cities should pass ordinances approving the Settlement Agreement and establish rates and services for the ACSC Cities consistent with those set forth in Exhibit A to this Settlement Agreement.
21. 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.
22. 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 the September 20, 2007 Statement of Intent filed by Atmos on behalf of its Mid-Tex Division pursuant to Texas law.
23. 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 order implementing this Settlement Agreement.

24. 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.
25. The Signatories agree that this Settlement Agreement may be executed in multiple counterparts and may be filed with facsimile signatures.

SETTLEMENT AGREEMENT  
STATEMENT OF INTENT FILED BY ATMOS ENERGY, CORP.,  
MID-TEX DIVISION ON SEPTEMBER 20, 2007 WITH THE ACSC COALITION OF CITIES

Agreed to this 9<sup>th</sup> day of January, 2008.

ATMOS ENERGY CORP., MID-TEX DIVISION

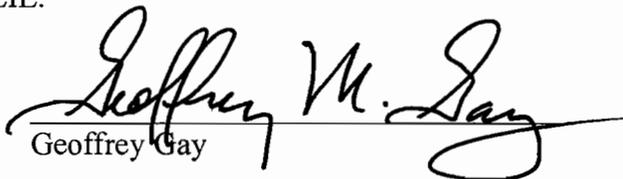
By: John A. Paris  
John A. Paris  
President, Mid-Tex Division

SETTLEMENT AGREEMENT  
STATEMENT OF INTENT FILED BY ATMOS ENERGY, CORP.,  
MID-TEX DIVISION ON SEPTEMBER 20, 2007

Agreed to this 9<sup>th</sup> day of January, 2008.

ATTORNEY FOR ATMOS CITIES STEERING COMMITTEE,  
WHOSE MEMBERS INCLUDE THE CITIES OF ABILENE,  
ADDISON, ALLEN, ALVARADO, ANGUS, ANNA, ARGYLE,  
ARLINGTON, BEDFORD, BELLMEAD, BENBROOK,  
BEVERLY HILLS, 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, HASLET, HEATH, 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, MALAKOFF,  
MANSFIELD, MCKINNEY, MELISSA, MESQUITE,  
MIDLOTHIAN, MURPHY, NEWARK, NOCONA, NORTH  
RICHLAND HILLS, NORTHLAKE, OAK LEAF, OVILLA,  
PALESTINE, PANTEGO, PARIS, PARKER, PECAN HILL,  
PLANO, PONDER, POTTSBORO, PROSPER, PUTNAM,  
QUITMAN, RED OAK, RENO (PARKER COUNTY),  
RICHARDSON, RICHLAND HILLS, ROANOKE, ROBINSON,  
ROCKWALL, ROSCOE, ROWLETT, SACHSE, SAGINAW,  
SEAGOVILLE, SHERMAN, SNYDER, SOUTHLAKE,  
SPRINGTOWN, STAMFORD, STEPHENVILLE, SULPHUR  
SPRINGS, SWEETWATER, TEMPLE, TERRELL, THE  
COLONY, THROCKMORTON, TYLER, UNIVERSITY PARK,  
VENUS, VERNON, WACO, WATAUGA, WAXAHACHIE,  
WESTLAKE, WESTWORTH VILLAGE, WHITESBORO,  
WHITE SETTLEMENT, WICHITA FALLS, WOODWAY, AND  
WYLIE.

By:

  
Geoffrey Gay

|   |                          |  |
|---|--------------------------|--|
| <b>RATE SCHEDULE:</b>                       | <b>TABLE OF CONTENTS</b> |  |
| <b>APPLICABLE TO:</b>                       | <b>Entire System</b>     | <b>REVISION DATE:<br/>February 1, 2008</b> |
| <b>EFFECTIVE DATE:<br/>February 1, 2008</b> |                          | <b>PAGE: 1 OF 1</b>                        |

**I. UTILITY OPERATIONS**

**II. CITIES AND COUNTIES SERVED**

**III. DEFINITIONS**

**IV. GAS SERVICE RATES & RIDERS**

- Rate R - Residential Sales
- Rate C - Commercial Sales
- Rate I - Industrial Sales
- Rate T - Transportation
- Rider CT – Competitive Transport
- Rider GCR - Gas Cost Recovery
- Rider FF - Franchise Fee Adjustment
- Rider SUR – Surcharges
- Rate LEP – Line Extension Policy
- Rate M - Miscellaneous Charges
- Rider RA - Retention Adjustment
- Rider TAX - Tax Adjustment
- Rider WNA – Weather Normalization Adjustment
- Rider RRM – Rate Review Mechanism
- Rider CEE – Conservation and Energy Efficiency

**V. SERVICE RULES AND REGULATIONS**

**EXHIBIT A**

**TARIFF FOR GAS SERVICE**

**ATMOS ENERGY CORP.,  
MID-TEX DIVISION**

|   |                                   |                            |
|---|-----------------------------------|----------------------------|
| <b>RATE SCHEDULE:</b>                       | <b>Rate R - Residential Sales</b> |                            |
| <b>APPLICABLE TO:</b>                       | <b>Entire System</b>              | <b>REVISION:<br/>DATE:</b> |
| <b>EFFECTIVE DATE:<br/>February 1, 2008</b> |                                   | <b>PAGE: 1 OF 1</b>        |

**RATE R - RESIDENTIAL SALES**

**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:

| <b>Charge</b>              | <b>Amount</b>      |
|----------------------------|--------------------|
| Customer Charge per Bill   | \$ 10.69 per month |
| Commodity Charge – All Mcf | \$1.2710 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.

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.

**EXHIBIT A**

**TARIFF FOR GAS SERVICE**

**ATMOS ENERGY CORP.,  
MID-TEX DIVISION**

|   |                                  |                            |
|---|----------------------------------|----------------------------|
| <b>RATE SCHEDULE:</b>                       | <b>Rate C - Commercial Sales</b> |                            |
| <b>APPLICABLE TO:</b>                       | <b>Entire System</b>             | <b>REVISION:<br/>DATE:</b> |
| <b>EFFECTIVE DATE:<br/>February 1, 2008</b> |                                  | <b>PAGE: 1 OF 1</b>        |

**RATE C - COMMERCIAL SALES**

**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:

| <b>Charge</b>              | <b>Amount</b>      |
|----------------------------|--------------------|
| Customer Charge per Bill   | \$ 20.28 per month |
| Commodity Charge - All Mcf | \$ 0.7104 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.

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.

**EXHIBIT A**

**TARIFF FOR GAS SERVICE**

**ATMOS ENERGY CORP.,  
MID-TEX DIVISION**

|   |                                  |                            |
|---|----------------------------------|----------------------------|
| <b>RATE SCHEDULE:</b>                       | <b>Rate I - Industrial Sales</b> |                            |
| <b>APPLICABLE TO:</b>                       | <b>Entire System</b>             | <b>REVISION:<br/>DATE:</b> |
| <b>EFFECTIVE DATE:<br/>February 1, 2008</b> |                                  | <b>PAGE: 1 OF 2</b>        |

**RATE I - INDUSTRIAL SALES**

**Application**

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

**Type of Service**

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

**Monthly Rate**

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

| <b>Charge</b>                | <b>Amount</b>       |
|------------------------------|---------------------|
| Customer Charge per Meter    | \$ 344.75 per month |
| First 0 MMBtu to 1,500 MMBtu | \$ 0.2200 per MMBtu |
| Next 3,500 MMBtu             | \$ 0.1600 per MMBtu |
| All MMBtu over 5,000 MMBtu   | \$ 0.0493 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.

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."

EXHIBIT A

TARIFF FOR GAS SERVICE

ATMOS ENERGY CORP.,  
MID-TEX DIVISION

|   |                                  |                            |
|---|----------------------------------|----------------------------|
| <b>RATE SCHEDULE:</b>                       | <b>Rate I - Industrial Sales</b> |                            |
| <b>APPLICABLE TO:</b>                       | <b>Entire System</b>             | <b>REVISION:<br/>DATE:</b> |
| <b>EFFECTIVE DATE:<br/>February 1, 2008</b> |                                  | <b>PAGE: 2 OF 2</b>        |

**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.

**EXHIBIT A**

**TARIFF FOR GAS SERVICE**

**ATMOS ENERGY CORP.,  
MID-TEX DIVISION**

|   |                                |                            |
|---|--------------------------------|----------------------------|
| <b>RATE SCHEDULE:</b>                       | <b>Rate T – Transportation</b> |                            |
| <b>APPLICABLE TO:</b>                       | <b>Entire System</b>           | <b>REVISION:<br/>DATE:</b> |
| <b>EFFECTIVE DATE:<br/>February 1, 2008</b> |                                | <b>PAGE: 1 OF 2</b>        |

**RATE T - TRANSPORTATION**

**Application**

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

**Type of Service**

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

**Monthly Rate**

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

| <b>Charge</b>                | <b>Amount</b>       |
|------------------------------|---------------------|
| Customer Charge per Meter    | \$ 344.75 per month |
| First 0 MMBtu to 1,500 MMBtu | \$ 0.2200 per MMBtu |
| Next 3,500 MMBtu             | \$ 0.1600 per MMBtu |
| All MMBtu over 5,000 MMBtu   | \$ 0.0493 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.

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

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

**Imbalance Fees**

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

**Monthly Imbalance Fees**

Customer shall pay Company the greater of (i) \$0.10 per MMBtu, or (ii) 150% of the difference per MMBtu between the highest and lowest "midpoint" price for the Katy point listed in *Platts Gas Daily* in the table entitled "Daily Price Survey" during such month, for the MMBtu of Customer's monthly Cumulative

**EXHIBIT A**

**TARIFF FOR GAS SERVICE**

**ATMOS ENERGY CORP.,  
MID-TEX DIVISION**

|   |                                |                            |
|---|--------------------------------|----------------------------|
| <b>RATE SCHEDULE:</b>                       | <b>Rate T - Transportation</b> |                            |
| <b>APPLICABLE TO:</b>                       | <b>Entire System</b>           | <b>REVISION:<br/>DATE:</b> |
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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.

**Curtailment Overpull Fee**

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

**Replacement Index**

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

**Agreement**

A transportation agreement is required.

**Notice**

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

**Special Conditions**

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

**EXHIBIT A**

**TARIFF FOR GAS SERVICE**

**ATMOS ENERGY CORP.,  
MID-TEX DIVISION**

|  |                                      |                            |
|--|--------------------------------------|----------------------------|
| <b>RIDER:</b>                              | <b>Rider GCR - Gas Cost Recovery</b> |                            |
| <b>APPLICABLE TO:</b>                      | <b>Entire System</b>                 | <b>REVISION:<br/>DATE:</b> |
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**Rider GCR - Gas Cost Recovery**

Applicable to Rate R, Rate C, and Rate I for all gas sales made by Company, and applicable to Rate R, Rate C, Rate I, and Rate T for recovery of Pipeline System costs. The total gas cost recovery amount due is determined by adding the gas cost calculated in Section (a) below and the pipeline cost calculated in Section (b) below.

The amount due for gas cost (Section (a)) is determined by multiplying the Gas Cost Recovery Factor (GCRF) by the Customer's monthly volume. For Customers receiving service under Rate R and Rate C, monthly volume will be calculated on an Mcf basis. For Customers receiving service under Rate I, monthly volume will be calculated on an MMBtu basis and the quantities will be adjusted as necessary to recover actual costs.

The amount due for pipeline cost (Section (b)) is determined by multiplying the Pipeline Cost Factor (PCF) by the Customer's monthly volume. For Customers receiving service under Rate R and Rate C, monthly volume will be calculated on an Mcf basis. For Customers receiving service under Rate I and Rate T, monthly volume will be calculated on an MMBtu basis and the quantities will be adjusted as necessary to recover actual costs.

**(a) Gas Cost**

**Method of Calculation**

The monthly gas cost adjustment is calculated by the application of a Gas Cost Recovery Factor (GCRF), as determined with the following formula:

$$\text{GCRF} = \text{Estimated Gas Cost Factor (EGCF)} + \text{Reconciliation Factor (RF)} + \text{Taxes (TXS)} + \text{Adjustments (ADJ)}$$

EGCF = Estimated cost of gas, including lost and unaccounted for gas attributed to residential, commercial, and industrial sales, and any reconciliation balance of unrecovered gas costs, divided by the estimated total residential, commercial, and industrial sales.

RF = Calculated by dividing the difference between the Actual Gas Cost Incurred, inclusive of interest, over the preceding twelve-month period ended June 30 and the Actual Gas Cost Billed over that same twelve-month period by the estimated total residential, commercial, and industrial sales for the succeeding October through June billing months.

Actual Gas Cost Incurred = The sum of the costs booked in Atmos Energy Corp., Mid-Tex Division account numbers 800 through 813 and 858 of the NARUC Uniform System of Accounts, including the net impact of injecting and withdrawing gas from storage. Also includes a credit or debit for any out-of-period adjustments or unusual or nonrecurring costs typically considered gas costs and a credit for amounts received as Imbalance Fees or Curtailment Overpull Fees.

Actual Gas Cost Billed = EGCF multiplied by the monthly volumes billed to Residential, Commercial and Industrial Sales customers, less the total amount of gas cost determined to have been uncollectible and written off which remain unpaid for each month of the reconciliation period.

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**TARIFF FOR GAS SERVICE**

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MID-TEX DIVISION**

|  |                                      |                            |
|--|--------------------------------------|----------------------------|
| <b>RIDER:</b>                              | <b>Rider GCR - Gas Cost Recovery</b> |                            |
| <b>APPLICABLE TO:</b>                      | <b>Entire System</b>                 | <b>REVISION:<br/>DATE:</b> |
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Any amount remaining in the reconciliation balance after the conclusion of the period of amortization will be maintained in the reconciliation balance and included in the collection of the next RF.

Atmos Energy shall file annual reports with the Commission, providing by month the following amounts: Gas Cost Written Off, Margin Written Off, Tax and Other Written Off, Total Written Off, Gas Cost Collected and Margin Collected.

TXS = Any statutorily imposed assessments or taxes applicable to the purchase of gas divided by the estimated total residential, commercial, and industrial sales.

ADJ = Any surcharge or refund ordered by a regulatory authority, inclusive of interest, divided by the estimated total residential, commercial, and industrial sales.

**(b) Pipeline Cost**

**Method of Calculation**

Each month, a Pipeline Cost Factor (PCF) is calculated separately for each Pipeline Cost Rate Class listed below. The formula for the PCF is:

$PCF = PP / S$ , where:

$PP = (P - A) \times D$ , where:

P = Estimated monthly cost of pipeline service calculated pursuant to Rate CGS

D = Pipeline service allocation factor for the rate class as approved in the Company's most recent rate case, as follows:

| <b>Pipeline Cost Rate Class</b>                                 | <b>Allocation Factor (D)</b> |
|---|------------------------------|
| Rate R - Residential Service                                    | .634783                      |
| Rate C - Commercial Service                                     | .302805                      |
| Rate I - Industrial Service and Rate T - Transportation Service | .062412                      |

A = Adjustment applied in the current month to correct for the difference between the actual and estimated pipeline cost revenue of the second preceding month, calculated by the formula:

$A = R - (C - A2)$ , where:

R = Actual revenue received from the application of the PP component in the second preceding month.

C = Actual pipeline costs for the second preceding month.

A2 = The adjustment (A) applied to the PP component in the second preceding month.

S = Estimated Mcf or MMBtu for the rate class for the current billing month.

The PCF is calculated to the nearest 0.0001 cent.

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MID-TEX DIVISION

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| <b>APPLICABLE TO:</b>                      | <b>Entire System</b>                 | <b>REVISION:<br/>DATE:</b> |
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The Pipeline Cost to be billed is determined by multiplying the Mcf or MMBtu used by the appropriate PCF. The Pipeline Cost is determined to the nearest whole cent.

|   |   |                            |
|---|---|----------------------------|
| <b>RIDER:</b>                               | <b>Rider WNA – Weather Normalization Adjustment</b> |                            |
| <b>APPLICABLE TO:</b>                       | <b>Entire System</b>                                | <b>REVISION:<br/>DATE:</b> |
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**RIDER WNA – Weather Normalization Adjustment**

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.

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

|   |   |                            |
|---|---|----------------------------|
| <b>RIDER:</b>                               | <b>Rider WNA – Weather Normalization Adjustment</b> |                            |
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and weather station as part of the RRM filing.

The Weather Normalization Adjustment for the jth customer in ith rate schedule is computed as:

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

Where  $q_{ij}$  is the relevant sales quantity for the jth customer in ith 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 Sensitivity (HSF) Factors

| Weather Station  | <u>Residential</u> |                | <u>Commercial</u> |                |
|------------------|--------------------|----------------|-------------------|----------------|
|                  | Base use<br>Mcf    | HSF<br>Mcf/HDD | Base use<br>Mcf   | HSF<br>Mcf/HDD |
| Abilene          | 1.14               | .0131          | 8.11              | .0631          |
| Austin           | 1.31               | .0136          | 18.05             | .0669          |
| Dallas           | 1.57               | .0185          | 18.08             | .0925          |
| Waco             | 1.20               | .0138          | 10.97             | .0606          |
| Wichita<br>Falls | 1.27               | .0147          | 11.58             | .0581          |

EXHIBIT A

TARIFF FOR GAS SERVICE

ATMOS ENERGY CORP.,  
MID-TEX DIVISION

|   |   |                            |
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| <b>RIDER:</b>                               | <b>Rider WNA – Weather Normalization Adjustment</b> |                            |
| <b>APPLICABLE TO:</b>                       | <b>Entire System</b>                                | <b>REVISION:<br/>DATE:</b> |
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Sample WNAF<sub>i</sub> Calculation:

$$.1533 \text{ per Mcf} = 1.2267 \times \frac{(.0131 \times (30-17))}{(1.14 + (.0131 \times 17))}$$

Where

i = Residential Single Block Rate Schedule

R<sub>i</sub> = 1.2267 per MCF (Rate R - Final Order GUD No. 9670)

HSF<sub>i</sub> = .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<sub>i</sub> = 1.14 Mcf (Residential - Abilene Area)

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ATMOS ENERGY CORP.,  
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| RIDER:                              | Rider RRM – Rate Review Mechanism |                |
| APPLICABLE TO:                      | Entire Mid-Tex Division           | REVISION DATE: |
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**RIDER RRM – RATE REVIEW MECHANISM**

Purpose:

This mechanism is designed to provide annual earnings transparency. 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 adjustment will be authorized for an Initial Implementation Period. With the conclusion of the final rate adjustment, if any, for the Initial Implementation Period, each entity having original jurisdiction may revoke, amend, or approve Subsequent Implementation Period(s) for, the mechanism.

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 March 1, of each year. This filing shall be effective in electronic form where practicable. The initial filing shall be made March 31, 2008.
- 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. The initial Evaluation Period shall be calendar year 2007.
- d) The **Rate Effective Period** is defined as the earlier 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 average number of connections during the Evaluation Period.
- f) **Initial Implementation Period** is defined as the three (3) year period commencing with the Company’s filing under this mechanism for the calendar year 2007, effective October 1, 2008, and shall conclude with the implementation of rate adjustments, if any, for the third Rate Effective Period.
- g) **Subsequent Implementation Period** is defined as any three (3) year period after the conclusion of the Initial Implementation Period.
- h) **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.

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

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| APPLICABLE TO:                      | Entire Mid-Tex Division           | REVISION DATE: |
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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' rate filing with municipalities on September 20, 2007, will include the following:

- a) Company's actual gross plant in service, accumulated depreciation, accumulated deferred income taxes, inventory, working capital, and other rate base components. 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 where applicable. Cash working capital will be calculated using the lead/lag days approved in the Final Order.
- b) The Company's depreciation expense, operating and maintenance expense, income taxes, and taxes other than income taxes. Depreciation rates 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, or in the most recent order addressing the methodology. In addition, the Company shall exclude from operating and maintenance expense the type of expenses related to employee expense accounts disallowed in the GUD No. 9670 Final Order.
- c) Return on Equity (ROE) shall be maintained at 9.6%.
- d) Cost of debt will reflect actual cost. Capital structure will be the actual Evaluation Period ending ratio of long-term debt and equity, with percentage equity not to exceed the percentage established in the Final Order in G.U.D. No. 9670 (48.1% equity).
- e) All applicable accounting and pro forma adjustments along with all supporting workpapers.
- f) Pro-forma adjustments to update and annualize costs and revenue billing determinants for the Rate Effective Period.
- g) Pro-forma or other adjustments required to properly account for atypical, unusual, or nonrecurring events.
- h) Shared Services allocation factors may be recalculated each year based on the latest component factors, but the methodology used will be that approved in the Final Order.

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. These schedules shall identify the rate adjustments necessary for both a true-up of revenue for the Evaluation Period and the setting of prospective rates for the Rate Effective Period. The net result of these rate adjustments 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,

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however, that neither the Residential nor the Commercial customer charges may increase more than 20% per year.

- b) If Company’s earnings during the Evaluation Period exceed 9.6% return on common equity, the Company shall calculate an adjustment to rates to refund the revenue required to achieve a return on equity of 9.6% for the Evaluation Period. If Company’s earnings during the Evaluation Period are below 9.6% return on common equity, the Company shall calculate an adjustment in rates to collect the additional revenue required to increase its return on equity for the Evaluation Period to 9.6%. The Company will calculate an adjustment for the Rate Effective Period to refund or collect this difference.
- c) The Company will 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, all payroll and compensation expense, all benefit expense, all pension expense, insurance costs, materials and supplies, bad debt costs, all medical expense, transportation and building and lease costs for the Rate Effective Period. Additionally, utility plant for the Rate 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 for the Rate Effective Period, cannot increase more than 5% per connection per year without specific identification and justification. The beginning Operation and Maintenance expense for the 2007 RRM filing (the initial filing) will be \$161 million.
  - 2. Net plant investment for the Rate Effective Period cannot increase more than 5% per connection per year without specific identification. However, in performing a cap test to verify compliance, Company shall exclude any changes in net plant investment associated with federal, state, or local mandates related to safety, compliance, or road moves.
- d) The Company also 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.

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.

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Evaluation Procedures

The regulatory authority having original jurisdiction over the Company’s rates shall have ninety (90) days to review the Company’s filed schedules. The Company will be prepared to provide 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 come to agreement on, the proposed adjustments to the Company’s schedule and proposed rates. Once 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 both the Evaluation Period and 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, subject to refund.

If approved by the entity exercising original jurisdiction, the rates established pursuant to the Rate Review Mechanism for the first Rate Effective Period shall be effective on October 1, 2008. Thereafter, rates established pursuant to the Rate Review Mechanism for subsequent Rate Effective Periods, if approved as provided herein, shall be effective on July 15 of each year.

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).

Notice

Notice of the annual Rate Review Mechanism filing shall be provided to all affected customers of the Atmos Mid-Tex Division in accordance with the provisions of this section no later than forty-five (45) days after the Company makes its annual filing pursuant to this tariff. Company may provide notice either by mailing or otherwise delivering the notice with its billing statements. Notice by mail shall be presumed to be complete three days after the date of deposit of the paper upon which such notice is written, enclosed in a post-paid, properly addressed wrapper, in a post office or official depository under the care of the United States Postal Service. 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;

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- 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.

|   |   |                            |
|---|---|----------------------------|
| <b>RIDER:</b>                               | <b>Rider CEE – Conservation &amp; Energy Efficiency</b> |                            |
| <b>APPLICABLE TO:</b>                       | <b>Entire System</b>                                    | <b>REVISION:<br/>DATE:</b> |
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**RIDER CEE – Conservation & Energy Efficiency**

Purpose

Atmos Energy Mid-Tex is proposing to institute a complete Conservation & Energy Efficiency program which will offer assistance to qualified customer segments in reducing energy consumption and lowering energy utility bills. The proposal is one where Atmos Energy shareholders will fund a percentage of the allowable expenses incurred annually, with a customer rate component providing the remainder of the funding. Following is a high-level, concept summary of the proposal. Atmos Energy Mid-Tex Division proposes to work with the communities it serves to develop the details of a new tariff and programs addressing conservation and energy efficiency.

Synopsis:

Voucher system to provide free energy savings materials and supplies to qualifying customers of Atmos Mid-Tex. Qualified Customers will receive up to two hundred dollars (\$200.00) worth of caulking, weather-stripping, sheathing, sealing, water heater blankets, and like materials, other energy saving devices such as clock-thermostats, set-back devices (“covered items”) from approved suppliers / retailers. Company will undertake efforts to enlist support from community groups, including its own Employee Action Program, to assist customers with installation. If it is determined that professional installation capabilities are necessary, the parties will agree on labor assistance amounts.

Eligibility

Low Income – Low-income rate-payers that qualify for heating bill assistance through LIHEAP agencies and all agencies that distribute Atmos “Share the Warmth” funds. Agencies that allocate assistance funds denote customer as Low Income, a status that lasts for one year.

Senior Citizen – Primary account holder can request eligibility through ATM call center or web-site. Customer provides primary SSN which is verified through Social Security Administration. And account holder that is or turns 65 years old in that year becomes eligible.

Funding

Initial program funding will be at two million dollars (\$2,000,000). Atmos Energy shareholders will contribute one million dollars (\$1,000,000.00) to this initiative annually with ratepayers providing one million dollars (\$1,000,000.00) per year. It is proposed that the program operate on an October 1 through September 30 year, with benefits being capped at the two million dollar level for the initial program period.

Administration:

A third-party administrator will coordinate qualification of customers, voucher distribution, subsequent verification and reimbursement of eligible expenditures and general program administration. Program administration expenses will be funded from the annual approved budget.

Program audits will be conducted and the results provided to any interested party within 120 days of the end of each program year to determine effectiveness.

**ATMOS ENERGY CORP., MID-TEX DIVISION  
REVENUE REQUIREMENTS BY SERVICE CLASS  
TEST YEAR ENDING JUNE 30, 2007  
EXHIBIT B TO SETTLEMENT AGREEMENT BETWEEN ATMOS ENERGY AND THE ACSC CITIES**

| Line No. | Description (a)                                  | Current Revenues (b)    | Proposed Revenues <sup>1</sup> (c) | Proposed Change (d)  | Percent Change (e) |
|----------|--|-------------------------|------------------------------------|----------------------|--------------------|
| 1        | Residential (Base Revenue)                       | \$ 277,485,494          | \$ 280,887,686                     | \$ 3,402,192         | 1.23%              |
| 2        | Residential (Rider GCR)                          | 625,991,761             | 625,991,761                        | -                    | 0.00%              |
| 3        | Residential (Rider FF & Rider TAX)               | 52,488,696              | 52,686,332                         | 197,637              | 0.38%              |
| 4        | Total Residential                                | <u>\$ 955,965,951</u>   | <u>\$ 959,565,779</u>              | <u>\$ 3,599,828</u>  | <u>0.38%</u>       |
| 5        | Commercial (Base Revenue)                        | \$ 59,666,416           | \$ 65,119,647                      | \$ 5,453,231         | 9.14%              |
| 6        | Commercial (Rider GCR)                           | 399,910,917             | 399,910,917                        | -                    | 0.00%              |
| 7        | Commercial (Rider FF & Rider TAX)                | 26,699,748              | 27,016,551                         | 316,803              | 1.19%              |
| 8        | Total Commercial                                 | <u>\$ 486,277,080</u>   | <u>\$ 492,047,115</u>              | <u>\$ 5,770,035</u>  | <u>1.19%</u>       |
| 9        | Industrial/Transportation (Base Revenue)         | \$ 8,461,218            | \$ 9,057,219                       | \$ 596,001           | 7.04%              |
| 10       | Industrial/Transportation (Rider GCR)            | 33,616,178              | 33,616,178                         | -                    | 0.00%              |
| 11       | Industrial/Transportation (Rider FF & Rider TAX) | 2,444,541               | 2,479,166                          | 34,625               | 1.42%              |
| 12       | Total Industrial/Transportation                  | <u>\$ 44,521,937</u>    | <u>\$ 45,152,563</u>               | <u>\$ 630,625</u>    | <u>1.42%</u>       |
| 13       | Other Revenue (Base Revenue)                     | \$ 17,418,758           | \$ 17,418,758                      | -                    | 0.00%              |
| 14       | Other Revenue (Rider GCR)                        | -                       | -                                  | -                    | 0.00%              |
| 15       | Other Revenue (Rider FF & Rider TAX)             | 1,011,966               | 1,011,966                          | -                    | 0.00%              |
| 16       | Total Other Revenue                              | <u>\$ 18,430,724</u>    | <u>\$ 18,430,724</u>               | <u>\$ -</u>          | <u>0.00%</u>       |
| 17       | Base Revenue                                     | \$ 363,031,887          | \$ 372,483,310                     | \$ 9,451,423         | 2.60%              |
| 18       | Rider GCR  | 1,059,518,856           | 1,059,518,856                      | -                    | 0.00%              |
| 19       | Rider FF & Rider TAX                             | 82,644,951              | 83,194,015                         | 549,064              | 0.66%              |
| 20       | Total Operating Revenues                         | <u>\$ 1,505,195,693</u> | <u>\$ 1,515,196,181</u>            | <u>\$ 10,000,488</u> | <u>0.66%</u>       |

27 Note:

28 <sup>1</sup> Proposed Revenues are the result of the application of the proposed rates to billing determinants.

**ATMOS ENERGY CORP., MID-TEX DIVISION**  
**REVENUE REQUIREMENTS**  
**TEST YEAR ENDING JUNE 30, 2007**  
**Settlement Proposal**

| Line No. | Description (a)                       | Ref (b)      | (c)              | Base Revenue (d)      | Rider GCR (e)           | Rider FF & Rider TAX (f) | Total (g)               |
|----------|---------------------------------------|--------------|------------------|-----------------------|-------------------------|--------------------------|-------------------------|
| 1        | Rider GCR Part A                      |              |                  |                       |                         |                          |                         |
| 2        | Rider GCR Part B                      | Schedule H   |                  | \$ -                  | \$ 976,143,417          | \$ -                     | \$ 976,143,417          |
| 3        | Total Rider GCR                       | Schedule I   |                  |                       | 83,375,439              |                          | 83,375,439              |
| 4        |                                       |              |                  | \$                    | \$ 1,059,518,856        |                          | \$ 1,059,518,856        |
| 5        | Operation and Maintenance Expenses    | Schedule F-1 |                  | \$ 150,891,394        |                         |                          | \$ 150,891,394          |
| 6        | Taxes Other than Income Taxes         | Schedule F-5 |                  | 20,756,918            |                         | \$ 83,194,015            | 103,950,933             |
| 7        | Depreciation and Amortization Expense | Schedule F-3 |                  | 79,148,614            |                         |                          | 79,148,614              |
| 8        | Interest on Customer Deposits         | Schedule F-7 |                  | 1,593,388             |                         |                          | 1,593,388               |
| 9        | Rate Base                             | Schedule B   | \$ 1,123,773,895 |                       |                         |                          |                         |
| 10       | Rate of Return                        | Schedule G   | 7.79%            | 87,535,806            |                         |                          | 87,535,806              |
| 11       | Income Taxes                          | Schedule F-6 |                  | 32,556,703            |                         |                          | 32,556,703              |
| 12       | <b>Revenue Requirements</b>           |              |                  | <b>\$ 372,482,822</b> | <b>\$ 1,059,518,856</b> | <b>\$ 83,194,015</b>     | <b>\$ 1,515,195,693</b> |
| 13       | Current Revenues                      | Schedule A   |                  |                       |                         |                          | \$ 1,505,195,693        |
| 14       | Proposed Change                       |              |                  |                       |                         |                          | <u>\$ 10,000,000</u>    |

**ATMOS ENERGY CORP., MID-TEX DIVISION  
SUMMARY PROOF OF REVENUE AT PROPOSED RATES  
TEST YEAR ENDING JUNE 30, 2007**

| Line | Description<br>(a)                                  | Total<br>(b)                 | Reference<br>(c) |
|------|---|------------------------------|------------------|
|      | <b>Rate R</b>                                       |                              |                  |
| 1    | <u>Rate Characteristics:</u>                        |                              |                  |
| 2    | Customer Charge                                     | \$10.69                      | CCS              |
| 3    |   |                              |                  |
| 4    | Consumption Charge (\$/Mcf)                         | \$1.2710                     | CCS              |
| 5    |   |                              |                  |
| 6    | Rider GCR Part A                                    | \$7.5520                     | Schedule H       |
| 7    | Rider GCR Part B                                    | \$0.5990                     | Schedule I       |
| 8    |   |                              |                  |
| 9    | <u>Billing Units (1):</u>                           |                              |                  |
| 10   | Bills   | 17,144,647                   | WP_J-1.1         |
| 11   | Total MCF   | <u>76,798,906</u>            | WP_J-1.1         |
| 12   |   |                              |                  |
| 13   | <u>Present Revenue:</u>                             |                              |                  |
| 14   | Customer Charge                                     | \$ 183,276,276               |                  |
| 15   | Consumption Charge                                  | <u>97,611,410</u>            |                  |
| 16   | Base Revenue  | \$ 280,887,686               |                  |
| 17   | Rider GCR Part A                                    | 579,988,302                  |                  |
| 18   | Rider GCR Part B                                    | <u>46,003,459</u>            |                  |
| 19   | Subtotal  | \$ 906,879,447               |                  |
| 20   | Revenue Related Taxes                               | 52,686,332                   |                  |
| 21   |   |                              |                  |
| 22   | Total Proposed Revenue- Rate R                      | <u><u>\$ 959,565,779</u></u> |                  |
| 23   |   |                              |                  |
| 24   | Note 1: See Billing Determinants Study for details. |                              |                  |

**ATMOS ENERGY CORP., MID-TEX DIVISION  
SUMMARY PROOF OF REVENUE AT PROPOSED RATES  
TEST YEAR ENDING JUNE 30, 2007**

| Line | Description<br>(a)                                  | Total<br>(b)                 | Reference<br>(c) |
|------|---|------------------------------|------------------|
|      | <b>Rate C</b>                                       |                              |                  |
| 1    | <u>Rate Characteristics:</u>                        |                              |                  |
| 2    | Customer Charge                                     | \$20.28                      | CCS              |
| 3    |   |                              |                  |
| 4    | Consumption Charge (\$/Mcf)                         | \$0.7104                     | CCS              |
| 5    |   |                              |                  |
| 6    | Rider GCR Part A                                    | \$7.5520                     | Schedule H       |
| 7    | Rider GCR Part B                                    | \$0.5001                     | Schedule I       |
| 8    |   |                              |                  |
| 9    | <u>Billing Units (1):</u>                           |                              |                  |
| 10   | Bills   | 1,471,279                    | WP_J-1.2         |
| 11   | Total MCF   | <u>49,665,131</u>            | WP_J-1.2         |
| 12   |   |                              |                  |
| 13   | <u>Present Revenue:</u>                             |                              |                  |
| 14   | Customer Charge                                     | \$ 29,837,538                |                  |
| 15   | Consumption Charge                                  | <u>35,282,109</u>            |                  |
| 16   | Base Revenue  | \$ 65,119,647                |                  |
| 17   | Rider GCR Part A                                    | 375,072,987                  |                  |
| 18   | Rider GCR Part B                                    | <u>24,837,930</u>            |                  |
| 19   | Subtotal  | \$ 465,030,564               |                  |
| 20   | Revenue Related Taxes                               | 27,016,551                   |                  |
| 21   |   |                              |                  |
| 22   | Total Proposed Revenue- Rate C                      | <u><u>\$ 492,047,115</u></u> |                  |
| 23   |   |                              |                  |
| 24   | Note 1: See Billing Determinants Study for details. |                              |                  |

**ATMOS ENERGY CORP., MID-TEX DIVISION  
SUMMARY PROOF OF REVENUE AT PROPOSED RATES  
TEST YEAR ENDING JUNE 30, 2007**

| Line | Description<br>(a)                                  | Total<br>(b)                | Reference<br>(c) |
|------|---|-----------------------------|------------------|
|      | <b>Rate I &amp; T</b>                               |                             |                  |
| 1    | <u>Rate Characteristics:</u>                        |                             |                  |
| 2    | Customer Charge                                     | \$344.75                    | CCS              |
| 3    |   |                             |                  |
| 4    | Block 1 (\$/MMBTU)                                  | \$0.2200                    | CCS              |
| 5    | Block 2 (\$/MMBTU)                                  | \$0.1600                    | CCS              |
| 6    | Block 3 (\$/MMBTU)                                  | \$0.0493                    | CCS              |
| 7    |   |                             |                  |
| 8    | Rider GCR Part A                                    | \$7.5520                    | Schedule H       |
| 9    | Rider GCR Part B                                    | \$0.2804                    | Schedule I       |
| 10   |   |                             |                  |
| 11   | <u>Consumption Characteristics:</u>                 |                             |                  |
| 12   | Block 1 (First 1,500 MMBTU)                         | 0.21691                     | (1)              |
| 13   | Block 2 (Next 3,500 MMBTU )                         | 0.24651                     | (1)              |
| 14   | Block 3 (Over 5,000 MMBTU )                         | 0.53657                     | (1)              |
| 15   |   |                             |                  |
| 16   | <u>Billing Units (1):</u>                           |                             |                  |
| 17   | Bills   | 11,542                      | WP_J-1.3         |
| 18   | Block 1   | 9,694,939                   | WP_J-1.3         |
| 19   | Block 2   | 11,018,084                  | WP_J-1.3         |
| 20   | Block 3   | 23,982,442                  | WP_J-1.3         |
| 21   | Total MMBTU   | <u>44,695,465</u>           |                  |
| 22   |   |                             |                  |
| 23   | Sales Volumes                                       | <u>2,858,579</u>            | WP_J-1.3         |
| 24   |   |                             |                  |
| 25   | <u>Present Revenue:</u>                             |                             |                  |
| 26   | Customer Charge                                     | \$ 3,979,105                |                  |
| 27   | Block 1   | 2,132,887                   |                  |
| 28   | Block 2   | 1,762,893                   |                  |
| 29   | Block 3   | 1,182,334                   |                  |
| 30   | Base Revenue  | <u>\$ 9,057,219</u>         |                  |
| 31   | Rider GCR Part A                                    | 21,082,128                  |                  |
| 32   | Rider GCR Part B                                    | 12,534,050                  |                  |
| 33   | Subtotal  | <u>\$ 42,673,397</u>        |                  |
| 34   | Revenue Related Taxes                               | 2,479,166                   |                  |
| 35   |   |                             |                  |
| 36   | Total Proposed Revenue- Rate I&T                    | <u><u>\$ 45,152,563</u></u> |                  |
| 37   |   |                             |                  |
| 38   | Note 1: See Billing Determinants Study for details. |                             |                  |

|   |                          |  |
|---|--------------------------|--|
| <b>RATE SCHEDULE:</b>                       | <b>TABLE OF CONTENTS</b> |  |
| <b>APPLICABLE TO:</b>                       | <b>Entire System</b>     | <b>REVISION DATE:<br/>February 1, 2008</b> |
| <b>EFFECTIVE DATE:<br/>February 1, 2008</b> |                          | <b>PAGE: 1 OF 1</b>                        |

**I. UTILITY OPERATIONS****II. CITIES AND COUNTIES SERVED****III. DEFINITIONS****IV. GAS SERVICE RATES & RIDERS**

Rate R - Residential Sales  
 Rate C - Commercial Sales  
 Rate I - Industrial Sales  
 Rate T - Transportation  
 Rider CT – Competitive Transport  
 Rider GCR - Gas Cost Recovery  
 Rider FF - Franchise Fee Adjustment  
 Rider SUR – Surcharges  
 Rate LEP – Line Extension Policy  
 Rate M - Miscellaneous Charges  
 Rider RA - Retention Adjustment  
 Rider TAX - Tax Adjustment  
 Rider WNA – Weather Normalization Adjustment  
 Rider RRM – Rate Review Mechanism  
 Rider CEE – Conservation and Energy Efficiency

**V. SERVICE RULES AND REGULATIONS**

|   |                                   |                            |
|---|-----------------------------------|----------------------------|
| <b>RATE SCHEDULE:</b>                       | <b>Rate R - Residential Sales</b> |                            |
| <b>APPLICABLE TO:</b>                       | <b>Entire System</b>              | <b>REVISION:<br/>DATE:</b> |
| <b>EFFECTIVE DATE:<br/>February 1, 2008</b> |                                   | <b>PAGE: 1 OF 1</b>        |

**RATE R - RESIDENTIAL SALES****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:

| <b>Charge</b>              | <b>Amount</b>      |
|----------------------------|--------------------|
| Customer Charge per Bill   | \$ 10.69 per month |
| Commodity Charge – All Mcf | \$1.2710 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.

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.

|   |                                  |                            |
|---|----------------------------------|----------------------------|
| <b>RATE SCHEDULE:</b>                       | <b>Rate C - Commercial Sales</b> |                            |
| <b>APPLICABLE TO:</b>                       | <b>Entire System</b>             | <b>REVISION:<br/>DATE:</b> |
| <b>EFFECTIVE DATE:<br/>February 1, 2008</b> |                                  | <b>PAGE: 1 OF 1</b>        |

**RATE C - COMMERCIAL SALES**

**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:

| <b>Charge</b>              | <b>Amount</b>      |
|----------------------------|--------------------|
| Customer Charge per Bill   | \$ 20.28 per month |
| Commodity Charge - All Mcf | \$ 0.7104 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.

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.

**TARIFF FOR GAS SERVICE**

**ATMOS ENERGY CORP.,  
MID-TEX DIVISION**

|   |                                  |                            |
|---|----------------------------------|----------------------------|
| <b>RATE SCHEDULE:</b>                       | <b>Rate I - Industrial Sales</b> |                            |
| <b>APPLICABLE TO:</b>                       | <b>Entire System</b>             | <b>REVISION:<br/>DATE:</b> |
| <b>EFFECTIVE DATE:<br/>February 1, 2008</b> |                                  | <b>PAGE: 1 OF 2</b>        |

**RATE I - INDUSTRIAL SALES**

**Application**

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

**Type of Service**

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

**Monthly Rate**

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

| <b>Charge</b>                | <b>Amount</b>       |
|------------------------------|---------------------|
| Customer Charge per Meter    | \$ 344.75 per month |
| First 0 MMBtu to 1,500 MMBtu | \$ 0.2200 per MMBtu |
| Next 3,500 MMBtu             | \$ 0.1600 per MMBtu |
| All MMBtu over 5,000 MMBtu   | \$ 0.0493 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.

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."

**TARIFF FOR GAS SERVICE****ATMOS ENERGY CORP.,  
MID-TEX DIVISION**

|   |                                  |                            |
|---|----------------------------------|----------------------------|
| <b>RATE SCHEDULE:</b>                       | <b>Rate I - Industrial Sales</b> |                            |
| <b>APPLICABLE TO:</b>                       | <b>Entire System</b>             | <b>REVISION:<br/>DATE:</b> |
| <b>EFFECTIVE DATE:<br/>February 1, 2008</b> |                                  | <b>PAGE: 2 OF 2</b>        |

**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.

|   |                                |                            |
|---|--------------------------------|----------------------------|
| <b>RATE SCHEDULE:</b>                       | <b>Rate T – Transportation</b> |                            |
| <b>APPLICABLE TO:</b>                       | <b>Entire System</b>           | <b>REVISION:<br/>DATE:</b> |
| <b>EFFECTIVE DATE:<br/>February 1, 2008</b> |                                | <b>PAGE: 1 OF 2</b>        |

**RATE T - TRANSPORTATION**

**Application**

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

**Type of Service**

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

**Monthly Rate**

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

| <b>Charge</b>                | <b>Amount</b>       |
|------------------------------|---------------------|
| Customer Charge per Meter    | \$ 344.75 per month |
| First 0 MMBtu to 1,500 MMBtu | \$ 0.2200 per MMBtu |
| Next 3,500 MMBtu             | \$ 0.1600 per MMBtu |
| All MMBtu over 5,000 MMBtu   | \$ 0.0493 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.

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

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

**Imbalance Fees**

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

**Monthly Imbalance Fees**

Customer shall pay Company the greater of (i) \$0.10 per MMBtu, or (ii) 150% of the difference per MMBtu between the highest and lowest “midpoint” price for the Katy point listed in *Platts Gas Daily* in the table entitled “Daily Price Survey” during such month, for the MMBtu of Customer’s monthly Cumulative

|   |                                |                            |
|---|--------------------------------|----------------------------|
| <b>RATE SCHEDULE:</b>                       | <b>Rate T - Transportation</b> |                            |
| <b>APPLICABLE TO:</b>                       | <b>Entire System</b>           | <b>REVISION:<br/>DATE:</b> |
| <b>EFFECTIVE DATE:<br/>February 1, 2008</b> |                                | <b>PAGE: 2 OF 2</b>        |

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.

**Curtailment Overpull Fee**

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

**Replacement Index**

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

**Agreement**

A transportation agreement is required.

**Notice**

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

**Special Conditions**

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

|  |                                      |                            |
|--|--------------------------------------|----------------------------|
| <b>RIDER:</b>                              | <b>Rider GCR - Gas Cost Recovery</b> |                            |
| <b>APPLICABLE TO:</b>                      | <b>Entire System</b>                 | <b>REVISION:<br/>DATE:</b> |
| <b>EFFECTIVE DATE:<br/>October 1, 2008</b> |                                      | <b>PAGE: 1 OF 3</b>        |

**Rider GCR - Gas Cost Recovery**

Applicable to Rate R, Rate C, and Rate I for all gas sales made by Company, and applicable to Rate R, Rate C, Rate I, and Rate T for recovery of Pipeline System costs. The total gas cost recovery amount due is determined by adding the gas cost calculated in Section (a) below and the pipeline cost calculated in Section (b) below.

The amount due for gas cost (Section (a)) is determined by multiplying the Gas Cost Recovery Factor (GCRF) by the Customer's monthly volume. For Customers receiving service under Rate R and Rate C, monthly volume will be calculated on an Mcf basis. For Customers receiving service under Rate I, monthly volume will be calculated on an MMBtu basis and the quantities will be adjusted as necessary to recover actual costs.

The amount due for pipeline cost (Section (b)) is determined by multiplying the Pipeline Cost Factor (PCF) by the Customer's monthly volume. For Customers receiving service under Rate R and Rate C, monthly volume will be calculated on an Mcf basis. For Customers receiving service under Rate I and Rate T, monthly volume will be calculated on an MMBtu basis and the quantities will be adjusted as necessary to recover actual costs.

**(a) Gas Cost**

**Method of Calculation**

The monthly gas cost adjustment is calculated by the application of a Gas Cost Recovery Factor (GCRF), as determined with the following formula:

$$\text{GCRF} = \text{Estimated Gas Cost Factor (EGCF)} + \text{Reconciliation Factor (RF)} + \text{Taxes (TXS)} + \text{Adjustments (ADJ)}$$

EGCF = Estimated cost of gas, including lost and unaccounted for gas attributed to residential, commercial, and industrial sales, and any reconciliation balance of unrecovered gas costs, divided by the estimated total residential, commercial, and industrial sales.

RF = Calculated by dividing the difference between the Actual Gas Cost Incurred, inclusive of interest, over the preceding twelve-month period ended June 30 and the Actual Gas Cost Billed over that same twelve-month period by the estimated total residential, commercial, and industrial sales for the succeeding October through June billing months.

Actual Gas Cost Incurred = The sum of the costs booked in Atmos Energy Corp., Mid-Tex Division account numbers 800 through 813 and 858 of the NARUC Uniform System of Accounts, including the net impact of injecting and withdrawing gas from storage. Also includes a credit or debit for any out-of-period adjustments or unusual or nonrecurring costs typically considered gas costs and a credit for amounts received as Imbalance Fees or Curtailment Overpull Fees.

Actual Gas Cost Billed = EGCF multiplied by the monthly volumes billed to Residential, Commercial and Industrial Sales customers, less the total amount of gas cost determined to have been uncollectible and written off which remain unpaid for each month of the reconciliation period.

|  |                                      |                            |
|--|--------------------------------------|----------------------------|
| <b>RIDER:</b>                              | <b>Rider GCR - Gas Cost Recovery</b> |                            |
| <b>APPLICABLE TO:</b>                      | <b>Entire System</b>                 | <b>REVISION:<br/>DATE:</b> |
| <b>EFFECTIVE DATE:<br/>October 1, 2008</b> |                                      | <b>PAGE: 2 OF 3</b>        |

Any amount remaining in the reconciliation balance after the conclusion of the period of amortization will be maintained in the reconciliation balance and included in the collection of the next RF.

Atmos Energy shall file annual reports with the Commission, providing by month the following amounts: Gas Cost Written Off, Margin Written Off, Tax and Other Written Off, Total Written Off, Gas Cost Collected and Margin Collected.

TXS = Any statutorily imposed assessments or taxes applicable to the purchase of gas divided by the estimated total residential, commercial, and industrial sales.

ADJ = Any surcharge or refund ordered by a regulatory authority, inclusive of interest, divided by the estimated total residential, commercial, and industrial sales.

**(b) Pipeline Cost**

**Method of Calculation**

Each month, a Pipeline Cost Factor (PCF) is calculated separately for each Pipeline Cost Rate Class listed below. The formula for the PCF is:

$PCF = PP / S$ , where:

$PP = (P - A) \times D$ , where:

P = Estimated monthly cost of pipeline service calculated pursuant to Rate CGS

D = Pipeline service allocation factor for the rate class as approved in the Company's most recent rate case, as follows:

| <b>Pipeline Cost Rate Class</b>                                 | <b>Allocation Factor (D)</b> |
|---|------------------------------|
| Rate R - Residential Service                                    | .634783                      |
| Rate C - Commercial Service                                     | .302805                      |
| Rate I - Industrial Service and Rate T - Transportation Service | .062412                      |

A = Adjustment applied in the current month to correct for the difference between the actual and estimated pipeline cost revenue of the second preceding month, calculated by the formula:

$A = R - (C - A2)$ , where:

R = Actual revenue received from the application of the PP component in the second preceding month.

C = Actual pipeline costs for the second preceding month.

A2 = The adjustment (A) applied to the PP component in the second preceding month.

S = Estimated Mcf or MMBtu for the rate class for the current billing month.

The PCF is calculated to the nearest 0.0001 cent.

|  |                                      |                            |
|--|--------------------------------------|----------------------------|
| <b>RIDER:</b>                              | <b>Rider GCR - Gas Cost Recovery</b> |                            |
| <b>APPLICABLE TO:</b>                      | <b>Entire System</b>                 | <b>REVISION:<br/>DATE:</b> |
| <b>EFFECTIVE DATE:<br/>October 1, 2008</b> |                                      | <b>PAGE: 3 OF 3</b>        |

The Pipeline Cost to be billed is determined by multiplying the Mcf or MMBtu used by the appropriate PCF. The Pipeline Cost is determined to the nearest whole cent.

|   |   |                            |
|---|---|----------------------------|
| <b>RIDER:</b>                               | <b>Rider WNA – Weather Normalization Adjustment</b> |                            |
| <b>APPLICABLE TO:</b>                       | <b>Entire System</b>                                | <b>REVISION:<br/>DATE:</b> |
| <b>EFFECTIVE DATE:<br/>November 1, 2008</b> |   | <b>PAGE: 1 OF 3</b>        |

**RIDER WNA – Weather Normalization Adjustment**

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.

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<sub>i</sub> = Weather Normalization Adjustment Factor for the i<sup>th</sup> rate schedule or classification expressed in cents per Mcf
- R<sub>i</sub> = base rate of temperature sensitive sales for the i<sup>th</sup> schedule or classification approved by the entity exercising original jurisdiction.
- HSF<sub>i</sub> = heat sensitive factor for the i<sup>th</sup> 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<sub>i</sub> = base load sales for the i<sup>th</sup> 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

|   |   |                            |
|---|---|----------------------------|
| <b>RIDER:</b>                               | <b>Rider WNA – Weather Normalization Adjustment</b> |                            |
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| <b>EFFECTIVE DATE:<br/>November 1, 2008</b> |   | <b>PAGE: 2 OF 3</b>        |

and weather station as part of the RRM filing.

The Weather Normalization Adjustment for the jth customer in ith rate schedule is computed as:

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

Where  $q_{ij}$  is the relevant sales quantity for the jth customer in ith 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 Sensitivity (HSF) Factors

| <u>Weather Station</u> | <u>Residential</u>      |                        | <u>Commercial</u>       |                        |
|------------------------|-------------------------|------------------------|-------------------------|------------------------|
|                        | <u>Base use<br/>Mcf</u> | <u>HSF<br/>Mcf/HDD</u> | <u>Base use<br/>Mcf</u> | <u>HSF<br/>Mcf/HDD</u> |
| Abilene                | 1.14                    | .0131                  | 8.11                    | .0631                  |
| Austin                 | 1.31                    | .0136                  | 18.05                   | .0669                  |
| Dallas                 | 1.57                    | .0185                  | 18.08                   | .0925                  |
| Waco                   | 1.20                    | .0138                  | 10.97                   | .0606                  |
| Wichita<br>Falls       | 1.27                    | .0147                  | 11.58                   | .0581                  |

|   |   |                            |
|---|---|----------------------------|
| <b>RIDER:</b>                               | <b>Rider WNA – Weather Normalization Adjustment</b> |                            |
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Sample WNAF<sub>i</sub> Calculation:

$$.1533 \text{ per Mcf} = 1.2267 \times \frac{(.0131 \times (30-17))}{(1.14 + (.0131 \times 17))}$$

Where

- i = Residential Single Block Rate Schedule
- R<sub>i</sub> = 1.2267 per MCF (Rate R - Final Order GUD No. 9670)
- HSF<sub>i</sub> = .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<sub>i</sub> = 1.14 Mcf (Residential - Abilene Area)

|                                     |                                   |                |
|-------------------------------------|-----------------------------------|----------------|
| RIDER:                              | Rider RRM – Rate Review Mechanism |                |
| APPLICABLE TO:                      | Entire Mid-Tex Division           | REVISION DATE: |
| EFFECTIVE DATE:<br>February 1, 2008 |                                   | PAGE: 1 of 5   |

### **RIDER RRM – RATE REVIEW MECHANISM**

#### Purpose:

This mechanism is designed to provide annual earnings transparency. 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 adjustment will be authorized for an Initial Implementation Period. With the conclusion of the final rate adjustment, if any, for the Initial Implementation Period, each entity having original jurisdiction may revoke, amend, or approve Subsequent Implementation Period(s) for, the mechanism.

#### 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 March 1, of each year. This filing shall be effective in electronic form where practicable. The initial filing shall be made March 31, 2008.
- 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. The initial Evaluation Period shall be calendar year 2007.
- d) The **Rate Effective Period** is defined as the earlier 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 average number of connections during the Evaluation Period.
- f) **Initial Implementation Period** is defined as the three (3) year period commencing with the Company's filing under this mechanism for the calendar year 2007, effective October 1, 2008, and shall conclude with the implementation of rate adjustments, if any, for the third Rate Effective Period.
- g) **Subsequent Implementation Period** is defined as any three (3) year period after the conclusion of the Initial Implementation Period.
- h) **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.

#### 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

|                                     |                                   |                |
|-------------------------------------|-----------------------------------|----------------|
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| APPLICABLE TO:                      | Entire Mid-Tex Division           | REVISION DATE: |
| EFFECTIVE DATE:<br>February 1, 2008 |                                   | PAGE: 2 of 5   |

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' rate filing with municipalities on September 20, 2007, will include the following:

- a) Company's actual gross plant in service, accumulated depreciation, accumulated deferred income taxes, inventory, working capital, and other rate base components. 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 where applicable. Cash working capital will be calculated using the lead/lag days approved in the Final Order.
- b) The Company's depreciation expense, operating and maintenance expense, income taxes, and taxes other than income taxes. Depreciation rates 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, or in the most recent order addressing the methodology. In addition, the Company shall exclude from operating and maintenance expense the type of expenses related to employee expense accounts disallowed in the GUD No. 9670 Final Order.
- c) Return on Equity (ROE) shall be maintained at 9.6%.
- d) Cost of debt will reflect actual cost. Capital structure will be the actual Evaluation Period ending ratio of long-term debt and equity, with percentage equity not to exceed the percentage established in the Final Order in G.U.D. No. 9670 (48.1% equity).
- e) All applicable accounting and pro forma adjustments along with all supporting workpapers.
- f) Pro-forma adjustments to update and annualize costs and revenue billing determinants for the Rate Effective Period.
- g) Pro-forma or other adjustments required to properly account for atypical, unusual, or nonrecurring events.
- h) Shared Services allocation factors may be recalculated each year based on the latest component factors, but the methodology used will be that approved in the Final Order.

#### 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. These schedules shall identify the rate adjustments necessary for both a true-up of revenue for the Evaluation Period and the setting of prospective rates for the Rate Effective Period. The net result of these rate adjustments 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,

|                                     |                                   |                |
|-------------------------------------|-----------------------------------|----------------|
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however, that neither the Residential nor the Commercial customer charges may increase more than 20% per year.

- b) If Company's earnings during the Evaluation Period exceed 9.6% return on common equity, the Company shall calculate an adjustment to rates to refund the revenue required to achieve a return on equity of 9.6% for the Evaluation Period. If Company's earnings during the Evaluation Period are below 9.6% return on common equity, the Company shall calculate an adjustment in rates to collect the additional revenue required to increase its return on equity for the Evaluation Period to 9.6%. The Company will calculate an adjustment for the Rate Effective Period to refund or collect this difference.
- c) The Company will 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, all payroll and compensation expense, all benefit expense, all pension expense, insurance costs, materials and supplies, bad debt costs, all medical expense, transportation and building and lease costs for the Rate Effective Period. Additionally, utility plant for the Rate 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 for the Rate Effective Period, cannot increase more than 5% per connection per year without specific identification and justification. The beginning Operation and Maintenance expense for the 2007 RRM filing (the initial filing) will be \$161 million.
  2. Net plant investment for the Rate Effective Period cannot increase more than 5% per connection per year without specific identification. However, in performing a cap test to verify compliance, Company shall exclude any changes in net plant investment associated with federal, state, or local mandates related to safety, compliance, or road moves.
- d) The Company also 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.

#### 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.

|                                     |                                   |                |
|-------------------------------------|-----------------------------------|----------------|
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Evaluation Procedures

The regulatory authority having original jurisdiction over the Company’s rates shall have ninety (90) days to review the Company’s filed schedules. The Company will be prepared to provide 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 come to agreement on, the proposed adjustments to the Company’s schedule and proposed rates. Once 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 both the Evaluation Period and 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, subject to refund.

If approved by the entity exercising original jurisdiction, the rates established pursuant to the Rate Review Mechanism for the first Rate Effective Period shall be effective on October 1, 2008. Thereafter, rates established pursuant to the Rate Review Mechanism for subsequent Rate Effective Periods, if approved as provided herein, shall be effective on July 15 of each year.

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).

Notice

Notice of the annual Rate Review Mechanism filing shall be provided to all affected customers of the Atmos Mid-Tex Division in accordance with the provisions of this section no later than forty-five (45) days after the Company makes its annual filing pursuant to this tariff. Company may provide notice either by mailing or otherwise delivering the notice with its billing statements. Notice by mail shall be presumed to be complete three days after the date of deposit of the paper upon which such notice is written, enclosed in a post-paid, properly addressed wrapper, in a post office or official depository under the care of the United States Postal Service. 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;

|                                     |                                   |                   |
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- 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.

|   |   |                            |
|---|---|----------------------------|
| <b>RIDER:</b>                               | <b>Rider CEE – Conservation &amp; Energy Efficiency</b> |                            |
| <b>APPLICABLE TO:</b>                       | <b>Entire System</b>                                    | <b>REVISION:<br/>DATE:</b> |
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**RIDER CEE – Conservation & Energy Efficiency**

Purpose

Atmos Energy Mid-Tex is proposing to institute a complete Conservation & Energy Efficiency program which will offer assistance to qualified customer segments in reducing energy consumption and lowering energy utility bills. The proposal is one where Atmos Energy shareholders will fund a percentage of the allowable expenses incurred annually, with a customer rate component providing the remainder of the funding. Following is a high-level, concept summary of the proposal. Atmos Energy Mid-Tex Division proposes to work with the communities it serves to develop the details of a new tariff and programs addressing conservation and energy efficiency.

Synopsis:

Voucher system to provide free energy savings materials and supplies to qualifying customers of Atmos Mid-Tex. Qualified Customers will receive up to two hundred dollars (\$200.00) worth of caulking, weather-stripping, sheathing, sealing, water heater blankets, and like materials, other energy saving devices such as clock-thermostats, set-back devices (“covered items”) from approved suppliers / retailers. Company will undertake efforts to enlist support from community groups, including its own Employee Action Program, to assist customers with installation. If it is determined that professional installation capabilities are necessary, the parties will agree on labor assistance amounts.

Eligibility

Low Income – Low-income rate-payers that qualify for heating bill assistance through LIHEAP agencies and all agencies that distribute Atmos “Share the Warmth” funds. Agencies that allocate assistance funds denote customer as Low Income, a status that lasts for one year.

Senior Citizen – Primary account holder can request eligibility through ATM call center or web-site. Customer provides primary SSN which is verified through Social Security Administration. And account holder that is or turns 65 years old in that year becomes eligible.

Funding

Initial program funding will be at two million dollars (\$2,000,000). Atmos Energy shareholders will contribute one million dollars (\$1,000,000.00) to this initiative annually with ratepayers providing one million dollars (\$1,000,000.00) per year. It is proposed that the program operate on an October 1 through September 30 year, with benefits being capped at the two million dollar level for the initial program period.

Administration:

A third-party administrator will coordinate qualification of customers, voucher distribution, subsequent verification and reimbursement of eligible expenditures and general program administration. Program administration expenses will be funded from the annual approved budget.

Program audits will be conducted and the results provided to any interested party within 120 days of the end of each program year to determine effectiveness.

## **MODEL STAFF REPORT**

The City, along with 150 other cities served by Atmos Energy Mid-Tex Division ("Atmos" or "Company"), is a member of the Atmos Cities Steering Committee ("ACSC"). Since October, ACSC members have worked diligently with Atmos representatives to explore options to address Atmos' latest request to increase rates by \$52 million and to resolve other outstanding issues. The ordinance and tariffs (Attachment B to the Ordinance) reflect the agreement reached between ACSC and Atmos Mid-Tex to reduce Atmos' requested increase by more than 80 percent and ensure that the Company is able to provide safe and reliable natural gas service. The Settlement Agreement (Attachment A to the Ordinance) also provides rate certainty for customers by resolving outstanding appeals, creates a new process for expedited rate review by the cities, eliminates piecemeal ratemaking, reimburses ACSC for rate case expenses associated with the GRIP surcharge cases, and avoids the necessity of costly litigation. The ACSC Executive Committee recommends that ACSC members approve the Settlement Agreement.

### **Purpose of the Ordinance:**

The purpose of the Ordinance is to endorse the Settlement Agreement between ACSC and Atmos regarding the Company's Statement of Intent to increase rates and to approve tariffs that implement the terms of the Settlement Agreement.

Approval of the Ordinance will result in a \$10 million increase in Atmos' revenues. This is an 80 percent reduction of the \$52 million increase requested by Atmos in its Statement of Intent. In addition, the tariffs approved by the Ordinance will replace the current piecemeal ratemaking GRIP surcharge system with an expedited rate review process that ensures that cities can review all components of future Company rate change requests. The Settlement Agreement also resolves all outstanding issues between ACSC and Atmos, including six appeals currently pending in Texas courts.

### **Procedural History and Background on Atmos Rate Increases Since 2004:**

On September 20, 2007, Atmos filed with the City the Company's Statement of Intent to increase natural gas rates system-wide by approximately \$52 million. The City suspended the October 25<sup>th</sup> Effective Date to work with other ACSC members to analyze the schedules and evidence offered by Atmos to support its request to increase rates. In order to facilitate approval of this Ordinance and the attached tariffs, Atmos Mid-Tex has agreed to extend the deadline for final city action until March 1, 2008.

Atmos' rate request represents the seventh increase in natural gas rates for customers in the Atmos Mid-Tex service area since 2004. Four rate increases are the result of Gas Reliability Infrastructure Program (GRIP) surcharges enacted pursuant to the Texas Utilities Code § 104.301. A primary complaint of cities around the state regarding GRIP filings is that it is piecemeal ratemaking and only looks at changes in the utility's invested capital, rather than a more comprehensive review of all components affecting rates charged. Cities thus far have been unsuccessful in defeating GRIP at the Legislature and in court.

In addition to the four GRIP surcharges, base rates charged to customers served by Atmos Mid-Tex have increased as the result of two system-wide cost of service rate filings since 2004. The Company's current request to increase base rates would be the third system-wide cost of service increase for customers in Atmos Mid-Tex's service area since 2004.

In the most recent cost of service rate request, GUD No. 9670, the Railroad Commission of Texas ("RRC" or "Commission") issued an order in March, 2007, approving new system-wide rates for customers of Atmos Mid-Tex. Residential customers were impacted disproportionately by the Commission's final order, with residential rates increasing by \$10 million annually, despite an overall system-wide rate increase of \$5 million.

System-wide rates charged to residential customers in the Atmos Mid-Tex region were also increased by several million dollars in 2004 in GUD No. 9400. In GUD Nos. 9400 and 9670, the hearings examiners that heard the testimony and evaluated the evidence recommended that rates be reduced for customers. However, in both cases, the Railroad Commission reversed key decisions of its own hearings examiners, ultimately issuing final orders that approved rate increases instead of the recommended rate reductions.

### **Reasons Justifying Settlement:**

During the time that the City has retained original jurisdiction in this case, consultants working on behalf of ACSC members have investigated the support for the Company's requested rate increase. While the evidence does not support the \$52 million increase requested by the Company, ACSC consultants agree that the Company can justify an increase in revenues of at least \$8 million and that there is a reasonably high probability that the RRC would award an increase of at least \$10 million.

A contested case proceeding before the RRC on the Company's current application will take several months and cost ratepayers millions of dollars in rate case expenses and would not likely produce a request more favorable than that to be produced by the settlement. The ACSC Executive Committee recommends that ACSC members take action to approve the Settlement Agreement. This Settlement Agreement achieves several desirable outcomes, including:

- Reverses rate design decisions that unfairly impact residential ratepayers
- Does away with piecemeal ratemaking problems inherent to the GRIP surcharge process
- Eliminates exposure to potential court reversal of the multi-million dollar Poly-1 Pipe disallowance (Atmos' issue on appeal in Docket No. 9400)
- Avoids uncertainty and potential negative consequences of Railroad Commission rate review (in the two most recent rate cases affecting Atmos Mid-Tex customers, the Commission has reversed rate reductions recommended by its own hearings examiners in favor of rate increases)
- Implements an expedited rate review process that includes the cities and allows review of all aspects of Atmos' cost of service

- Requires Atmos to reimburse ACSC for more than \$500,000 paid to litigate GRIP surcharge cases
- Protects ACSC members and their citizens from the remote possibility that a litigated outcome or settlement with other parties produces a result more favorable than the ordinance passed by ACSC members by including a Most Favored Nations provision in the Settlement Agreement.

**Explanation of "Be It Ordained" Paragraphs:**

1. This paragraph approves all findings in the ordinance.
2. This section adopts the Settlement Agreement in all respects and finds it to be just, reasonable and in the public interest.
3. This section adopts the attached Tariffs in all respects and finds the rates set pursuant to the attached Tariffs to be just, reasonable and in the public interest. Note that only new tariffs or existing tariffs that are being revised are attached to the Ordinance. Existing tariffs that are not being changed in any way are not attached to the Ordinance.
4. This section repeals any resolution or ordinance that is inconsistent with this Ordinance.
5. This section finds that the meeting was conducted in compliance with the Texas Open Meetings Act, Texas Government Code, Chapter 551.
6. This section is a savings clause, which provides that if any section(s) is later found to be unconstitutional or invalid, that finding shall not affect, impair or invalidate the remaining provisions of this Ordinance. This section further directs that the remaining provisions of the Ordinance are to be interpreted as if the offending section or clause never existed.
7. This section is a "Most Favored Nations" clause, which protects the City by mandating that if a Final Order or subsequent settlement agreement approved in any proceeding addressing the issues raised in Atmos' Statement of Intent filing result in rates, revenues, terms and conditions, or benefits that would be more beneficial to the ACSC Cities than the terms of this Settlement Agreement, the City may, at its option, implement and benefit from such more favorable rates, revenues, terms and conditions, or benefits shall additionally accrue to the ACSC Cities. However, the section makes it clear that application of the Most Favored Nations provision does not affect the approval of the Rider RRM, Rider CEE, Rider GCR and the Rider WNA, which shall continue according to their terms.
8. This section provides for an effective date upon passage.

9. This paragraph directs that a copy of the signed resolution be sent to a representative of the Company and legal counsel for ACSC.

**EXPLANATION OF KEY PROVISIONS OF  
THE SETTLEMENT AGREEMENT BETWEEN ACSC AND ATMOS**

**1. An 80% Reduction of Atmos' Requested \$52 Million Rate Increase**

Atmos' Statement of Intent filing made with the Cities in September, 2007, requested a \$52 million rate increase. The Settlement Agreement substantially reduces the Company's request, authorizing a \$10 million rate increase effective for bills rendered by Atmos on or after March 1, 2008.

During the time that ACSC members have retained original jurisdiction in this case, rate experts working on behalf of ACSC have investigated the support for the Company's requested rate increase. It is likely that if the merits of the Company's requested increase were litigated before the Railroad Commission ("RRC"), testimony filed by ACSC experts would support an increase of approximately \$8 million. However, it is extremely unlikely that the RRC would adopt ACSC's position in its entirety.

A contested case proceeding before the RRC on the Company's current application will take several months and cost ratepayers millions of dollars in rate case expenses. The \$10 million rate increase provided by the Settlement Agreement is within the zone of reasonableness based on the evidence that would be offered at hearing. Cities' experience before the RRC indicates that it is more likely than not that the \$10 million rate increase agreed to as part of the settlement is a better result than what would be ordered by the RRC.

**2. Elimination of Piecemeal Ratemaking ("GRIP") in Favor of a Comprehensive Rate Review Mechanism ("RRM")**

The Settlement Agreement authorizes a three year experiment with an expedited rate review process that replaces GRIP ratemaking. There will be no GRIP filings while RRM is operative. ACSC has opposed all GRIP filings as piecemeal ratemaking because gas utilities were able to receive a rate increase simply by showing a change in their invested capital instead of a more comprehensive view of all of the components that affect rates, like revenues and expenses. However, Cities have been unsuccessful thus far in defeating GRIP at the Legislature and in court.

The RRM process, starting with the first filing to be effective in October, 2008, should be a more comprehensive process that will allow cities with original jurisdiction the opportunity to review information regarding changes to Atmos' revenues and expenses as well as its invested capital. In addition, Atmos and ACSC agreed to certain constraints on the magnitude of changes to expenses and invested capital under RRM. The agreement also freezes Atmos Mid-Tex's rate of return on equity and its capital structure for purposes of the RRM filings to avoid the parent company manipulating Atmos Mid-Tex's overall rate of return.

**Privileged and Confidential  
Attorney Client Communication**

If the RRM process is not successful, Cities and the Company are free to revert to the statutory plan for rate changes (GRIP surcharges or a full contested case proceeding). Expenses incurred by ACSC to review RRM filings will be reimbursed by Atmos.

**3. Establishes a Conservation Program to Reduce Natural Gas Consumption**

Atmos' conservation program will be implemented effective with the first RRM in October. The Settlement Agreement calls for contributions of \$1 million from both shareholders and ratepayers, but limits ratepayer-supplied dollars to investment in materials and supplies.

**4. Gas Cost Uncollectibles to be Recovered Through the Gas Cost Recovery Factor Instead of Base Rates**

At Atmos' request, Cities will authorize a transition of gas cost uncollectibles from base rates to the gas cost recovery factor coincident with the RRM experiment in October. The level of uncollectibles recovered in base rates will be reduced dollar for dollar as uncollectibles are shifted to the gas cost recovery factor.

**5. Improves Residential Rate Design**

Atmos agrees to change residential rate design as part of the RRM process and to fix the residential customer charge at \$7.00 with all other costs being recovered through the commodity charge.

The settlement achieves what cities could not win through litigation on residential rate design. The RRC has systematically gutted the rate design policy approved by cities for TXU Gas during the 1990s. In the past two contested cases, the RRC has increased the residential customer charge, sending residential customers the false signal that the cost of natural gas declines as consumption increases.

**6. Provides for Rate Certainty**

As part of the Settlement Agreement, Atmos and ACSC agree to dismiss their appeals of the two most recent cost of service rate cases. Atmos has continued to pursue the appeal regarding cost responsibility for the replacement of poly-1 pipe. While the Commission came to the right decision in assigning that cost to shareholders, its findings and conclusions are not as strong as they could or should be and thus there is a potential that a business-oriented appellate court could rule in favor of Atmos. The poly-1 pipe issues have an invested capital potential liability in excess of \$80 million if an appellate court reverses the RRC. ACSC also agrees to drop its appeals of GRIP cases with the exception of the declaratory action case (regarding interpretation of the GRIP statute) that has already been argued to the Court of Appeals.

**Privileged and Confidential  
Attorney Client Communication**

**7. Reimbursement of GRIP Rate Case Expenses**

To date, the ACSC has expended more than \$500,000 litigating the four GRIP surcharges implemented by Atmos. Atmos and the RRC have taken the position that cities are not entitled to rate case expense reimbursement in GRIP surcharge cases. Pursuant to the Settlement Agreement, Atmos will reimburse ACSC for expenses associated with litigation of the four GRIP filings.

**8. Protects Cities' Interest**

The Settlement Agreement includes a "Most Favored Nations" clause so that ACSC members will receive the benefit of any concessions that may be made to other parties, including the RRC.

Ms. Doyle's Direct Line: (512) 322-5820  
Email: [kdoyle@lglawfirm.com](mailto:kdoyle@lglawfirm.com)

## MEMORANDUM

TO: Atmos City Steering Committee (ACSC) Members

FROM: Geoffrey Gay  
Kristen Doyle  
Georgia Crump

DATE: January 10, 2008

RE: **FINAL ACTION BY MARCH 1<sup>ST</sup> – Atmos Rate Case Settlement**

The ACSC Settlement Committee (Jay Doegey – Arlington, Danny Reed – Fort Worth, Mark Israelson – Plano, Don Wilson – Eastland, Doreen McGookey – Sherman, Tom Akins – Denison, Cathy Cunningham – various ACSC cities), with the advice and input of consultants and lawyers retained by ACSC, has worked since October to explore options to resolve the Company's pending \$52 million rate increase request without the necessity of a protracted and costly contested case proceeding.

The attached Settlement Agreement is a result of their efforts. It reduces Atmos' rate increase by more than 80 percent, resolves several outstanding issues on appeal, requires reimbursement of more than \$500,000 expended by ACSC to litigate GRIP cases, and eliminates the piecemeal ratemaking GRIP process in favor of an expedited rate review process controlled by cities. **The ACSC Executive Committee recommends approval of the settlement agreement** because it provides rate certainty, represents an outcome that is equal to or better than the outcome expected from a lengthy contested case proceeding, and maintains cities' role as a regulator of natural gas rates.

**Please schedule consideration of the ordinance for your next available council meeting. Final council action to approve the ordinance must take place by March 1<sup>st</sup>.** To assist you, several documents are attached:

- An ordinance setting new rates. The approved Ordinance must include the Settlement Agreement ("Attachment A" to the Ordinance) and Tariffs ("Attachment B" to the Ordinance.)
- A model staff report
- A detailed explanation of key provisions of the settlement agreement
- A list of ACSC members

Please contact Kristen (512/322-5820, [kdoyle@lglawfirm.com](mailto:kdoyle@lglawfirm.com)) immediately if your city is unable to meet the March 1<sup>st</sup> deadline for final action. Once final action has been taken by your city, please forward a copy of the ordinance to Atmos Mid-Tex and to our paralegal, Barbara Kimmell (fax number: 512/472-0532.)

## ACSC Cities

(151 Total)

|                        |                      |                      |
|------------------------|----------------------|----------------------|
| Abilene                | Fate                 | Palestine            |
| Addison                | Flower Mound         | Pantego              |
| Allen                  | Forest Hill          | Paris                |
| Alvarado               | Fort Worth           | Parker               |
| Angus                  | Frisco               | Pecan Hill           |
| Anna                   | Frost                | Plano                |
| Argyle                 | Gainesville          | Ponder               |
| Arlington              | Garland              | Pottsboro            |
| Bedford                | Garrett              | Prosper              |
| Bellmead               | Grand Prairie        | Putnam               |
| Benbrook               | Grapevine            | Quitman              |
| Beverly Hills          | Haltom City          | Red Oak              |
| Blue Ridge             | Harker Heights       | Reno (Parker County) |
| Bowie                  | Haskell              | Richardson           |
| Boyd                   | Haslet               | Richland Hills       |
| Bridgeport             | Heath                | Roanoke              |
| Brownwood              | Hewitt               | Robinson             |
| Buffalo                | Highland Park        | Rockwall             |
| Burkburnett            | Highland Village     | Roscoe               |
| Burleson               | Honey Grove          | Rowlett              |
| Caddo Mills            | Hurst                | Sachse               |
| Carrollton             | Iowa Park            | Saginaw              |
| Cedar Hill             | Irving               | Seagoville           |
| Celeste                | Justin               | Sherman              |
| Celina                 | Kaufman              | Snyder               |
| Cisco                  | Keene                | Southlake            |
| Cleburne               | Keller               | Springtown           |
| Clyde                  | Kemp                 | Stamford             |
| College Station        | Kennedale            | Stephenville         |
| Colleyville            | Kerrville            | Sulphur Springs      |
| Colorado City          | Killeen              | Sweetwater           |
| Comanche               | Krum                 | Temple               |
| Coolidge               | Lakeside             | Terrell              |
| Coppell                | Lake Worth           | The Colony           |
| Corinth                | Lancaster            | Throckmorton         |
| Corral City            | Lewisville           | Tyler                |
| Crandall               | Lincoln Park         | University Park      |
| Crowley                | Little Elm           | Venus                |
| Dalworthington Gardens | Malakoff             | Vernon               |
| Denison                | Mansfield            | Waco                 |
| DeSoto                 | McKinney             | Watauga              |
| Duncanville            | Melissa              | Waxahachie           |
| Eastland               | Mesquite             | Westlake             |
| Edgecliff Village      | Midlothian           | Westworth Village    |
| Emory                  | Murphy               | Whitesboro           |
| Ennis                  | Newark               | White Settlement     |
| Eules                  | Nocona               | Wichita Falls        |
| Everman                | North Richland Hills | Woodway              |
| Fairview               | Northlake            | Wylie                |
| Farmers Branch         | Oak Leaf             |                      |
| Farmersville           | Ovilla               |                      |

**Comparison of Customer Impacts:  
Atmos' Requested Rates as filed (Statement of Intent)  
and the Settlement Agreement**

|   | Atmos Requested Rates |                         |             |            | Settlement Agreement              |             |            |
|---|-----------------------|-------------------------|-------------|------------|-----------------------------------|-------------|------------|
|   | Current Monthly Bill  | Atmos Req. Monthly Bill | Change (\$) | Change (%) | Settlement Agreement Monthly Bill | Change (\$) | Change (%) |
| <b>Residential</b><br>(using 4.4 Mcf per month) | \$54.99               | \$57.07                 | \$2.08      | 3.77%      | \$55.19                           | \$0.20      | 0.37%      |
| <b>Commercial</b><br>(using 30 Mcf per month)   | \$296.15              | \$305.36                | \$9.21      | 3.11%      | \$299.60                          | \$3.48      | 1.18%      |
| <b>Industrial</b><br>(using 300 MMBTU)          | \$2,975.21            | \$3,143.10              | \$167.89    | 5.64%      | \$2978.79                         | \$3.58      | 0.12%      |
| <b>Transport</b><br>(using 300 MMBTU)           | \$519.87              | \$687.76                | \$167.89    | 32.30%     | \$523.45                          | \$3.58      | 0.69%      |

- In its Statement of Intent filed with the Cities on September 20, 2007, Atmos Mid-Tex asked for a \$52 million increase from total customers revenues of \$1,512 million. If approved, the Company's revenues would have increased 3.4 percent.
- The \$10 million revenue increase authorized by the Settlement Agreement represents a 0.66 percent increase in Company revenues.

**January 24, 2008  
Regular Agenda Item 10  
Annual Blanket Purchase Order for the Installation  
of Hot Mix Asphalt Concrete**

**To:** Glenn Brown, City Manager

**From:** Mark Smith, Director of Public Works

**Agenda Caption:** Presentation, possible action and discussion regarding approval of an annual contract with either Knife River or Brazos Valley Services for Item 1 - the Installation of Hot Mix Asphalt Concrete and Item 2 - MC-30/AEP Emulsified Asphalt after a tie-breaker has been administered to determine the award of the bid. The cost for the total of Item 1 and Item 2 is not to exceed \$632,250.00. The approval of a contract with Brazos Valley Services for Item 3 – the purchase of RC-2 Winter Patch Asphalt is recommended at a cost not to exceed \$7,500.00.

**Recommendation(s):** Staff recommends approval of the contracts after determination of the award for Item 1 and Item 2 through the tie-breaker. Approval of the contract for Item #3 with Brazos Valley Services is recommended because it is the low bid.

**Summary:** Bids for the Annual Blanket Purchase Order for the Installation of Hot Mix Asphalt Concrete were received from Brazos Valley Services, Knife River and Big Creek Construction. The bid documents state that "Item 1 and Item 2 will be awarded together, based on total low bid for both items". Both Knife River and Brazos Valley Services submitted the low bids of \$632,250.00 for the two items. Big Creek Construction submitted a bid that was higher. Brazos Valley Services submitted the low bid for Item 3. A tie breaker is to be administered through a lottery system to award the bid in the event of identical low submittals. Staff recommends the contract for Item 1 and Item 2 be awarded to the vendor selected in the tie breaker. Staff also recommends the contract for Item 3 be awarded to the low bidder, Brazos Valley Services.

**Budget & Financial Summary:** Funding for the Annual Blanket Purchase Order for the Installation of Hot Mix Asphalt Concrete is provided from the operating budget of the Street Maintenance Division.

**Attachments:**

1. Tabulation of Bid No. 08-14
2. Prepared resolutions for both contracts

ANNUAL BID FOR INSTALLATION OF HOT MIX  
 BID TABULATION 08-14  
 PUBLIC WORKS

| Item No.                  | Ann Est Quan. | Unit Meas. | Description                           | Brazos Valley Services |                     | Knife River |                                      | Big Creek Constuction |                     |
|---------------------------|---------------|------------|---------------------------------------|------------------------|---------------------|-------------|--------------------------------------|-----------------------|---------------------|
|                           |               |            |                                       | Unit Price             | Item Total          | Unit Price  | Item Total                           | Unit Price            | Item Total          |
|                           |               |            |                                       | 1                      | 10,000              | tons        | Asphalt Concrete, Hot Mix, Installed | \$62.60               | \$626,000.00        |
| 2                         | 2,500         | gallons    | Emulsion, MC-30                       | \$2.50                 | \$6,250.00          | 2.90        | 7,250.00                             | 4.00                  | 10,000.00           |
| <b>Total 1 &amp; 2</b>    |               |            |                                       |                        | <b>\$632,250.00</b> |             | <b>\$632,250.00</b>                  |                       | <b>\$635,000.00</b> |
| 3                         | 100           | tons       | Asphalt, Winter Patch, RC-2 (PICK UP) | \$75.00                | \$7,500.00          | 85.00       | \$8,500.00                           | No Bid                | 0.00                |
| <b>Total 1, 2 &amp; 3</b> |               |            |                                       |                        | <b>\$639,750.00</b> |             | <b>\$640,750.00</b>                  |                       | <b>Incomplete</b>   |

RESOLUTION NO. \_\_\_\_\_

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COLLEGE STATION, TEXAS, APPROVING A CONSTRUCTION CONTRACT FOR THE ANNUAL INSTALLED ASPHALT CONTRACT PROJECT AND AUTHORIZING THE EXPENDITURE OF FUNDS.**

WHEREAS, the City of College Station, Texas, solicited bids for the construction phase of the Annual Installed Asphalt Contract Project; and

WHEREAS, the selection of Knife River Corporation South is being recommended as the lowest responsible bidder for the construction services related to Annual Installed Asphalt Contract; now, therefore,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF COLLEGE STATION, TEXAS:

PART 1: That the City Council hereby finds that Knife River Corporation South is the lowest responsible bidder.

PART 2: That the City Council hereby approves the contract with Knife River Corporation South for \$632,250.00 for the labor, materials and equipment required for the improvements related the Annual Installed Asphalt Contract Project.

PART 3: That the funding for this Contract shall be as budgeted from the 001-General Fund, Street Maintenance Division, in the amount of \$632,250.00.

PART 4: That this resolution shall take effect immediately from and after its passage.

ADOPTED this \_\_\_\_\_ day of \_\_\_\_\_, A.D. 2008.

ATTEST:

APPROVED:

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

\_\_\_\_\_  
MAYOR

APPROVED:



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

RESOLUTION NO. \_\_\_\_\_

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COLLEGE STATION, TEXAS, APPROVING A CONSTRUCTION CONTRACT FOR THE ANNUAL INSTALLED ASPHALT CONTRACT PROJECT AND AUTHORIZING THE EXPENDITURE OF FUNDS.**

WHEREAS, the City of College Station, Texas, solicited bids for the construction phase of the Annual Installed Asphalt Contract Project; and

WHEREAS, the selection of Brazos Valley Services is being recommended as the lowest responsible bidder for the construction services related to Annual Installed Asphalt Contract; now, therefore,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF COLLEGE STATION, TEXAS:

PART 1: That the City Council hereby finds that Brazos Valley Services is the lowest responsible bidder.

PART 2: That the City Council hereby approves the contract with Brazos Valley Services for \$ 632,250.00 for the labor, materials and equipment required for the improvements related the Annual Installed Asphalt Contract Project.

PART 3: That the funding for this Contract shall be as budgeted from the 001-General Fund, Street Maintenance Division, in the amount of \$632,250.00.

PART 4: That this resolution shall take effect immediately from and after its passage.

ADOPTED this \_\_\_\_\_ day of \_\_\_\_\_, A.D. 2008.

ATTEST:

APPROVED:

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

\_\_\_\_\_  
MAYOR

APPROVED:



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



**January 24, 2008**  
**Regular Agenda Item 11**  
**Nomination of Fire Chief to 911 Board of Directors**

**To:** Glenn Brown, City Manager

**From:** Kathy Merrill, Assistant City Manager

**Agenda Caption:** Presentation, possible action, and discussion regarding a nomination to the Board of Managers of the Brazos County Emergency Communications District.

**Recommendation(s):** Staff recommends nominating Fire Chief R.B. Alley to serve a two year term on the Board of Managers for the Brazos County Emergency Communications District.

**Summary:** Emergency Communications districts were mandated by state law which also authorized establishing fees to support communications infrastructure. The Brazos County district was established in 1988.

The members of the Board of Managers of the Brazos County Emergency Communications District are made up of five voting members. Membership of the board is allocated to the various entities within the county as follows: Brazos County appoints two members, the cities appoint two members jointly and one member is appointed by the volunteer fire departments. Verizon appoints a non-voting member as the principal telephone service supplier. The City's previous representative on this Board was the Police Chief.

Because the method of selecting the Board of Managers is in conjunction with the other cities in the County, these nominations will be circulated by the Executive Director of the Brazos County Emergency Communications District, in ballot form, to the other entities in the County for their concurrence during a specified time period.

**Budget & Financial Summary:** There are no direct costs to the City of College Station; however, citizens in College Station help to fund the 911 District operations and administrative staff through charges attached to telephone and cellphone bills.

**Attachments:**

1. Letter from BCECD Executive Director

# BRAZOS COUNTY EMERGENCY COMMUNICATIONS DISTRICT

P.O. BOX 911 - BRYAN, TEXAS 77806  
979.779.0911 - FAX 979.821.3407  
WWW.BC911.ORG



December 20, 2007

DEC 21 2007

Glenn Brown, City Manager  
City of College Station  
1101 Texas Ave  
College Station, Texas 77840

Dear Mr. Brown:

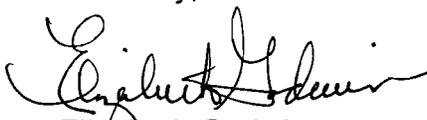
The joint municipal appointment of representatives to the Brazos County Emergency Communications District will expire December 31, 2007. The Board is comprised of five voting members; two members appointed by the County Commissioners Court, two members appointed jointly by all participating municipalities located in the District and one member appointed by the volunteer fire departments. Additionally, the principal telephone service supplier, *Verizon*, appoints a non-voting member.

The current members representing the four municipalities in our District are Chief Michael Clancey and Chief Michael Donoho. I have outlined each step in the process below:

1. Please nominate an individual to serve on the Board of Managers. This person may be a staff member or a citizen at large. Please return this nomination no later than January 31, 2008.
2. Once all nominations are received, a ballot will be circulated to all cities. This ballot could contain up to four names, one submitted by each city. At that time, please vote for **two** representatives from this list of nominees. The District will tabulate the ballots.

If you have any questions or require any additional information, please do not hesitate to contact me.

Sincerely,

  
Elizabeth Godwin  
Executive Director

**WHEN SECONDS COUNT**

**January 24, 2008**  
**Regular Agenda Item 12**  
**Certification of Petition to City Council on Referendum of Tax Freeze Election**

**To:** Glenn Brown, City Manager

**From:** Connie Hooks, City Secretary

**Agenda Caption:** Presentation, possible action, and discussion on the acceptance of a tax freeze petition certified by the City Secretary.

**Summary:** On January 13, 2008 the City Secretary completed the verification process of an initiative petition for the City Council to call an election to freeze the ad valorem taxes on the residential homestead of the disable and persons 65 years of age or older and their spouses.

Texas Constitution Article VIII, sec 1-b(h) states “That on receipt of a petition signed by five percent (5%) of the registered voters of the county, the city or town, or junior college district, the governing body of the county, the city or town, or the junior college district shall call an election to determine by majority vote whether to establish the tax limitation.”

The required number of signatures reported to the committee from the Brazos County registered voter records was 1,312. The petition submitted to the City contained 1,653 valid signatures.

The next step in the election process is for the Council to consider the petition and direct staff to prepare ordinance with proper ballot title. And, on such date that the City Council considers the ordinance a public hearing shall be held.

**Recommendation:** Staff proposed to submit agenda item for public hearing and calling of special election on the February 14, 2008 City Council agenda. This type of election must be held on a uniform election date. The next uniform election date is May 10, 2008.

**Budget & Financial Summary:** N/A

**Attachments:**

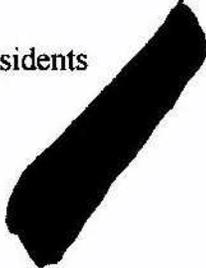
Cover letter of tax freeze petition from committee of petitioners.

City of College Station Tax Freeze Petition

January 7, 2008

Tax Freeze Petition for senior citizens and disabled residents

To: Connie Hooks  
City Secretary  
City of College Station, TX



1653

From: Elector members of Committee of Petitioners: J. F. Keblinger, 1005 Muirfield Village, College Station, TX 77845; R. L. Burns, 4603 Oakmont Circle, College Station, TX 77845; P. D. Matthews, 4770 Stonebriar Circle, College Station, TX 77845; J. R. Birdwell, 3 Forest Drive, College Station, TX 77840; and J. L. Rogers, 4701 Camargo Court, College Station, TX 77845.

This petition requests the City of College Station to call an election to freeze the ad valorem taxes on the residential homestead of the disabled and persons 65 years of age or older and their spouses.

Proposed Ordinance: The City of College Station shall freeze the ad valorem taxes on the residential homestead of the disabled or persons 65 years of age or older and their spouses as provided for in Article VIII, Texas Constitution, Section, 1-b, Subsection (h).

Accompanying this document are 176 individual petition sheets with signatures that have been witnessed by a member of the Committee of Petitioners. By our count we have 1,732 total signatures with 1,588 of those from registered College Station voters that are listed in the Brazos County registered voter records. This is 21% over the 1,312 signatures that were determined by the Brazos County Voter Registration Office to be the required number of signatures for the Tax Freeze Petition.

Respectfully Submitted by Elector Members of the Committee of Petitioners:

J. F. Keblinger

R. L. Burns

P. D. Matthews

J. R. Birdwell

J. L. Rogers

**January 24, 2008**  
**Regular Agenda Item 13**

**Certification of Petition to City Council on Initiative of a Charter Amendment related to Charter Article X Section 85**

**To:** Glenn Brown, City Manager

**From:** Connie Hooks, City Secretary

**Agenda Caption:** Presentation, possible action, and discussion on the charter amendment petition certified by the City Secretary.

**Summary:** On January 13, 2008 the City Secretary completed the verification process of an initiative petition “for the City Council to call an election to amend the City Charter to replace City Charter Article X, Section 85, Form of Petitions: Committee of Petitioners with additional wording to authorize registered College Station voters to circulate and witness individual petition papers. The ordinance will include the authorization for mail petitions without a notary requirement.”

The required number of signatures provided to the Committee from the City Secretary was 1,019. The petition submitted to the City contained 1,243 valid signatures.

**Points of interest for City Council.**

City of College Station City Charter Section 131 reads: “This Charter may be amended in accordance with the provisions of the statutes of the State of Texas.”

Texas Constitution Article XI, Section 5 provides in part: “Cities having more than five thousand (5000) inhabitants may, by a majority vote of the qualified voters of said city, at an election held for that purpose, adopt or amend their charters, subject to such limitations as may be prescribed by the Legislature... and provided further that no city charter shall be altered, amended or repealed oftener than every two years.”

In summary, following certification of the Charter petition, the City Secretary reviewed Attorney General’s Opinions that the City is not allowed to hold a special Charter amendment election less than two years from the date of prior Charter amendment election.

The last City Charter election was held on May 13, 2006 and the upcoming City general election will be held May 10, 2008. May 10, 2008 is within the 730 day time frame for a future charter election to be held.

Any general or special election can only be held on authorized uniform election dates, second Saturday in May and first Tuesday in November.

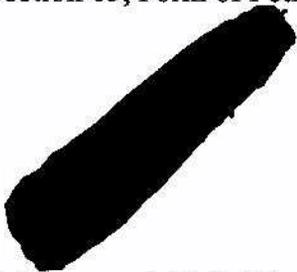
**Attachments:**

Cover letter from committee of petitions on charter amendment referendum.



Petition to replace City Charter Article X, Section 85, Form of Petitions; Committee of Petitioners

To: Connie Hooks  
City Secretary  
City of College Station, TX



1243  
certified

From: Elector members of Committee of Petitioners: J. F. Keblinger, 1005 Muirfield Village, College Station, TX 77845; R. L. Burns, 4603 Oakmont Circle, College Station, TX 77845; P. D. Matthews, 4770 Stonebriar Circle, College Station, TX 77845; J. R. Birdwell, 3 Forest Drive, College Station, TX 77840; and J. L. Rogers, 4701 Camargo Court, College Station, TX 77845.

This petition requests the City of College Station to call an election to replace City Charter Article X, Section 85, Form of Petitions; Committee of Petitioners with additional wording to authorize registered College Station voters to circulate and witness individual petition papers. The ordinance will include the authorization for mail petitions without a notary requirement.

Proposed Ordinance: Replace City Charter Article X, Section 85, Form of petitions; Committee of petitioners, with the following: Initiative petition papers shall contain the full text of the proposed ordinance. The signatures to initiative and referendum petitions need not all be appended to one paper, but each separate petition there shall be attached a statement of the circulator thereof as provided by this section. Each signer of any petition paper shall sign his name in ink or indelible pencil and shall indicate after his name his place of residence by street and number, or other description sufficient to identify the place. There shall appear on each petition the names and addresses of five electors, who, as a committee of petitioners, shall be regarded as responsible for the circulation and filing of the petition. *The committee of petitioners may at their discretion delegate circulator duties to College Station voters. Mail petitions shall be authorized without a notary requirement.* Attached to each separate petition paper there shall be an affidavit of the circulator thereof that he, and he only, personally circulated the forgoing paper, that bears a stated number of signatures, that all signatures appended thereto were made in his presence, and that he believes them to be the genuine signatures of the persons whose names they purport to be.

Accompanying this document are 134 individual petition sheets with signatures that have been witnessed by a member of the Committee of Petitioners. By our count we have 1,310 total signatures with 1,223 of those from registered College Station voters that are listed in the Brazos County registered voter records. This is 20% over the 1,019 signatures that were provided by your office to be the required number of signatures for the Charter Change Petition.

Respectfully Submitted by Elector Members of the Committee of Petitioners:

|                 |                        |
|-----------------|------------------------|
| J. F. Keblinger | <u>J. F. Keblinger</u> |
| R. L. Burns     | <u>R. L. Burns</u>     |
| P. D. Matthews  | <u>P. D. Matthews</u>  |
| J. R. Birdwell  | <u>J. R. Birdwell</u>  |
| J. L. Rogers    | <u>J. L. Rogers</u>    |