



Physical Address: 501 South Main Street

Mailing Address: PO Box 228

Rhome, Texas 76078

Telephone: 817-636-2462

www.cityofrhome.com | citysecretary@cityofrhome.com

Mayor
Jo Ann Wilson

City Council

**Mayor Pro-Tem,
Place 1**
Josh McCabe

Place 2
Michelle Tye

Place 3
Elaine Priest

Place 4
Sam Eason

Place 5
Ashley Majors

**City
Administrator**
Cynthia Northrop

City Attorney
Carvan Adkins

City Secretary
Shannon
Montgomery

Fire Chief
Darrell Fitch

Police Chief
Eric Debus

**Public Works
Director**
Sean Densmore

NOTICE OF SPECIAL MEETING OF THE RHOME CITY COUNCIL

Meeting Date: Thursday, July 29, 2021

Location: VIA TELEPHONE CONFERENCE

MEETING START TIME: 6:30 PM

(Total Estimated Meeting Time 57 Minutes)

NOTICE IS HEREBY GIVEN in accordance with order of the Office of the Governor issued March 16, 2020, and most recently extended until August 31, 2021, the City Council of the City of Rhome will conduct its Special Meeting scheduled for **6:30pm** on Thursday, July 29, 2021 by telephone conference in order to advance the public health goal of limiting face-to-face meetings (also called "social distancing") to slow the spread of the Coronavirus (COVID-19).

This meeting will be closed to in person attendance by the public.

A temporary suspension of the Open Meetings Act to allow telephone or videoconference public meetings has been granted by Governor Greg Abbott. These actions are being taken to mitigate the spread of COVID-19 by avoiding meetings that bring people into a group setting and in accordance with Section 418.016 of the Texas Government Code.

Telephonic and videoconferencing capabilities will be utilized to allow individuals to address the Council. Members of the public are entitled to participate remotely **via GoToMeeting Teleconferencing. Citizens may join the GoToMeeting:**

Special City Council Meeting

Thursday, July 29, 2021 6:30PM (CDT)

You can dial in using your phone.

United States (Toll Free): 1-866-899-4679

United States: 1-571-317-3116

Access Code: 446-362-277

Members of the public who wish to submit written comments on a listed agenda item must submit their comments to citysecretary@cityofrhome.com no later than **4:00pm on day of meeting.**

The public will be permitted to offer public comments telephonically as provided by the agenda and as permitted by the presiding officer during the meeting.

This meeting will be recorded and the recording will be available to the public in accordance with the Open Meetings Act upon written request.

Call to Order and Establish a Quorum (Estimated 1 minute)

Public Presentations and Input (Estimated Time Varies)

*The Council is not permitted to take action on or discuss any presentations made to the Council at this time concerning an item not listed on the agenda. The Council will hear comments during this designated time. Request form, or email, must be submitted to the City Secretary, via email to citysecretary@cityofrhome.com, prior to **4:00pm** to be recognized.*

Announcements from Mayor and Council Members (Estimated 2 minutes)

August 2021 City of Rhome Events:

- Monday, August 2, 2021 – Planning & Zoning Commission Meeting at 6pm
- Tuesday, August 3, 2021 – Monthly Bulk Trash Pick Up
- Saturday, August 7, 2021 – Coffee with a Cop at Rhome Donut Shop from 8am until 10am
- Tuesday, August 10, 2021 – Monthly Household Hazardous Waste Pick Up
- Thursday, August 12, 2021 – City Council meeting at 6:30pm

Consent Agenda (Estimated 2 minutes)

All items under this section are recommended for approval for the Consent Agenda. These items are of a routine nature and require only brief deliberation by Council. Council reserves the right to remove any item on the Consent Agenda for further deliberation.

- A. Minutes of City Council Regular Session dated July 8, 2021 **(City Secretary)**
- B. Interlocal Agreement for Animal Control Services with Wise County for Fiscal Year 2021-2022 **(City Administrator)**
- C. Resolution approving Rate Tariffs between the Atmos Steering Committee and the Atmos Entergy Corporation **(City Secretary)**

Regular Agenda – New Business

- D. Discussion regarding Certified Taxable Values, Proposed Budget for Fiscal Year 2021-2022 and Proposed 2022 Tax Rate **(Estimated 10 minutes/City Administrator)**
- E. Discussion and any necessary action regarding a Proclamation of Appreciation to Texas Christian University for their furniture donation **(Estimated 2 minutes/City Administrator)**
- F. Discussion and any necessary action regarding American Rescue Plan Act (ARPA) and proposed uses **(Estimated 15 minutes/City Administrator)**

Executive Session (Estimated 20 Minutes)

Pursuant to the following designated section of the Texas Government Code, Annotated, Chapter 551 (Texas Open Meetings Act), the Council may convene into executive session to discuss the following:

- G. Section 551.071 Consultation with Attorney - pending or contemplated litigation, settlement offer or to seek advice from attorney
 - Prairie Point Development
- H. Section 551.072 Deliberation regarding Real Property - purchase, exchange, lease, or value of real property if deliberation in an open meeting would have detrimental effect on position of the governmental body in negotiations with a third person
- I. Section 551.074 Personnel – discuss appointment, employment, evaluation, reassignment, duties, discipline or dismissal of a public officer or employee, or hear complaint or charge against officer or employee in executive session unless officer or employee requests public
- J. Section 551.087 – Deliberations regarding Economic Development Negotiations – to discuss or deliberate regarding commercial or financial information that the City has received from a business prospect that the City seeks to locate, stay or expand in or near the City and with which the City is conducting economic development negotiations
 - Prairie Point Development

Reconvene into Regular Session (Estimated 3 minutes)

K. Discussion and any necessary action as a result of Executive Session

Future Agenda Items (Estimated 1 minute)

Adjourn (Estimated 1 minute)

A quorum of Planning & Zoning Commissioners may be present at this meeting and its members may participate in the discussions of the items on the agenda over which they have responsibilities or authority.

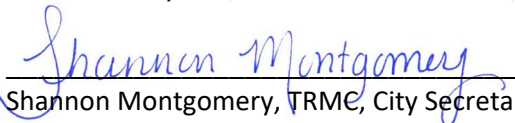
A quorum of Parks & Recreation Board Members may be present at this meeting and its members may participate in the discussions of the items on the agenda over which they have responsibilities or authority.

**Pursuant to the Open Meetings Act, Chapter 551, Section 551.071 of the Texas Government Code, the Council may convene into executive session at any time during the meeting if a need rises for the City Council to seek advice from the City Attorney concerning any item on this agenda, to discuss pending and contemplated litigation, or a settlement offer, or to discuss a matter in which the duty of the attorney to the City Council under the Texas Disciplinary Rules of Professional Conduct of the State Board of Texas clearly conflicts with Chapter 551.*

The Council may vote and / or act upon each of the items listed in this Agenda. Except for Public Presentation and Input and items in the Agenda designated as public hearing or otherwise designated for public input, there will be no public input during the course of this meeting without express authorization from the presiding officer.

This facility is wheelchair accessible and accessible parking spaces are available. Requests for accommodations or interpretive services must be made 48 hours prior to the meeting. Please contact City Hall at 817-636-2462 for further information.

CERTIFICATION: I do hereby certify that the above City Council Agenda was posted on the designated bulletin board located at City Hall, 501 South Main Street, Rhome, Texas by 6pm on the 26th day of July 2021.


Shannon Montgomery, TRMC, City Secretary

I certify that the attached notice and agenda of items to be considered by the Rhome City Council was removed by me from the designated bulletin board located at City Hall, 501 South Main Street, Rhome, Texas, on the _____ day of _____, 2021.

_____, Title: _____



Agenda Commentary

Meeting Date: Thursday, July 29, 2021

Department: Administration

Contact: Shannon Montgomery, TRMC

Agenda Item: A. Minutes of City Council Regular Session dated July 8, 2021

Type of Item: ☐ Ordinance ☐ Resolution ☐ Contract/Agreement ☐ Public Hearing
☐ Plat ☐ Discussion & Direction ☒ Other

Summary-Background:

Minutes of July 8, 2021 Council Meeting

Funding Expected: ☐ Revenue ☐ Expenditure ☐ N/A

Budgeted Item: ☐ Yes ☐ No ☐ N/A

GL Account: _____ **Amount:** _____

Legal Review Required: ☐ Yes ☐ No **Date Completed:** _____

Engineering Review: ☐ **FD Review:** ☐ **PD Review:** ☐ **PW Review:** ☐

Supporting Documents Attached:

Draft Minutes of July 8, 2021 Council Meeting

Recommendation:

Approve Draft Meeting Minutes



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City Secretary

Shannon
Montgomery

Fire Chief

Darrell Fitch

Police Chief

Eric Debus

Public Works Director

Sean Densmore

MINUTES OF REGULAR MEETING OF THE RHOME CITY COUNCIL

Meeting Date: Thursday, July 8, 2021

Location: **VIA TELEPHONE CONFERENCE**

MEETING START TIME: **6:30 PM**

Call to Order and Establish a Quorum

Mayor Wilson called the meeting to order at 6:30pm. City Secretary Montgomery called roll and announced a quorum of Council Members present.

Council Members Present:

Mayor Jo Ann Wilson

Mayor Pro Tem Josh McCabe

Council Member Michelle Tye

Council Member Elaine Priest

Council Member Sam Eason

Council Member Ashley Majors

City Staff Present:

City Administrator Cynthia Northrop

City Attorney Carvan Adkins

City Secretary Shannon Montgomery

Fire Chief Darrell Fitch

Municipal Court Clerk Kristi Adams

Police Chief Eric Debus

Public Works Director Sean Densmore

Mayor Wilson stated that everyone's participation is really appreciated. Wilson reminded everyone, including Council and Staff that everyone will be treated with respect and there are several items to discuss and when Council moves to regular agenda items, input from Council Members reflects agenda items. Mayor Wilson continued by stating that she will not tolerate any interruptions from the Public and also asked that Council Members respect each other and not interrupt when someone is speaking. Should the Council meeting become too long, the undiscussed agenda items will be moved to the next meeting.

Public Presentations and Input

The Council is not permitted to take action on or discuss any presentations made to the Council at this time concerning an item not listed on the agenda. The Council will hear comments during this designated time. Request form, or email, must be submitted to the City Secretary, via email to citysecretary@cityofrhome.com, prior to 4:00pm to be recognized.

The following made Public Presentations to the Council:

- Candance Fitch – School Road, Rhome, Texas
- Tommie Eason – Mount Lane, Rhome, Texas

Announcements from Mayor and Council Members

Council Member Eason stated "Bravo" to City Staff, Police and Fire for their hard work in moving the donated furniture from TCU to the City.

Council Member Majors reminded all of the Rhome Community Library Fundraiser.

Mayor Wilson asked for an update on Officer Richie from Police Chief Debus, who stated Officer Richie is doing well and should be back to full duty in a couple of months.

Consent Agenda

All items under this section are recommended for approval for the Consent Agenda. These items are of a routine nature and require only brief deliberation by Council. Council reserves the right to remove any item on the Consent Agenda for further deliberation.

A. Minutes of City Council Regular Session dated June 24, 2021 (City Secretary)

Motion made by Council Member Majors, seconded by Council Member Priest to approve the Minutes of the City Council Meeting Regular Session dated June 24, 2021 as presented.

City Secretary Montgomery asked for a roll-call vote:

Mayor Pro Tem McCabe:	Aye
Council Member Tye:	Aye
Council Member Priest:	Aye
Council Member Eason:	Aye
Council Member Majors:	Aye

Motion carried unanimously.

Monthly Staff Reports and Board Minutes

All items under this section are for informational purposes only; no action will be taken by Council.

B. Departments: Administration, Building & Development, Fire Rescue, Municipal Court, Police, and Public Works (Department Heads)

C. Minutes of Regular Planning & Zoning Commission Meeting dated June 7, 2021 (City Secretary)

No discussion, no action taken.

Regular Agenda – New Business

D. Presentation and discussion regarding Proposed Budget for Fiscal Year 2021-2022 (City Administrator)

City Administrator Northrop provided a recap of the March 2021 Budgeting / Visioning Workshop and then presented the Council a proposed budget for Fiscal Year 2021-2022 based on the preliminary taxable values received from Wise County. Northrop then addressed questions from Council.

No action taken; discussion only

(City Secretary Note: Presentation to be included in final set of Minutes.)

E. Discussion and any necessary action regarding an Extraterritorial Jurisdiction (ETJ) Exchange Agreement of City of Aurora (City Administrator)

City Administrator Northrop provided a brief history: last year, after conversations with PMB/RVR representatives, Council authorized Staff to pursue a potential Extraterritorial Jurisdiction exchange with the City of Aurora to streamline the number of jurisdictions involved as RVR develops, with a goal to also reduce confusion to future residents.

Staff has been coordinating the conversations and necessary documents needed towards this end and is now bringing the proposal to Council for their consideration. The Aurora City Council is also expected to take action on this item the week of July 5, 2021.

Northrop provided a proposed map of the division and Council stated that the split did not seem equitable.

Motion made by Council Member Majors to table this agenda item; motion died for lack of a second.

Mayor Pro Tem McCabe stated he would like to see different options and also have the Fire Chief review for fire coverage divisions within the County.

Consensus of the Council was to have City Administrator Northrop go back to the City of Aurora to negotiate a more equitable split and have Fire Chief Fitch review and bring back to the Council when appropriate.

Discussion only; no action taken.

F. Discussion and any necessary action regarding Change Order #1 for the Rhome East WWTP Construction Project and authorizing the City Administrator to process future changes orders up to \$25,000 (City Administrator)

City Administrator Northrop provided a brief history of the Rhome East WWTP Construction Project: construction of the EWWTP Equalization Basin is underway. The Council authorized a 2019 Bond (\$2.6 million) and awarded the construction contract to Rey-Mar, Inc. for \$1,808,900.

Change Order #1 is \$ 6,384.86 and will increase the contract value to \$1,815,284.85.

These the change proposals are logistical in nature. The first change proposal includes the replacement of 20 existing fence posts on the north side of the plant. The existing posts were removed for installation of yard piping and were determined to be corroded and not re-usable.

The second change proposal includes construction of three drainage culverts, consisting of headwalls and approximately 60 linear feet of concrete reinforced pipe. The storm drain will improve the drainage across the north side of the flex base plant access road.

Change Order #1 will extend the contract calendar days by 3 days. The contract began on November 16, 2020 with substantial completion scheduled for 270 calendar days/August 13, 2021. Final completion is scheduled 30 days after substantial completion on or before September 17, 2021.

In order to keep this project moving and avoid unnecessary delays, staff is seeking authorization to process any future change orders up to \$25,000. If any change orders arise above \$25,000 staff will bring those back to Council.

Motion made by Council Member Eason, seconded by Council Member Tye, to accept Staff's recommendation of approving Change Order #1 and to allow the City Administrator to approve and process any future change orders up to \$25,000.

City Secretary Montgomery asked for a roll-call vote:

Mayor Pro Tem McCabe:	Aye
Council Member Tye:	Aye
Council Member Priest:	Aye
Council Member Eason:	Aye
Council Member Majors:	Aye

Motion carried unanimously.

G. Discussion and any necessary action regarding funding for A/V system providing livestreaming and upgraded sound for the community center in advance of in-person meetings (City Administrator)

City Administrator Northrop provided a brief recap: in preparation for in-person meetings, Council authorized up to \$6,000 dollars to provide for the audio/visual, recording and livestreaming Council Meetings. Staff had advised Council that after research on necessary equipment they estimated the cost would range from \$10,000 - \$15,000. Staff contacted several companies and received one viable quote for \$9,713.

It should be noted that this equipment, tech, etc. will be utilized and added onto (buildable) should the City Services Campus bond pass. Additionally, since Municipal Court will use this as well, we can utilize Court Technology Funds and that A/V was one of Court's requested items for next year's budget.

Items included: Camera, Intel NUC mini (to connect system to internet), dual monitor capable, CAT 5e/Cat 6 (to connect camera to NUC mini, HDMI CAT 5/CAT 6 extender (to connect NUC mini to monitor), speakers, mixer, amplifier, rack, wireless handheld microphone (podium), microphones w/gooseneck, Behringer USB/Audio Interface, audio snake, cables, etc.

Motion made by Council Member Eason, seconded by Mayor Pro Tem McCabe, to accept Staff's recommendation to approve the additional amount of \$9,713, and authorize the City Administrator to execute the agreement.

City Secretary Montgomery asked for a roll-call vote:

Mayor Pro Tem McCabe:	Aye
Council Member Tye:	Aye
Council Member Priest:	Aye
Council Member Eason:	Aye
Council Member Majors:	Aye

Motion carried unanimously.

H. Discussion and any necessary action regarding underground utilities (Mayor)

Mayor Wilson proposed that ByWell, Phase 3 and all future development have underground utilities. Council Member Majors stated she is also in favor of all future development have underground utilities.

City Attorney Adkins stated that underground utilities can be negotiated under future development agreements, that it is impossible to retroact regulatory rules and that a blanket requirement of underground utilities amounts to a regulatory taking and could risk a lawsuit.

Consensus of Council is to direct City Administrator Northrop to try and negotiate underground utilities with all future development agreements and franchise agreements.

No action taken; discussion only.

I. Discussion and any necessary action regarding maintenance of easements and alleys (Mayor)

City Administrator Northrop provided that homeowners are required to maintain their property, including any rights-of-ways, easements and alleyways. This is a huge resource for the City to maintain.

Mayor Wilson asked Council what they wanted to do regarding the maintenance of easements and alleys.

City Attorney Adkins stated that the city cannot spend public funds to improve private property. The City maintains city-owned property, residents maintain their property.

City Staff will bring a proposed ordinance back to Council in the near future.

No action taken; discussion only.

J. Discussion and any necessary action regarding naming City Buildings/Facilities (Mayor Pro Tem McCabe)

Mayor Pro Tem McCabe stated that as an advocate of maintaining and restoring history, including residents' history, he would like to propose naming the community center the Marie Moore Educational Center.

Council Members Majors and Priest agreed with Mayor Pro Tem McCabe and Council Member Eason stated Council needed to adopt a policy for naming buildings before taking any action on item.

Motion made by Council Member Majors, seconded by Mayor Pro Tem McCabe, to name the community center the Marie Moore Educational Center.

City Secretary Montgomery asked for a roll-call vote:

Mayor Pro Tem McCabe: Aye
Council Member Tye: Aye
Council Member Priest: Aye
Council Member Eason: Nay
Council Member Majors: Aye

Motion carried 4-1-0 with Council Members McCabe, Tye, Priest and Majors voting for and Council Member Eason voting against.

Council consensus was to decide how to proceed with implementation at a later meeting.

**K. Discussion and any necessary action regarding a review of the proposed November Bond Items, Intent and Terms
(Council Member Priest)**

Council Member Priest reminded the Council that they can save money and go out for a grant and asked the Council to reconsider the proposed bond proposition regarding funding 105 First Street being built to a shell.

Motion made by Council Member Priest, seconded by Council Member Majors, to rescind the building at 105 First Street from proposed bond proposition and authorize moving forward with researching grant writing companies to find out costs and bring information back to Council when appropriate.

City Secretary Montgomery asked for a roll-call vote:

Mayor Pro Tem McCabe: Aye
Council Member Tye: Aye
Council Member Priest: Aye
Council Member Eason: Aye
Council Member Majors: Aye

Motion carried unanimously.

Council Member Priest continued by stating that Council needs to look at another park grant for the Family Park playground equipment and to remove this from the proposed bond proposition, thus reducing the proposed bond from \$300K to \$150K.

Mayor Pro Tem McCabe reiterated that the proposed bond language would only consist of the ByWell Park for \$150K and try for a matching grant for the playground equipment for the Family Park and the city would not purchase new playground equipment if the City does not receive a matching grant.

Motion made by Council Member Priest, seconded by Council Member Eason, to remove \$150K from the proposed bond language for playground equipment and to leave the \$150K for the ByWell Park and to authorize the City Administrator to speak with GrantWorks regarding a matching grant for playground equipment.

City Secretary Montgomery asked for a roll-call vote:

Mayor Pro Tem McCabe: Aye
Council Member Tye: Aye
Council Member Priest: Aye
Council Member Eason: Aye
Council Member Majors: Aye

Motion carried unanimously.

L. Discussion and any necessary action regarding amending Public Presentations and Input Rules of Procedure (Council Member Priest)

Motion made by Council Member Priest, seconded by Council Member Majors, to accept item #8 on the proposed participation form, as presented.

City Secretary Montgomery asked for a roll-call vote:

Mayor Pro Tem McCabe: Aye
Council Member Tye: Aye
Council Member Priest: Aye
Council Member Eason: Aye
Council Member Majors: Aye

Motion carried unanimously.

Motion made by Council Member Majors, to keep three minutes total under item #5.

Mayor Wilson stated motion died for lack of a second and moved to the next agenda item.

M. Discussion and any necessary action regarding City Administrator Weekly Reports (Council Member Majors)

Council Member Majors stated that Council is not receiving reports on Friday and asked for either shorter reports or delegate portions of the report to others. Majors wants the reports sent on Fridays.

Motion made by Mayor Pro Tem McCabe, seconded by Council Member Eason, to keep the current procedure.

Council Member Majors tried to continue the discussion and Mayor Pro Tem McCabe Called the Question.

City Secretary Montgomery asked for a roll-call vote on Calling the Question:

Mayor Pro Tem McCabe: Aye
Council Member Tye: Aye
Council Member Priest: Aye
Council Member Eason: Aye
Council Member Majors: Nay

Motion carried 4-1-0 with Council Members McCabe, Tye, Priest and Eason voting for and Council Member Majors voting against.

City Secretary Montgomery asked for a roll-call vote to continue the current process of weekly reports:

Mayor Pro Tem McCabe: Aye
Council Member Tye: Aye
Council Member Priest: Aye
Council Member Eason: Aye
Council Member Majors: Nay

Motion carried 4-1-0 with Council Members McCabe, Tye, Priest and Eason voting for and Council Member Majors voting against.

Executive Session

Pursuant to the following designated section of the Texas Government Code, Annotated, Chapter 551 (Texas Open Meetings Act), the Council may convene into executive session to discuss the following:

N. Section 551.071 Consultation with Attorney - pending or contemplated litigation, settlement offer or to seek advice from attorney

- Newark Extraterritorial Jurisdiction (ETJ)

- O. Section 551.072 Deliberation regarding Real Property - purchase, exchange, lease, or value of real property if deliberation in an open meeting would have detrimental effect on position of the governmental body in negotiations with a third person
- P. Section 551.074 Personnel – discuss appointment, employment, evaluation, reassignment, duties, discipline or dismissal of a public officer or employee, or hear complaint or charge against officer or employee in executive session unless officer or employee requests public
- Q. Section 551.087 – Deliberations regarding Economic Development Negotiations – to discuss or deliberate regarding commercial or financial information that the City has received from a business prospect that the City seeks to locate, stay or expand in or near the City and with which the City is conducting economic development negotiations

Mayor Wilson convened into Executive Session at 10:15pm.

Mayor Wilson reconvened into Regular Session at 10:51pm.

Reconvene into Regular Session

R. Discussion and any necessary action as a result of Executive Session

There was no action taken as a result of the Executive Session.

Future Agenda Items

No Future Agenda Items were requested.

Adjourn

Motion made by Council Member Majors, seconded by Mayor Pro Tem McCabe to adjourn.

City Secretary Montgomery asked for a roll-call vote:

Mayor Pro Tem McCabe:	Aye
Council Member Tye:	Aye
Council Member Priest:	Aye
Council Member Eason:	Aye
Council Member Majors:	Aye

Motion carried unanimously.

Meeting adjourned at 10:52pm.

Minutes approved the 29th day of January 2021.

Jo Ann Wilson,
Mayor

Shannon Montgomery, TRMC
City Secretary



Agenda Commentary

Meeting Date: Thursday, July 29, 2021

Department: Administration

Contact: Cynthia Northrop

Agenda Item: B. Interlocal Agreement for Animal Control Services with Wise County for Fiscal Year 2021-2022

Type of Item: ☐ Ordinance ☐ Resolution ☒ Contract/Agreement ☐ Public Hearing
☐ Plat ☐ Discussion & Direction ☐ Other

Summary-Background:

Annual Interlocal for Animal Services through Wise County Animal Control

Funding Expected: ☐ Revenue ☒ Expenditure ☐ N/A

Budgeted Item: ☒ Yes ☐ No ☐ N/A

GL Account: 10-60060-20 **Amount:** \$1800.00

Legal Review Required: ☐ Yes ☒ No **Date Completed:** _____

Engineering Review: ☐ **FD Review:** ☐ **PD Review:** ☐ **PW Review:** ☐

Supporting Documents Attached:

Proposed Interlocal Agreement – same language and same fees as previous year.

Recommendation:

Approve Proposed Interlocal Agreement

INTERLOCAL AGREEMENT FOR ANIMAL CONTROL SERVICES

THE STATE OF TEXAS §

§

FISCAL YEAR 2021-2022

COUNTY OF WISE §

THIS AGREEMENT is made and entered into by and between the CITY OF RHOME, TEXAS (hereinafter referred to as "CITY"), and WISE COUNTY, TEXAS, on behalf of its Animal Control Department (hereinafter referred to as "COUNTY").

RECITALS

WHEREAS, Chapter 791 of the TEXAS GOVERNMENT CODE, also known as the INTERLOCAL COOPERATION ACT, authorizes all local governments to contract with each other to provide a governmental function or service that each party to the contract is authorized to perform individually and in which the contracting parties are mutually interested, such as police protection and public health and welfare; and

WHEREAS, RHOME is organized under the laws of Texas and is authorized to enter into this agreement pursuant to its CITY CHARTER; and

WHEREAS, the COUNTY is duly organized and functioning in accordance with the laws of the State of Texas; and

WHEREAS, CITY and COUNTY represent that each is independently authorized to perform the functions contemplated by this Agreement; and

WHEREAS, the COUNTY operates Animal Control Services in its normal duties for the purpose of reducing general animal control problems in the COUNTY, including, but not limited to, vaccination of animals, reporting human exposure to rabies, quarantine and testing of biting animals, reduction of the stray animal population, restraint of dangerous animals, protecting its citizens from the dangers and problems associated with animals at large; inhumane treat of animals, and other related services; and prescribe penalties for violations of such provisions in accordance with Chapters 822, 825 and 826 of the Texas Health and Safety Code, and Chapter 142 Agriculture Code; and

WHEREAS, the CITY currently has a need for such Animal Control Services and is not equipped or able to render such services; and

WHEREAS, each party has sufficient funds available from current revenues to perform the function contemplated by this Agreement; and

NOW, THEREFORE in consideration of the above recitals, mutual benefits and promises each to the other made herein, the parties named above do hereby agree as follows:

INCORPORATION OF RECITALS

The above recitals, having been found by the Parties to be true and correct in all respects are incorporated into this Agreement by reference.

COUNTY'S OBLIGATION/SCOPE OF SERVICES

- A. COUNTY agrees to provide Animal Control Services to CITY for "CITY-Reported Animal Calls" occurring within the CITY limits of said CITY. "CITY-Reported Animal Call" shall mean calls made by CITY to the COUNTY dispatch to request Animal Control Services.
- B. At the COUNTY's sole discretion, an Animal Control Officer will provide service within the corporate limits of the CITY in a manner similar to services provided within the COUNTY's normal jurisdiction. Further, the COUNTY will dispatch at least one (1) Animal Control Officer in response to a CITY-Reported Animal Call, so long as there is at least one (1) Animal control officer "on duty". If no Animal Control Officer is on duty, the COUNTY dispatch may dispatch a Sheriff's Deputy to the call and determine if the call is an emergency and notify an Animal Control Officer.
- C. Animal Control officers are considered:
"On duty":
Monday through Saturday 8 am to 5 pm.
"Off duty":
After 5 p.m. Monday through Saturday; all day Sunday; and Holidays
- D. The following situations are considered emergency calls:
- Any Fire and Police/Sheriff calls for assistance
 - Vicious/dangerous animal
 - Animal attack/bite against a human
- E. COUNTY will respond directly to requests for Animal Control Services from the CITY. The COUNTY will refer all other requests for Animal Control Services to a CITY representative for determination of the need for COUNTY services. CITY will provide a 24 hour 7 day a week contact number. CITY agrees that if CITY representative cannot be contacted COUNTY will dispatch Animal Control as needed. CITY also agrees in such cases the CITY will be responsible for the service fees.
- F. COUNTY agrees to transport all captured animals to the COUNTY Animal Shelter.
- G. COUNTY further agrees to enforce all applicable regulations through issuance of citations or filing of civil and/or criminal charges.
- H. COUNTY agrees; as needed or required by law; to perform humane destruction of animals in the field and removal of carcasses. COUNTY will submit any suspect animal's head to the Department of State Health Services for rabies diagnosis, in the event of human contact.

CITY'S OBLIGATIONS

- A. CITY shall fully cooperate with COUNTY in the provision of Animal Control Services, including but not limited to, furnishing: any and all information in its possession about the ownership of a suspected rabid animal, including Rabies Vaccination Certificates maintained by any department of the CITY; any history of the animal; the name and address of any person reporting an animal bite or scratch; the name and address of any possible victims of an animal bite or injury; and the name and address of any person believed to own an animal which the CITY has called the COUNTY to capture or remove.
- B. CITY agrees to furnish information to the COUNTY in a timely and expeditious manner.

- C. CITY agrees to pay all fees associated with the impoundment, testing, medical treatment or final disposition of any animal; for any product or service provided by the Animal Shelter; and for any product or service provided by any person other than the COUNTY. Any service rendered by the COUNTY which will result in over \$1,000.00 of charges to the CITY must be pre-approved by the CITY Administrator or Mayor

CITY RIGHTS PRESERVED

Nothing in this Agreement shall divest, diminish or affect the CITY's authority to issue its own notices of violations and court citations for alleged violation of CITY Ordinances; nevertheless each CITY delegates to the COUNTY the authority to perform the animal control services described in this Agreement within the CITY Limits. However, under no circumstances will the COUNTY perform the actions contemplated in this agreement if CITY has concurrently contracted with a **PRIVATE FOR PROFIT** Company to perform animal control services within the CITY Limit's. This arrangement would nullify the purpose of this Interlocal Agreement since the CITY can provide Animal Control Services for itself. A contract with **PRIVATE FOR PROFIT** Company will make this Agreement subject Termination.

CONSIDERATION

- A. In consideration for the COUNTY's performance of the obligations and services listed herein, the CITY shall pay out of current available funds a monthly invoice issued by the COUNTY for services provided to the CITY during the previous month.
- B. The CITY shall be charged for the services in this contract according to the COUNTY fee schedule submitted every year to the Texas Comptroller for Public Accounts. As Authorized per Local Government Code Section 118.131 (See Attachment A)
- C. The monthly invoice for the COUNTY services performed in this agreement shall be paid by the tenth (10th) day of every month and mailed to:
- Wise County Auditor
Attn: Animal Control
P.O. Box 899
Decatur, Texas 76234
- D. The COUNTY will reevaluate all fees prior to October 1st. The COUNTY will inform the CITY of any proposed fee changes thirty (30) days prior to any renewal of the Agreement. If the fees are amended, the new fees will be included as a modification, according to the term listed below in the General Provisions. In compliance with Local Government Code 118.131, the amended fee changes will not take effect until January 1st. All dispute resolution options, mentioned in this Agreement, are available if the CITY disagrees with the proposed rate changes.

NOTICE OF NONAPPROPRIATION

If, for any fiscal year, the Parties fail to appropriate funds in amounts sufficient to perform its obligations under this Agreement, the Parties shall promptly give notice of the nonappropriation of funds. Parties shall make a reasonable effort to ensure that funds are appropriated to fully carry out its obligations as set forth in this Agreement. The Parties shall endeavor to provide thirty (30) days notice of its intent not to appropriate the necessary funds for its performance of obligations under this Agreement.

DEFAULT

In the event the CITY fails to pay all costs set forth above or perform its obligation set forth herein, the COUNTY shall give the CITY a thirty (30) day written notice of default with an opportunity to cure such default within that time period. If CITY fails to cure such default during the stated period, the Agreement shall terminate and CITY shall assume responsibility for its own animal control operation. In the event the COUNTY fails to perform its services under this agreement, the CITY has all available options under the termination and dispute resolution sections of this Agreement.

TERM AND RENEWAL TERMS

The effective date of this agreement shall be October 1st, 2021. This agreement shall renew annually on October 1st and is to be paid for out of current available revenues.

TERMINATION

- A. **By Mutual Agreement:** This Agreement may be terminated by mutual agreement of the CITY and the COUNTY, as evidenced by a written termination agreement.
- B. **For Nonappropriation of funds:** As mentioned above, if the Parties fails to appropriate funds necessary for performance of the obligations under this Agreement, the other Party may terminate this Agreement.
- C. **By Either party:** This agreement may be terminated at any time for convenience or fault upon thirty (30) days written notice to the other party. All costs and liabilities incurred by the COUNTY on behalf of the CITY prior to termination shall be the responsibility of the CITY.

GENERAL APPORTIONMENT OF RESPONSIBILITY AND IMMUNITY

In the event of joint or concurrent negligence of the parties, responsibility, if any, shall be apportioned comparatively in accordance with the laws of the State of Texas, without, however, waving any governmental immunity available to either party individually under Texas law. The CITY shall be responsible for its sole negligence. The COUNTY shall be responsible for its sole negligence. The provisions of this paragraph are solely for the benefit of the parties hereto and are not intended to create or grant any rights, contractual or otherwise, to any other person.

INDEPENDENT CONTRACTOR

- A. The COUNTY shall be responsible for the Animal Control Services contemplated under this Agreement. The COUNTY shall supply all materials, equipment, tools, transportation, and labor required for or reasonably incidental to the performance of the Animal Control Services. The COUNTY shall have ultimate control over the execution of the work under this Agreement. The COUNTY shall have the sole obligation to employ, direct control, supervise, manage, discharge and compensate all of its employees.
- B. The COUNTY shall retain personal control and shall give its personal attention to the faithful prosecution and completion of its services and fulfillment of this Agreement.

DISPUTE RESOLUTION

- A. **Dispute Resolution Process.** Before commencing formal legal proceedings concerning any dispute arising under or relating to this Agreement, or any breach thereof, the Parties agree to observe the following Dispute Resolution Process.
- B. **Notice.** A written complaint which contains sufficient detail to clearly identify the problems giving rise to the dispute, and the responding Party shall have a reasonable opportunity to respond.
- C. **First Resolution Meeting.** After consulting with and obtaining input from the appropriate individuals so as to facilitate a complete discussion and proposed solution, the Parties shall schedule a meeting and designate representatives to attend such meeting to attempt to facilitate an agreed resolution.
- D. **Second Resolution Meeting.** If the Parties' designated representatives cannot reach an agreed resolution, the following representatives shall meet to discuss the matter: CITY: City Manager and/or Mayor; COUNTY: County Commissioner and/or County Judge.
- E. **Successful Resolution.** If resolution is made it shall be reduced to a written agreement to be approved by each side's governing body. If approved, the written agreement will become an amendment to the original agreement. However, it will not supersede any term or condition except those dealing with the subject matter of the dispute.
- F. **Unsuccessful Resolution.** If all above options are completed and the Parties are unable to reach a resolution, either Party may pursue all legal and equitable remedies available to it under Texas law.

GENERAL PROVISIONS

- A. **Severability Clause.** The Parties intend for the various provisions of this Agreement to be severable so the invalidity, if any, of one or more sections of this Agreement shall not affect the validity of the remaining provisions of the Agreement.
- B. **Counterparts.** This document may be executed in any number of original signature counterparts, each of which shall for all purposes be deemed an original, and all such counterparts shall constitute one and the same document.
- C. **Notices.**

To COUNTY: Any Notice permitted or required to be given to the COUNTY hereunder must be in writing and may be given by Certified United States Mail, Return Receipt Requested, postage prepaid, addressed to:

Wise County Judge
Attn: Animal Control
P.O. Box 899
Decatur, Texas 76234

To CITY: Any notice permitted or required to be given to the CITY hereunder must be in writing and may be given by Certified United States Mail, Return Receipt Requested, postage prepaid, addressed to:

City of Rhome
P.O. Box 228
Rhome, TX 76078

Any notice permitted or required to be given hereunder shall be deemed to have been given upon deposit of the notice in the United States Mail as aforesaid.

- D. **Authority of Signatories.** 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.
- E. **Governing Law/Venue.** This Agreement shall be interpreted in accordance with the laws of the State of Texas and Wise County is the proper venue for any action regarding this contract.
- F. **Entirety of the Agreement and Modifications:** This agreement represents the entire and integrated agreement between the CITY and the COUNTY and supersedes all prior negotiations, representations and/or agreements, either written or oral. This agreement may be amended only by mutual agreement of the parties made in writing.

DATED to be effective the 1st day of October, 2021

WISE COUNTY

BY: _____

Wise County Judge

CITY OF RHOME

BY: _____

Title: _____

ATTACHMENT A

Animal Control Fees:

Dogs & Cats:

Owner Fees

Impound/first day..... \$ 20.00
(each day thereafter)..... \$ 6.00
Euthanasia of owned animals..... \$ 60.00
Quarantine Fee (10 days)..... \$ 135.00

City Fees

City fee per animal brought to shelter for euthanasia..... \$ 35.00
City fee per animal picked up for euthanasia..... \$ 50.00
City fee after hours call.....\$ 75.00
City fee service call.....\$ 25.00

Livestock:

Impound – per head
Large (Horse, Cow & Bull)..... \$ 75.00
Small (Goat, Sheep, Hog & Flightless Bird)..... \$ 50.00
Hauling/per head..... \$ 50.00
Release fee/per head..... \$ 25.00
Roundup, loading & care of livestock.....Assessed by Contractor



Agenda Commentary

Meeting Date: Thursday, July 29, 2021

Department: Administration

Contact: Shannon Montgomery, TRMC

Agenda Item: B. Resolution approving Rate Tariffs between the Atmos Steering Committee and the Atmos Entergy Corporation

Type of Item: ☐ Ordinance ☒ Resolution ☐ Contract/Agreement ☐ Public Hearing
☐ Plat ☐ Discussion & Direction ☐ Other

Summary-Background:

Annual action item, recommended by the Atmos Steering Committee regarding the annual RRM Rate Increase for Atmos Mid-Tex.

Funding Expected: ☐ Revenue ☐ Expenditure ☒ N/A

Budgeted Item: ☐ Yes ☐ No ☒ N/A

GL Account: _____ **Amount:** _____

Legal Review Required: ☐ Yes ☐ No **Date Completed:** _____

Engineering Review: ☐ **FD Review:** ☐ **PD Review:** ☐ **PW Review:** ☐

Supporting Documents Attached:

1. 2021 Atmos Mid-Tex RRM Model Staff Report
2. 2021 Atmos Mid-Tex RRM Model Staff Report Attachments
3. 2021 Atmos Mid-Tex RRM Settlement Resolution Attachment
4. 2021 Atmos Mid-Tex RRM Settlement Resolution

Recommendation:

Staff recommends approval of attached Resolution.

July 21, 2021

MODEL STAFF REPORT FOR RESOLUTION OR ORDINANCE

BACKGROUND AND SUMMARY

The City, along with 171 other Mid-Texas cities served by Atmos Energy Corporation, Mid-Tex Division (“Atmos Mid-Tex” or “Company”), is a member of the Atmos Cities Steering Committee (“ACSC”). In 2007, ACSC and Atmos Mid-Tex settled a rate application filed by the Company pursuant to Section 104.301 of the Texas Utilities Code for an interim rate adjustment commonly referred to as a GRIP filing (arising out of the Gas Reliability Infrastructure Program legislation). That settlement created a substitute rate review process, referred to as Rate Review Mechanism (“RRM”), as a substitute for future filings under the GRIP statute.

Since 2007, there have been several modifications to the original RRM Tariff. The most recent iteration of an RRM Tariff was reflected in an ordinance adopted by ACSC members in 2018. On or about April 1, 2021, the Company filed a rate request pursuant to the RRM Tariff adopted by ACSC members. The Company claimed that its cost-of-service in a test year ending December 31, 2020, entitled it to additional system-wide revenues of \$43.4 million.

Application of the standards set forth in ACSC’s RRM Tariff reduces the Company’s request to \$40.5 million, \$29.3 million of which would be applicable to ACSC members. ACSC’s consultants concluded that the system-wide deficiency under the RRM regime should be \$22.34 million instead of the claimed \$40.5 million. The amount of the \$22.34 million deficiency applicable to ACSC members would be \$16.8 million.

After the Company reviewed ACSC’s consultants’ report, ACSC’s Executive Committee and the Company negotiated a settlement whereby the Company would receive an increase of \$22.78 million from ACSC Cities, but with a two-month delay in the Effective Date until December 1, 2021. This should save ACSC cities approximately \$3.8 million.

The Executive Committee recommends a settlement at \$22.78 million. The Effective Date for new rates is December 1, 2021. ACSC members should take action approving the Resolution before October 1, 2021.

PROOF OF REVENUES

Atmos generated proof that the rate tariffs attached to the Resolution will generate \$22.78 million in additional revenues from ACSC Cities. That proof is attached as Attachment 1 to this Staff Report. ACSC consultants have agreed that Atmos' Proof of Revenues is accurate.

BILL IMPACT

The impact of the settlement on average residential rates is an increase of \$1.28 on a monthly basis, or 2.2 percent. The increase for average commercial usage will be \$4.03 or 1.61 percent. A bill impact comparison is attached as Attachment 2.

SUMMARY OF ACSC'S OBJECTION TO THE UTILITIES CODE SECTION 104.301 GRIP PROCESS

ACSC strongly opposed the GRIP process because it constitutes piecemeal ratemaking by ignoring declining expenses and increasing revenues while rewarding the Company for increasing capital investment on an annual basis. The GRIP process does not allow any review of the reasonableness of capital investment and does not allow cities to participate in the Railroad Commission's review of annual GRIP filings or allow recovery of Cities' rate case expenses. The Railroad Commission undertakes a mere administrative review of GRIP filings (instead of a full hearing) and rate increases go into effect without any material adjustments. In ACSC's view, the GRIP process unfairly raises customers' rates without any regulatory oversight. In contrast, the RRM process has allowed for a more comprehensive rate review and annual evaluation of expenses and revenues, as well as capital investment.

RRM SAVINGS OVER GRIP

While residents outside municipal limits must pay rates governed by GRIP, there are some cities served by Atmos Mid-Tex that chose to remain under GRIP rather than adopt RRM. Additionally, the City of Dallas adopted a variation of RRM which is referred to as DARR. When new rates become effective on December 1, 2021, ACSC residents will maintain an economic monthly advantage over GRIP and DARR rates. See Attachment 3.

EXPLANATION OF “BE IT RESOLVED” PARAGRAPHS:

1. This section approves all findings in the Resolution.
2. This section adopts the RRM rate tariffs and finds the adoption of the new rates to be just, reasonable, and in the public interest.
3. This section makes it clear that Cities may challenge future costs associated with gas leaks like the explosion in North Dallas or the evacuation in Georgetown.
4. This section finds that existing rates are unreasonable. Such finding is a necessary predicate to establishment of new rates. The new tariffs will permit Atmos Mid-Tex to recover an additional \$22.78 million from ACSC Cities.
5. This section approves an exhibit that establishes a benchmark for pensions and retiree medical benefits to be used in future rate cases or RRM filings.
6. This section approves an exhibit to be used in future rate cases or RRM filings regarding recovery of regulatory liabilities, such as excess deferred income taxes.
7. This section requires the Company to reimburse the City for expenses associated with review of the RRM filing, settlement discussions, and adoption of the Resolution approving new rate tariffs.
8. This section repeals any resolution or ordinance that is inconsistent with the Resolution.
9. This section finds that the meeting was conducted in compliance with the Texas Open Meetings Act, Texas Government Code, Chapter 551.

10. This section is a savings clause, which provides that if any section is later found to be unconstitutional or invalid, that finding shall not affect, impair, or invalidate the remaining provisions of this Resolution. This section further directs that the remaining provisions of the Resolution are to be interpreted as if the offending section or clause never existed.
11. This section provides for an effective date upon passage. December 1, 2021 represents a two month delay in the Effective Date established by the RRM tariff.
12. This section directs that a copy of the signed Resolution be sent to a representative of the Company and legal counsel for ACSC.

CONCLUSION

The Legislature's GRIP process allowed gas utilities to receive annual rate increases associated with capital investments. The RRM process has proven to result in a more efficient and less costly (both from a consumer rate impact perspective and from a ratemaking perspective) than the GRIP process. Given Atmos Mid-Tex's claim that its historic cost of service should entitle it to recover \$43.4 million in additional system-wide revenues, the RRM settlement at \$22.78 million for ACSC Cities reflects substantial savings to ACSC Cities. Settlement at \$22.78 million (plus \$3.8 of additional savings due to the two-month delay) is fair and reasonable. The ACSC Executive Committee consisting of city employees of 18 ACSC members urges all ACSC members to pass the Resolution before October 1, 2021. New rates become effective December 1, 2021.

**Attachment 1 to
Model Staff Report**

2021 RRM

Proof of Revenues

**ATMOS ENERGY CORP., MID-TEX DIVISION
RRM CITIES RATE REVIEW MECHANISM
PROOF OF REVENUES - RRM CITIES
TEST YEAR ENDING DECEMBER 31, 2020**

Line No.	Customer Class (a)	Current (b)	Proposed (c)	Bills (d)	Ccf/MmBtu (e)	Current Revenues (f)	Proposed Revenues (g)	Increase (h)
1	Residential							
2	Customer Charge	\$	20.25	\$		\$ 280,698,048	\$ 289,015,027	\$ 8,316,979
3	Consumption Charge	0.26651	0.27979	13,861,632		167,181,199	175,511,717	\$ 8,330,518
4	Revenue Related Taxes				627,298,034	30,398,805	31,528,717	
5	Total Class Revenue					\$ 478,278,052	\$ 496,055,461	\$ 17,777,409
6	Commercial							
7	Customer Charge	\$	54.50	\$		\$ 59,642,184	\$ 61,830,888	\$ 2,188,704
8	Consumption Charge	0.11728	0.12263	1,094,352		42,672,431	44,619,033	\$ 1,946,602
9	Revenue Related Taxes				363,850,875	6,944,376	7,225,051	
10	Total Class Revenue					\$ 109,258,991	\$ 113,674,972	\$ 4,415,981
11	Industrial & Transportation							
12	Customer Charge	\$	1,014.50	\$		\$ 7,158,312	\$ 7,442,316	\$ 284,004
13	Consumption Charge Tier 1	\$	0.4157	\$	7,056	3,109,328	3,238,728	\$ 129,400
14	Consumption Charge Tier 2	\$	0.3044	\$		2,521,298	2,626,490	\$ 105,192
15	Consumption Charge Tier 3	\$	0.0653	\$		850,136	885,287	\$ 35,151
16	Revenue Related Taxes				13,018,926	925,722	963,306	
17	Total Class Revenue					\$ 14,564,796	\$ 15,156,127	\$ 591,331
18	Total Excluding Other Revenue					\$ 602,101,840	\$ 624,886,561	\$ 22,784,721
19	Revenue Related Tax Factor	6.7873%						\$ 21,336,550

**Attachment 2
to 2021 RRM Staff Report**

Bill Impact

[illegible]

[illegible]

**Attachment 3
to 2021 RRM Staff Report**

RRM Monthly Savings Over GRIP and DARR Rates

**ATMOS ENERGY CORP., MID-TEX DIVISION
RESIDENTIAL AVERAGE BILL COMPARISON
(EXCLUDING GAS COSTS)**

	ACSC Settled	DARR Settled	ATM Filing	ENVIRONS Filing
Customer Charge	\$20.85	\$23.80	\$27.68	\$25.90
Monthly Ccf [1]	45.2	52.7	45.2	45.2
Consumption Charge	\$0.27979	\$0.19526	\$0.14846	\$0.18653
Average Monthly Bill	\$33.50	\$34.09	\$34.39	\$34.33
		-\$0.60	-\$0.89	-\$0.83

[1] Recognizes that average normal usage for Dallas residential customers is greater than Mid-Tex average.

**CITY OF RHOME, TEXAS
RESOLUTION NO. 2021-10**

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF RHOME, TEXAS, APPROVING A NEGOTIATED SETTLEMENT BETWEEN THE ATMOS CITIES STEERING COMMITTEE (“ACSC”) AND ATMOS ENERGY CORP., MID-TEX DIVISION REGARDING THE COMPANY’S 2021 RATE REVIEW MECHANISM FILING; DECLARING EXISTING RATES TO BE UNREASONABLE; ADOPTING TARIFFS THAT REFLECT RATE ADJUSTMENTS CONSISTENT WITH THE NEGOTIATED SETTLEMENT; FINDING THE RATES TO BE SET BY THE ATTACHED SETTLEMENT TARIFFS TO BE JUST AND REASONABLE AND IN THE PUBLIC INTEREST; APPROVING AN ATTACHED EXHIBIT ESTABLISHING A BENCHMARK FOR PENSIONS AND RETIREE MEDICAL BENEFITS; APPROVING AN ATTACHED EXHIBIT REGARDING AMORTIZATION OF REGULATORY LIABILITY; REQUIRING THE COMPANY TO REIMBURSE ACSC’S REASONABLE RATEMAKING EXPENSES; DETERMINING THAT THIS RESOLUTION WAS PASSED IN ACCORDANCE WITH THE REQUIREMENTS OF THE TEXAS OPEN MEETINGS ACT; ADOPTING A SAVINGS CLAUSE; DECLARING AN EFFECTIVE DATE; AND REQUIRING DELIVERY OF THIS RESOLUTION TO THE COMPANY AND THE ACSC’S LEGAL COUNSEL.

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

WHEREAS, the City is a member of the Atmos Cities Steering Committee (“ACSC”), a coalition of similarly-situated cities served by Atmos Mid-Tex (“ACSC Cities”) that have joined together to facilitate the review of, and response to, natural gas issues affecting rates charged in the Atmos Mid-Tex service area; and

WHEREAS, ACSC and the Company worked collaboratively to develop a Rate Review Mechanism (“RRM”) tariff that allows for an expedited rate review process by ACSC Cities as a substitute to the Gas Reliability Infrastructure Program (“GRIP”) process instituted by the Legislature, and that will establish rates for the ACSC Cities based on the system-wide cost of serving the Atmos Mid-Tex Division; and

WHEREAS, the current RRM tariff was adopted by the City in a rate ordinance in 2018; and

WHEREAS, on about April 1, 2021, Atmos Mid-Tex filed its 2021 RRM rate request with ACSC Cities based on a test year ending December 31, 2020; and

WHEREAS, ACSC coordinated its review of the Atmos Mid-Tex 2021 RRM filing through its Executive Committee, assisted by ACSC’s attorneys and consultants, to resolve issues identified in the Company’s RRM filing; and

WHEREAS, the Executive Committee, as well as ACSC's counsel and consultants, recommend that ACSC Cities approve an increase in base rates for Atmos Mid-Tex of \$22.78 million applicable to ACSC Cities with an Effective Date of December 1, 2021; and

WHEREAS, ACSC agrees that Atmos' plant-in-service is reasonable; and

WHEREAS, with the exception of approved plant-in-service, ACSC is not foreclosed from future reasonableness evaluation of costs associated with incidents related to gas leaks; and

WHEREAS, the two-month delayed Effective Date from October 1 to December 1 will save ACSC ratepayers approximately \$3.8 million off new rates imposed by the attached tariffs (Exhibit A); and

WHEREAS, the attached tariffs (Exhibit A) implementing new rates are consistent with the recommendation of the ACSC Executive Committee, are agreed to by the Company, and are just, reasonable, and in the public interest; and

WHEREAS, the settlement agreement sets a new benchmark for pensions and retiree medical benefits (Exhibit B); and

WHEREAS, the settlement agreement establishes an amortization schedule for regulatory liability prepared by Atmos Mid-Tex (Exhibit C); and

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

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

Section 1.

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

Section 2.

That, without prejudice to future litigation of any issue identified by ACSC, the City Council finds that the settled amount of an increase in revenues of \$22.78 million for ACSC Cities represents a comprehensive settlement of gas utility rate issues affecting the rates, operations, and services offered by Atmos Mid-Tex within the municipal limits arising from Atmos Mid-Tex's 2021 RRM filing, is in the public interest, and is consistent with the City's authority under Section 103.001 of the Texas Utilities Code.

Section 3.

That despite finding Atmos Mid-Tex's plant-in-service to be reasonable, ACSC is not foreclosed in future cases from evaluating the reasonableness of costs associated with incidents involving leaks of natural gas.

Section 4.

That the existing rates for natural gas service provided by Atmos Mid-Tex are unreasonable. The new tariffs attached hereto and incorporated herein as Exhibit A, are just and reasonable, and are designed to allow Atmos Mid-Tex to recover annually an additional \$22.78 million from customers in ACSC Cities, over the amount allowed under currently approved rates. Such tariffs are hereby adopted.

Section 5.

That the ratemaking treatment for pensions and retiree medical benefits in Atmos Mid-Tex's next RRM filing shall be as set forth on Exhibit B, attached hereto and incorporated herein.

Section 6.

That subject to any future settlement or decision regarding the balance of Excess Deferred Income Tax to be refunded to ratepayers, the amortization of regulatory liability shall be consistent with the schedule found in Exhibit C, attached hereto and incorporated herein.

Section 7.

That Atmos Mid-Tex shall reimburse the reasonable ratemaking expenses of the ACSC in processing the Company's 2021 RRM filing.

Section 8.

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

Section 9.

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

Section 10.

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

Section 11.

That consistent with the City Ordinance that established the RRM process, this Resolution shall become effective from and after its passage with rates authorized by attached tariffs to be effective for bills rendered on or after December 1, 2021.

Section 12.

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

**DULY PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF RHOME, TEXAS,
BY A VOTE OF ____ TO ____, ON THIS THE 29th DAY OF JULY, 2021.**

Jo Ann Wilson,
Mayor

[SEAL]

ATTEST:

Shannon Montgomery, TRMC
City Secretary

APPROVED AS TO FORM:

Carvan E. Adkins,
City Attorney

**Exhibit A
to 2021 RRM Resolution or Ordinance**

**Mid-Tex Tariffs
Effective December 1, 2021**

RATE SCHEDULE:	R – RESIDENTIAL SALES	
APPLICABLE TO:	ALL CUSTOMERS IN THE MID-TEX DIVISION UNDER THE RRM TARIFF	
EFFECTIVE DATE:	Bills Rendered on or after 12/01/2021	PAGE:

Application

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

Type of Service

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

Monthly Rate

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

Charge	Amount
Customer Charge per Bill	\$ 20.85 per month
Rider CEE Surcharge	\$ 0.05 per month ¹
Total Customer Charge	\$ 20.90 per month
Commodity Charge – All <u>Ccf</u>	\$0.27979 per Ccf

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

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

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

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

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

Agreement

An Agreement for Gas Service may be required.

Notice

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

¹Reference Rider CEE - Conservation and Energy Efficiency as approved in GUD 10170. Surcharge billing effective July 1, 2021.
July 29, 2021 Council Agenda Packet

RATE SCHEDULE:	C – COMMERCIAL SALES	
APPLICABLE TO:	ALL CUSTOMERS IN THE MID-TEX DIVISION UNDER THE RRM TARIFF	
EFFECTIVE DATE:	Bills Rendered on or after 12/01/2021	PAGE: Page

Application

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

Type of Service

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

Monthly Rate

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

Charge	Amount
Customer Charge per Bill	\$ 56.50 per month
Rider CEE Surcharge	\$ 0.01 per month ¹
Total Customer Charge	\$ 56.51 per month
Commodity Charge – All Ccf	\$ 0.12263 per Ccf

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

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

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

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

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

Agreement

An Agreement for Gas Service may be required.

Notice

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

¹ Reference Rider CEE - Conservation and Energy Efficiency as approved in GUD 10170. Surcharge billing effective July 1, 2021.
July 29, 2021 Council Agenda Packet

RATE SCHEDULE:	I – INDUSTRIAL SALES	
APPLICABLE TO:	ALL CUSTOMERS IN THE MID-TEX DIVISION UNDER THE RRM TARIFF	
EFFECTIVE DATE:	Bills Rendered on or after 12/01/2021	PAGE:

Application

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

Type of Service

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

Monthly Rate

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

Charge	Amount
Customer Charge per Meter	\$ 1,054.75 per month
First 0 MMBtu to 1,500 MMBtu	\$ 0.4330 per MMBtu
Next 3,500 MMBtu	\$ 0.3171 per MMBtu
All MMBtu over 5,000 MMBtu	\$ 0.0680 per MMBtu

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

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

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

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

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.

RATE SCHEDULE:	I – INDUSTRIAL SALES	
APPLICABLE TO:	ALL CUSTOMERS IN THE MID-TEX DIVISION UNDER THE RRM TARIFF	
EFFECTIVE DATE:	Bills Rendered on or after 12/01/2021	PAGE:

Agreement

An Agreement for Gas Service may be required.

Notice

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

Special Conditions

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

RATE SCHEDULE:	T – TRANSPORTATION	
APPLICABLE TO:	ALL CUSTOMERS IN THE MID-TEX DIVISION UNDER THE RRM TARIFF	
EFFECTIVE DATE:	Bills Rendered on or after 12/01/2021	PAGE:

Application

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

Type of Service

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

Monthly Rate

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

Charge	Amount
Customer Charge per Meter	\$ 1,054.75 per month
First 0 MMBtu to 1,500 MMBtu	\$ 0.4330 per MMBtu
Next 3,500 MMBtu	\$ 0.3171 per MMBtu
All MMBtu over 5,000 MMBtu	\$ 0.0680 per MMBtu

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

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

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

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

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

Imbalance Fees

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

Monthly Imbalance Fees

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

RATE SCHEDULE:	T – TRANSPORTATION	
APPLICABLE TO:	ALL CUSTOMERS IN THE MID-TEX DIVISION UNDER THE RRM TARIFF	
EFFECTIVE DATE:	Bills Rendered on or after 12/01/2021	PAGE:

Curtailment Overpull Fee

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

Replacement Index

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

Agreement

A transportation agreement is required.

Notice

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

Special Conditions

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

**MID-TEX DIVISION
ATMOS ENERGY CORPORATION**

RIDER:	WNA – WEATHER NORMALIZATION ADJUSTMENT	
APPLICABLE TO:	ALL CUSTOMERS IN THE MID-TEX DIVISION UNDER THE RRM TARIFF	
EFFECTIVE DATE:	Bills Rendered on or after 12/01/2021	PAGE:

Provisions for Adjustment

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

Computation of Weather Normalization Adjustment

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

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

Where

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

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

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

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

**MID-TEX DIVISION
ATMOS ENERGY CORPORATION**

RIDER:	WNA – WEATHER NORMALIZATION ADJUSTMENT	
APPLICABLE TO:	ALL CUSTOMERS IN THE MID-TEX DIVISION UNDER THE RRM TARIFF	
EFFECTIVE DATE:	Bills Rendered on or after 12/01/2021	PAGE:

Base Use/Heat Use Factors

Weather Station	<u>Residential</u>		<u>Commercial</u>	
	Base use <u>Ccf</u>	Heat use <u>Ccf/HDD</u>	Base use <u>Ccf</u>	Heat use <u>Ccf/HDD</u>
Abilene	11.88	0.1459	85.39	0.6996
Austin	10.34	0.1452	194.82	0.9398
Dallas	15.21	0.1915	148.19	1.0986
Waco	10.63	0.1373	130.39	0.7436
Wichita Falls	12.63	0.1398	109.17	0.5803

Weather Normalization Adjustment (WNA) Report

On or before June 1 of each year, the company posts on its website at atmosenergy.com/mtx-wna, in Excel format, a *Weather Normalization Adjustment (WNA) Report* to show how the company calculated its WNAs factor during the preceding winter season. Additionally, on or before June 1 of each year, the company files one hard copy and an Excel version of the *WNA Report* with the Railroad Commission of Texas' Gas Services Division, addressed to the Director of that Division.

**Exhibit B
to 2021 RRM Resolution or Ordinance**

**Mid-Tex
2021 Benchmark for Pensions
and Retiree Benefits**

ATMOS ENERGY CORP., MID-TEX DIVISION
PENSIONS AND RETIREE MEDICAL BENEFITS FOR CITIES APPROVAL
TEST YEAR ENDING DECEMBER 31, 2020

Line No.	Description (a)	Shared Services (b)		Post-Employment Benefit Plan (c)		Pension Account Plan (d)		Mid-Tex Direct Supplemental Executive Benefit Plan (e)		Post-Employment Benefit Plan (f)		Adjustment Total (g)
		Pension Account Plan		Benefit Plan		Pension Account Plan		Supplemental Executive Benefit Plan		Post-Employment Benefit Plan		
1	Proposed Benefits Benchmark - Fiscal Year 2021 Willis Towers Watson											
2	Report as adjusted (1) (2) (3)	\$ 2,917,949	\$	4,908,358	\$	5,447,063	\$	293,818	\$	6,600,073		
3	Allocation to Mid-Tex	43.68%		43.68%		76.11%		100.00%		76.11%		
4	Proposed Benefits Benchmark Costs Allocated to Mid-Tex (Ln 1 x Ln 2)											
5	O&M and Capital Allocation Factor	\$ 1,274,655	\$	2,144,130	\$	4,145,546	\$	293,818	\$	5,023,057		
6	Proposed Benefits Benchmark Costs to Approve (Ln 3 x Ln 4) (3)	100.00%		100.00%		100.00%		100.00%		100.00%		
7		\$ 1,274,655	\$	2,144,130	\$	4,145,546	\$	293,818	\$	5,023,057	\$	12,881,205
8	Summary of Costs to Approve (1):											
9												
10	O&M Expense Factor (WP_F-2.3, Ln 2)	75.07%		75.07%		38.66%		11.00%		38.66%		
11												
12												
13	Total Pension Account Plan	\$ 956,873	\$	1,609,582	\$	1,602,484	\$		\$		\$	2,559,357
14	Total Post-Employment Benefit Plan											3,551,272
15	Total Supplemental Executive Benefit Plan							32,322				32,322
16	Total (Ln 13 + Ln 14 + Ln 15)	\$ 956,873	\$	1,609,582	\$	1,602,484	\$	32,322	\$	1,941,691	\$	6,142,952
17												
18	Notes:											
19	1. Studies not applicable to Mid-Tex or Shared Services are omitted.											
20	2. Mid-Tex is proposing that the Fiscal Year 2021 Willis Towers Watson actuarial amounts shown on WP_F-2.3 and WP_F-2.3.1, be approved by the RRM Cities as the											
21	benchmark amounts to be used to calculate the regulatory asset or liability for future periods. The benchmark amount approved by the RRM Cities for future periods											
22	includes only the expense amount. The amount attributable to capital is recorded to utility plant through the overhead process as described in the CAM.											
23	3. SSU amounts exclude cost centers which do not allocate to Mid-Tex for rate making purposes.											

Exhibit C
to 2021 RRM Resolution or Ordinance

Mid-Tex 2021 Schedule for
Amortization for Regulatory Liability

ATMOS ENERGY CORP., MID-TEX DIVISION
RATE BASE ADJUSTMENTS
TEST YEAR ENDING DECEMBER 31, 2020
AMORTIZATION OF REGULATORY LIABILITY

Line No.	Year Ended Dec. 31	Beginning Protected Balance	Protected Amortization	Ending Protected Balance	Beginning Unprotected Balance	Unprotected Amortization	Ending Unprotected Balance	Total Protected & Unprotected Amortization	Total Protected & Unprotected Balance
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)
1	2017 (3)	\$ -	\$ -	\$ (51,477,654)	\$ -	\$ -	\$ 343,746,535	\$ -	\$ 292,268,881
2	2018	(51,477,654)	494,977	(50,982,677)	343,746,535	(3,513,868)	340,232,667	(3,018,891)	289,249,991
3	2019	(50,982,677)	1,979,910	(49,002,767)	340,232,667	(14,057,872)	326,174,795	(12,077,963)	277,172,028
4	2020	(49,002,767)	1,979,910	(47,022,857)	326,174,795	(13,988,908)	312,185,886	(12,008,999)	265,163,029
5	2021	(47,022,857)	3,464,842	(43,558,015)	312,185,886	(26,390,127)	285,795,760	(22,925,284)	242,237,745
6	2022	(43,558,015)	1,979,910	(41,578,105)	285,795,760	(60,167,528)	225,628,231	(58,187,619)	184,050,126
7	2023	(41,578,105)	1,979,910	(39,598,195)	225,628,231	(60,167,528)	165,460,703	(58,187,619)	125,862,508
8	2024	(39,598,195)	1,979,910	(37,618,286)	165,460,703	(60,167,528)	105,293,175	(58,187,619)	67,674,889
9	2025	(37,618,286)	1,979,910	(35,638,376)	105,293,175	(60,167,528)	45,125,646	(58,187,619)	9,487,270
10	2026	(35,638,376)	1,979,910	(33,658,466)	45,125,646	(45,125,646)	(0)	(43,145,737)	(33,658,466)
11	2027	(33,658,466)	1,979,910	(31,678,556)	(0)	0		1,979,910	(31,678,556)
12	2028	(31,678,556)	1,979,910	(29,698,647)	-	-		1,979,910	(29,698,647)
13	2029	(29,698,647)	1,979,910	(27,718,737)	-	-		1,979,910	(27,718,737)
14	2030	(27,718,737)	1,979,910	(25,738,827)	-	-		1,979,910	(25,738,827)
15	2031	(25,738,827)	1,979,910	(23,758,917)	-	-		1,979,910	(23,758,917)
16	2032	(23,758,917)	1,979,910	(21,779,007)	-	-		1,979,910	(21,779,007)
17	2033	(21,779,007)	1,979,910	(19,799,098)	-	-		1,979,910	(19,799,098)
18	2034	(19,799,098)	1,979,910	(17,819,188)	-	-		1,979,910	(17,819,188)
19	2035	(17,819,188)	1,979,910	(15,839,278)	-	-		1,979,910	(15,839,278)
20	2036	(15,839,278)	1,979,910	(13,859,368)	-	-		1,979,910	(13,859,368)
21	2037	(13,859,368)	1,979,910	(11,879,459)	-	-		1,979,910	(11,879,459)
22	2038	(11,879,459)	1,979,910	(9,899,549)	-	-		1,979,910	(9,899,549)
23	2039	(9,899,549)	1,979,910	(7,919,639)	-	-		1,979,910	(7,919,639)
24	2040	(7,919,639)	1,979,910	(5,939,729)	-	-		1,979,910	(5,939,729)
25	2041	(5,939,729)	1,979,910	(3,959,820)	-	-		1,979,910	(3,959,820)
26	2042	(3,959,820)	1,979,910	(1,979,910)	-	-		1,979,910	(1,979,910)
27	2043	(1,979,910)	1,979,910	0	-	-		1,979,910	0
28									
29	Revenue Related Tax Factor				See WP_F-5.1			6.79%	
30	Revenue Related Taxes on Annual Amortization				Amortization * Tax Factor		\$	3,949,355	
31	Amortization Including Revenue Related Taxes				Amortization + Taxes		\$	<u>62,136,973</u>	
32									
33	Notes:								
34	1. The annual amortization of the protected balance is a 26 year recovery period based on the Reverse South Georgia Method. The annual amortization of the unprotected balance is 5 years.								
35	2. The Regulatory Liability is recorded to FERC Accounts 253 and 242, Sub Account 27909.								
36	3. This is the final Mid-Tex liability balance filing the Fiscal Year 2018 tax return.								



Agenda Commentary

Meeting Date: Thursday, July 29, 2021

Department: Administration

Contact: Cynthia Northrop

Agenda Item: E. Discussion and any necessary action regarding a Proclamation of Appreciation to Texas Christian University for their furniture donation

Type of Item: ☐ Ordinance ☐ Resolution ☐ Contract/Agreement ☐ Public Hearing
☐ Plat ☐ Discussion & Direction ☐ Other

Summary-Background:

Potential cost savings of furniture, if the City Services Campus Bond Proposition passes.

Funding Expected: ☐ Revenue ☐ Expenditure ☐ N/A

Budgeted Item: ☐ Yes ☐ No ☐ N/A

GL Account: _____ **Amount:** _____

Legal Review Required: ☐ Yes ☐ No **Date Completed:** _____

Engineering Review: ☐ **FD Review:** ☐ **PD Review:** ☐ **PW Review:** ☐

Supporting Documents Attached:

Proclamation of Appreciation

Recommendation:

Approve Proposed Proclamation of Appreciation

CITY OF RHOME, TEXAS

Proclamation of Appreciation

**A PROCLAMATION OF THE CITY COUNCIL
OF THE CITY OF RHOME, TEXAS,
TO THE TEXAS CHRISTIAN UNIVERSITY
FOR ITS GENEROUS DONATION OF OFFICE FURNITURE,
AND TO FIRE, POLICE, AND CITY STAFF
FOR THEIR SERVICES MOVING SUCH OFFICE FURNITURE
JULY 2021**

WHEREAS, the City Council of the City of Rhome, Texas wishes to express their sincere appreciation to the Texas Christian University for its generous donation of office furniture; and

WHEREAS, Texas Christian University selflessly donated thousands of dollars of office furniture to the City of Rhome; and

WHEREAS, Fire, Police and City Staff worked tirelessly moving the donated office furniture from Texas Christian University to the City of Rhome offices; and

WHEREAS, the City of Rhome appreciates the hard work and quick turnaround of moving such furniture for the City, showing Staff's dedication and loyalty to Rhome and its citizens.

NOW THEREFORE, BE IT PROCLAIMED that the City Council of the City of Rhome, Texas hereby expresses their heartfelt appreciation to Texas Christian University, Fire, Police, and City Staff's unselfish donation, time and dedicated service, to the City of Rhome and its citizens.

Passed and approved by the City Council of the City of Rhome, Texas, this 29th day of July 2021.

Jo Ann Wilson,
Mayor

[SEAL]

ATTEST:

Shannon Montgomery, TRMC
City Secretary



Agenda Commentary

Meeting Date: July 29, 2021

Department: Administration

Contact: Cynthia Northrop

Agenda Item: F. Discussion and any necessary action regarding American Rescue Plan Act an (ARPA) and uses

Type of Item: ☐ Ordinance ☐ Resolution ☐ Contract/Agreement ☐ Public Hearing
☐ Plat ☒ Discussion & Direction ☐ Other

Summary-Background:

The American Rescue Plan Act (ARPA) is a federal program that offers \$350 billion to help states, counties, and tribal governments to cover increased expenditures, replenish lost revenue, and mitigate economic harm from COVID – 19. As a city under 50,000 population (Non-Entitlement Units of Local Government/NEU) we will receive the money allocated through Texas Department of Emergency Management (TDEM).

Staff has been gathering information and has attended webinars on the program, requirements and process. The City of Rhome's allocation will be approximately \$457,165. The money will be released in two 'tranches'; 50% in Fall of 2021 and 50% in Fall of 2022. The eligible uses for the funding are fairly broad to meet pandemic response and to rebuild a stronger, more equitable economy, including expenditures that support water, sewer infrastructure, technology and public health support.

The State of Texas is expected to apply for the funds August 2, 2021 and once they receive the funding, they have 30-days to disperse the pre-determined allocations (based on population) to NEUs. While TDEM is the pass-through agency, reporting requirements will be submitted to the Treasury Department.

Staff has completed the required application and submission to TDEM and TDEM has confirmed our application/submission is completed.

Staff is proposing the following use(s) for the funding that meets the program's criteria of eligible uses:

Tranche #1 - \$228,000 (Fall of 2021)

Department	Eligible Uses	Amount
Admin	Data Analysis & Technology Infrastructure – STW/Open Gov	\$ 140,000
Admin	Technology Infrastructure – AV Community Center	\$ 10,000
Police	Data Analysis & Tech Infrastructure – Watchguard components and cameras	\$ 10,000
Police	Premium pay for essential workers – overtime	\$ 34,000
Fire	Premium pay for essential workers - Shift work*	\$ 26,000
Fire	PPE	\$ 8,000

*Included in budget. However, due to required cuts from certified numbers, proposing to offset with ARPA Funds though it will still be included in base budget for FY2022-2023

Eligible Uses include:

“Rebuilding public sector capacity, by rehiring public sector staff and replenishing unemployment insurance (UI) trust funds, in each case up to pre-pandemic levels. Recipients may also use this funding to build their internal capacity to successfully implement economic relief programs, with investments in data analysis, targeted outreach, technology infrastructure, and impact evaluations.”

“Providing premium pay for essential workers” – essential workers have put their physical well-being at risk to meet the daily needs of their communities.

Upgrading our software to cloud-based system that provides for robustly expanding data analysis capacity for multiple city services and communicating internally/externally, providing for social distancing.

STW is our financial software program that was onboarded 2018-2019. OpenGov acquired them in 2020. OpenGov is a cloud-based software offering a comprehensive suite of services. They are recommending STW clients upgrade to the cloud-based program as beginning in the next several months, there will be no updates available for STW applications. We attended a demo of the platform and we are excited at the capability and robustness; ***providing streamlined services, reporting, forecasting, etc. via easy and interactive features that will save staff time, increase transparency and promote social distancing.*** One of our goals is to begin compiling the budget according to the best practices laid out by the Government Finance Officers Association (GFOA), which is presented in the form of a budget book and meeting specific criteria. This software would be a key step in attaining that goal.

- a. Deployment of the software takes roughly 9 months.
- b. Pricing includes one-time deployment and training cost of \$92,500 and annual lease would be \$45,000
- c. It meets the ARPA program eligibility requirements

Additionally, while initially we proposed the AV upgrades, that provide for livestreaming, in the Community Center use the Court Technology funds, it also meets the program requirements, so staff would propose to use the ARPA Funds instead of Court Technology Funds.

Tranche #2 - \$228,000 (Fall of 2022)

“Investments in Water/Wastewater infrastructure improvements” – In alignment with the City’s Master Water and Wastewater Plans

Funding Expected:	<input checked="" type="checkbox"/>	Revenue	<input checked="" type="checkbox"/>	Expenditure	<input type="checkbox"/>	N/A
Budgeted Item:	<input type="checkbox"/>	Yes	<input checked="" type="checkbox"/>	No	<input type="checkbox"/>	N/A
GL Account:	<input type="text"/>			Amount:	<input type="text"/>	
Legal Review Required:	<input type="checkbox"/>	Yes	<input type="checkbox"/>	No	Date Completed:	<input type="text"/>
Engineering Review:	<input type="checkbox"/>	FD Review:	<input type="checkbox"/>	PD Review:	<input type="checkbox"/>	PW Review: <input type="checkbox"/>

Supporting Documents Attached:

Recommendation:

Staff recommends Council approval of proposed ARPA program funding uses
