



**Regular Meeting Agenda
September 21, 2023
7:00 p.m.
Multipurpose Room, 209 Hudson St.,
Newark, TX 76071**

1. Call to order and announce quorum is present.
2. Pledge of allegiance and invocation.
3. Mayor Update.
4. Public Comments *This portion of the agenda is the public's opportunity to address the Council about any item listed on the agenda, except public hearings. Comments related to public hearings will be heard when the specific hearing begins. Individuals wishing to make public comment shall sign up to speak before the start of the meeting. Public comments are limited to three (3) minutes per speaker, unless otherwise required by law. Per the Texas Open Meetings Act, the Council is not permitted to take action on or discuss any item not listed on the agenda. Items suggested for action may be placed on a future agenda, at the Council's sole discretion.*

CONSENT AGENDA

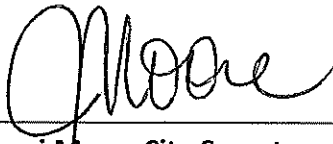
(Items listed on the consent agenda allow the Council to approve all items together without discussion or individual motions. Items may be removed from the consent agenda on the request of any one member of the Council. Removed items will be discussed and action taken immediately after the consent agenda.)

5. Consider and act on the following items:
 - A. Council Meeting Minutes for August 17, 2023.
 - B. Budget Meeting Minutes for August 9, 2023, August 23, 2023, September 13, 2023 and September 18, 2023.
 - C. Accounts Payables for August 2023
 - D. Financial Statements for August 2023
 - E. Staff Reports- Municipal Court, Building Permits, Code Enforcement, and Public Works for August 2023.

6. Discussion, consideration and action on Ordinance No. A-549, an ordinance approving the negotiated settlement between the Atmos Steering Committee and Atmos Energy.
7. Discuss and act on a Special Event Permit for Cruisin Days.
8. Discuss, consider and act on the purchase of a new vehicle for the Public Works Department.
9. Discuss, consider and act on Auditing Services and fees.

REGULAR AGENDA (NON-CONSENT)

CERTIFICATION – I certify that the attached agenda was posted on or before 7:00 pm on Monday, September 18, 2023.



Jenni More, City Secretary



NOTE: Pursuant to Chapter 551, Texas Government Code, the Council reserves the right to convene in Executive Session(s), from time to time as deemed necessary during this meeting to receive legal advice from its attorney on any posted agenda item as permitted by law or to discuss the following: A. Consult with attorney on a matter in which the attorney's duty to the governmental body under the Texas Disciplinary Rules of Professional Conduct conflicts with this chapter and/or consult with attorney about pending or contemplated litigation or contemplated settlement of the same. Section 551.071. B. Discuss the possible purchase, exchange, lease or sell of value of real property and public discussion of such would not be in the best interests of the City's bargaining position. Section 551.072. C. Discuss negotiated gifts or donations to the City and public discussion at this stage would have a detrimental effect on the City's bargaining position. Section 551.073. D. Discuss the appointment, employment, evaluation, reassignment of duties, discipline, or dismissal of or to hear a complaint against a public officer or employee. Section 551.074. E. Discuss the commercial or financial information received from an existing business or business prospect with which the City is negotiating for the location or retention of a facility, or for incentives the City is willing to extend, or financial information submitted by the same. Section 551.087. F. Discuss the deployment or specific occasions for implementation of security personnel or devices. Section 551.076. G. Deliberations regarding economic development negotiations pursuant to Section 551.087. Following the closed Executive Session, the Council will reconvene in open and public session and take any such action as may be desirable or necessary as a result of the closed deliberations.

Regular Meeting Minutes

August 17, 2023

7:00 p.m.

1. Call to order and announce quorum is present.

Mayor Cardwell called the meeting to order at 7:00 pm, and announced a quorum was present. Those in attendance were: Mayor Crystal Cardwell, Councilmember Jennifer Hill, Councilmember Nathaniel Butler, Councilmember Melanie Payne, Councilmember Richard Sidebottom, Mayor Pro Tem Chris Raines, City Admin Staff Brittany Mayhue, City Admin Staff Michelle Peterson, Code Enforcement Officer Devon Kennedy and City Secretary Jenni Moore.

2. Pledge of allegiance and invocation.

Mayor Cardwell led the pledge and Councilmember Hill led the invocation.

3. Mayor Update.

Mayor Cardwell updated about the school being open finally, water meetings, park plans and the park grant, stating how these things are all moving along.

4. Public Comments.

No public comments

5. Consider and act on the following items:

A. Council Meeting Minutes for July 20, 2023.

B. Accounts Payables for July 2023

C. Financial Statements for July 2023

D. Staff Reports- Municipal Court, Building Permits, Code Enforcement, and Public Works for July 2023.

Mayor Pro Tem Raines motioned to approve agenda item number 5 as a whole. Councilmember Hill second the motion. All approved. Motion was passed.

6. Resolution approving a tax-exempt loan among the Newark Cultural Education Facilities Finance Corporation, New Braunfels Christian Academy and First Financial Bank. N.A. and related matters.

Ted Christensen of Government Capital Security Corporation explained to the council what the loan was for and answered questions they had. Councilmember Payne motioned to approve the tax-exemption loan for the Newark Cultural Education Facilities Finance Corporation, New Braunfels Christian Academy and First Financial Bank. N.A. and related matters. Mayor Pro Tem second the motion. All approved. Motion was passed.

7. Discuss, consider and act on a request from Angela Lowe for relief on the August 2023 utility bill at 511 Rogers Rd.

Angela Lowe of 511 Rogers introduced herself and spoke about how her bill was higher due to a leak. Angela stated that she has already paid the bill, but still needs relief due to the

costs. Council confirmed she had been offered a payment plan and City Secretary Moore confirmed that was correct. Mayor Cardwell informed Mrs. Lowe that a refund cannot be issued after the payment has already been made. No action was taken.

8. **Discuss, consider and act on a request from Jeanine Muhawenimana for relief on her July and August 2023 utility bill at 433 Sandy Bass Ln.**

Jeanine Muhawenimana of 433 Sandy Bass Ln. stated that she had a very high bill in July and August due to issues when her home was installed. She stated that she was told the issue was fixed and it was not. Mayor Cardwell stated that the city could offer a payment plan to alleviate the stress of the high balance. Mayor Cardwell advised the resident to call the office the following day to discuss if we can get someone to help fix it, using resources of people who have expressed that they could help. No action taken.

9. **Conduct a public hearing, discuss, consider act on Ordinance No. A-546, amending the Code of Ordinances of the City of Newark, Texas, by amending Chapter 3, Building Regulations, Article 3.03, Technical and Construction Codes and Standards, by amending Divisions 3 through 9 to provide for updating the versions of the International Building Code (2021), International Residential Code (2021), National Electric Code (2020), International Plumbing Code (2021), International Mechanical Code (2021), International Fuel and Gas Code (2021), and International Energy Conservation Code (2021) and adopting local amendments to each code; and by creating Article 3.03, Divisions 10 and 11 adopting the International Swimming Pool and Spa Code (2021) and International Existing Building Code (2021) and adopting local amendments to each code; and by creating Article 3.03, Division 12 and 13 adopting the International Property Maintenance Code (2021), and the Public Works Construction Standards, North Central Texas, Fifth Edition (2017); and by amending Article 5.02. Fire Code to provide for updating the version of the International Fire Code (2021) and adopting local amendments to the fire code.**

Mayor Cardwell opened the public hearing at 7:19pm. Mayor Cardwell asked if there were any questions or public comments. No public comments. Mayor Cardwell closed the public hearing at 7:19pm.

Mayor Pro Tem Raines motioned to pass Article 3.03, Divisions 10 & 11 International Swimming Pool Code and other codes listed in item number 9. Councilmember Hill second the motion. All approved. Motion passed.

10. **EXECUTIVE SESSION – In accordance with the Texas Government Code, Section 551.001, et.seq., the City Council will recess into Executive Session (closed meeting) to discuss the following:**

- a. **Pursuant to Section 551.071; Consultation with the attorney regarding pending or contemplated litigation, or a settlement offer; or on a matter in which the duty of the attorney to the governmental body under the Texas Disciplinary Rules of Professional Conduct of the State Bar of Texas clearly conflicts with the Texas Open Meetings Act, re:**

- i. PUC Application for release of certificate of convenience and necessity from City of Rhome back to the City of Newark.
- ii. Proposed Amendment to the Development Agreement with PMB Rolling V Land LP.
- iii. Interlocal Agreement with Northwest ISD regarding water tank project.

Mayor Cardwell closed into executive session at 7:23 p.m.

- 11. **RECONVENE INTO OPEN SESSION** – In accordance with the Texas Government Code Chapter 551, the City Council will reconvene into Regular Session to consider action, if any, on matters discussed in Executive Session.

Mayor Cardwell reconvened into open session at 8:10 p.m. No Action was taken.

- 12. **Meeting Adjourn.**

Mayor Cardwell closed the meeting at 8:10 p.m.

APPROVED:

Crystal Cardwell, Mayor

Date

Jenni Moore, City Secretary

City of Newark
Budget Workshop Meeting Minutes
Wednesday, August 09, 2023
6:00 p.m.

1. Call to order and announce quorum is present.

Councilmember Sidebottom called the meeting to order at 6:02 p.m. and announced a quorum was present. Those present were Councilmember Richard Sidebottom, Councilmember Jennifer Hill, Councilmember Nathaniel Butler and City Secretary Jenni Moore.

2. Pledge of allegiance and invocation.

No pledge of allegiance or invocation were completed.

3. Budget Workshop – discussion on all funds for Fiscal Year 2023-2024 Annual Budget.

City Secretary Moore explained that the budget so far does not include the insurance rates as it has not been received at this point. City Secretary Moore informed the council of updates including removing the truck for public works, as payments for the truck would not require a payment until October 2024 and removing the sewer camera cost as this cost can be taken out of the covid relief fund. City Secretary Moore explained to the council the tax rate information provided in their council packets stating that the tax rate will decrease and the net value has increased from last year. City Secretary Moore stated that the voter approved rate is what she used to base the budget off for this year to this point. Council members discussed the conditions of the roads and the repairs needed, City Secretary Moore informed them that there is \$30,000 in street capital improvements and \$20,000 in street maintenance. Councilmember Sidebottom expressed his concern to add more funding in the following years budget for street repairs.

Councilmember Sidebottom stated that the council accepts the tax rates as a whole at this time and no action was taken.

4. Adjourn.

Councilmember Sidebottom adjourned the meeting at 6:18 p.m.

APPROVED:

Crystal Cardwell, Mayor

Date

Jenni Moore, City Secretary

**City of Newark
Budget Workshop Meeting Minutes
Wednesday, August 23, 2023 at 6pm**

1. Call to order and announce quorum is present.

Mayor Pro Tem Raines called the meeting to order at 6:03P.M. and announced that a quorum was present. Those in attendance were: Mayor Pro Tem Chris Raines, Councilmember Nathaniel Butler, Councilmember Jennifer Hill, Councilmember Melanie Payne, and City Secretary Jenni Moore

2. 2023-2024 Budget Workshop.

The City Secretary shared updates from the last meeting, TMRS rates were updated to reflect the city's portion of 4.62%. The updated rates for health insurance will raise the policy by \$220 per employee. This changes the plan from HMO to PPO.

3. Roll call vote on the proposed 2023 tax rate for the City's maintenance and operations budget and debt service budget.

Councilmember Hill made a motion to accept the voter approved rate for the 2023-2024 tax rate. The Maintenance and Operation rate of \$0.339263 and the interest and sinking debt service rate of \$0.043958. For a total proposed rate of \$0.383221 on each One Hundred Dollars (\$100.00) assessed value of all taxable property.

Roll Call Vote:

Councilmember Place 1 Nathaniel Butler - For

Councilmember Place 2 Jennifer Hill – For

Councilmember Place 3 Richard Sidebottom – Not Present

Councilmember Place 4 Melanie Payne – For

Mayor Pro Tem Chris Raines – For

All approved the motion passed.

4. Adjourn.

Mayor Pro Tem Raines adjourned the meeting at 6:12pm.

APPROVED:

Crystal Cardwell, Mayor

Date

Jenni Moore, City Secretary

Special Meeting Minutes
Wednesday, September 13, 2023
6:00 pm

1. Call to order and announce quorum is present.

Mayor Cardwell called the meeting to order at 6:02pm, and announced a quorum was present. Those in attendance were: Mayor Crystal Cardwell, Councilmember Jennifer Hill, Councilmember Melanie Payne, Councilmember Nataniel Butler, and City Secretary Jenni Moore.

2. Pledge of allegiance and invocation.

Mayor Cardwell led the pledge to the flag and delivered the invocation.

3. Conduct a public hearing on the annual budget of the City of Newark for the 2023-2024 fiscal year.

Mayor Cardwell opened the Public Hearing at 6:03pm. There were no comments and closed the hearing at 6:04pm.

4. Discuss, consider and act on an Ordinance adopting the annual budget of the City of Newark for the 2023-2024 fiscal year.

Councilmember Hill made a motion approving Ordinance No. A-547 of the City of Newark, approving making appropriations for the support of the City; appropriating money to a sinking fund to pay interest and principal on the City's indebtedness; approving and adopting the annual Budget of the City of Newark, Texas for the 2023-2024 Fiscal Year; providing for the filing of the budget in the Office of the City Secretary; and providing an effective date. Councilmember Butler second the motion. All approved. The motion passed.

Roll call vote:

Place 1 – Jennifer Hill – For

Place 2 – Nathaniel Butler– For

Place 3 – Richard Sidebottom – Not Present

Place 4 – Melanie Payne – For

Place 5 – Mayor Pro Tem Christopher Raines – Not Present

5. Meeting adjourn.

Mayor Cardwell adjourned the meeting at 6:05pm.

APPROVED:

Crystal Cardwell, Mayor

Date

Jenni Moore, City Secretary

Special Meeting Minutes
Monday, September 18, 2023
6:00 pm

1. Call to order and announce quorum is present.

Mayor Cardwell called the meeting to order at 6:08pm, and announced a quorum was present. Those in attendance were: Mayor Crystal Cardwell, Mayor Pro Tem Chris Raines, Councilmember Nathaniel Butler, Councilmember Jennifer Hill, Councilmember Melanie Payne, City Admin Michelle Peterson, Code Enforcement Officer Devon Kennedy, and City Secretary Jenni Moore.

2. Pledge of allegiance and invocation.

Mayor Cardwell led the pledge to the flag and Councilmember Hill delivered the invocation.

3. Conduct a public hearing on the proposed tax rate for tax year 2023 at the rate of \$0.383221 per one hundred dollars (\$100.00) assessed value on all taxable property within the corporate limits of the City of Newark, Texas.

Mayor Cardwell opened the Public Hearing at 6:10 pm. There were no comments and closed the hearing at 6:10 pm.

4. Discuss, consider and act on an Ordinance levying and adopting an ad valorem property tax rate for tax year 2023 at the rate of \$0.383221 per one hundred dollars assessed valuation of all taxable property within the corporate limits of the City of Newark, Texas to provide revenues for current expenses, interest and sinking fund requirements, and maintenance and operations; and providing due and delinquent dates, penalties and interest.

Councilmember Hill made a motion to increase the property tax rate by the adoption of a tax rate of \$0.383221, which is effectively a 0.536% percent increase in the tax rate. Councilmember Butler second the motion. All approved. The motion passed.

Jennifer Hill: For

Nathaniel Butler: For

Melanie Payne: For

Chris Raines: For

Richard Sidebottom: Not Present

5. Discuss, consider and act on a Resolution acknowledging that the adoption of the Fiscal Year 2023-2024 Annual Budget requires raising more revenue from property taxes than the previous fiscal year and ratifying the property tax increase reflected in the budget.

Councilmember Hill made a motion to approve Resolution No. 365 of the City of Newark ratifying the property tax increased revenue in the Fiscal Year 2023-2024 budget. Councilmember Payne second the motion. All approved. The motion passed.

6. Meeting adjourn.

Mayor Cardwell adjourned the meeting at 6:13pm.

APPROVED:

Crystal Cardwell, Mayor

Date

Jenni Moore, City Secretary

City of Newark Consolidated Fund
Expenses by Vendor Summary
August 2023

	<u>Aug 23</u>
Alert 360 - Central Security Group	83.90
Amazon / SYNCB	778.75
American Water College	699.98
Blue Cross Blue Shield	2,997.14
Bureau Veritas	782.00
City of Newark	18.00
Curtis Buhrke	570.00
Devices Inc.	1,042.25
DHS Automation, Inc	1,110.00
Ditch Witch Equipment	2,267.69
DPC Industries, Inc.	1,338.28
Ferguson Waterworks	1,970.93
Fuelman	2,460.61
Grainger	274.20
Guardian	159.00
H-3 Oil Pad	60.72
Humana Insurance CO	584.59
Iconic IT	1,260.89
Intuit Quickbooks	35.00
James Wood Motors, Inc.	12.28
Jed Moore	2,325.00
Jim Minter	50.00
Kim's Answering Service Inc.	159.95
Kinloch Equipment & Supply, Inc	1,850.00
L.H. Chaney Materials	1,240.00
Local Craft BBQ	92.02
M 5 Drilling	5,000.00
M&P Tire Shop	21.65
Matt Newby	3,333.33
Messer, Fort, McDonald	1,864.50
Munn's Home and Auto Supply	216.49
Nathan Silva	630.00
National Roper's Supply	192.10
Next Link Internet	533.43
North Texas Tollway Authority	28.10
Pace Analytical Services, Inc.	3,385.80
Phil Jarmula	80.00
Pitney Bowes	196.98
Purchase Power	57.82
Rausch USA	12,711.85
Republic Services	8,321.14
Ricoh USA, Inc.	230.27
Riley Services, Inc.	7.00
Shell Energy Solutions	5,028.84
Splash and Dash	12.00
Splashtop	105.54
TCEQ	111.00
Texas Municipal Retirement System	2,131.80
Tri-County Electric Cooperative, Inc.	1,836.57
USA Blue Book	239.02
Utility Data Systems of Texas, LLC	180.00
Verizon Wireless	791.97
Walmart	89.93

8:18 AM
09/05/23
Accrual Basis

City of Newark Consolidated Fund
Expenses by Vendor Summary
August 2023

	<u>Aug 23</u>
Water Tank Inspection,LLC.	1,200.00
Wise County Messenger	185.25
Wise County Vehicle registration	8.50
Zoom	<u>16.79</u>
TOTAL	<u><u>72,970.85</u></u>



Accounts as of September 05, 2023

Account Nickname	Current
<u>GRANT FUND</u> <i>This account is the pass-through account for grant funds received.</i>	\$1,000.00
<u>Consolidated Fund</u> <i>This account is the main account that the revenue, expenditure and taxes.</i>	\$465,653.55
<u>Debt Service</u> <i>This account is for tax revenue and expenditure for the debts such as Certificates of Obligation and long-term loans.</i>	\$32,819.85
<u>Reserves</u> <i>This account is a rainy day, emergency fund.</i>	\$634,407.36
<u>Meter Deposits</u> <i>This account is for all the Utility deposits the City takes in.</i>	\$68,787.58
<u>MDD</u> <i>This account is for the Municipal Development District sales tax and expenditures.</i>	\$315,849.14

Date: 9/1/2023
Time: 10:12:15 AM

MONTHLY VIOLATION ACTIVITY STATISTICS

Page 1
ytd_sum.rdlc

From 8/1/2023 To 8/31/2023

Information contained here in for YTD is for 8/1/2023 To 8/31/2023
Information contained here in for Previous YTD is for 10/1/2021 To 8/31/2022

VIOLATION ISSUED BY:	CURRENT MONTH	YEAR TO DATE	PREVIOUS YTD	VARIATION IN (+/-)
Municipal Police	1	62	52	10
No LEA	0	2	0	2
TOTALS	1	64	52	12

TOTAL NEW FEES LEVIED:	\$281.00	\$17,224.00	\$14,754.00	\$2,470.00
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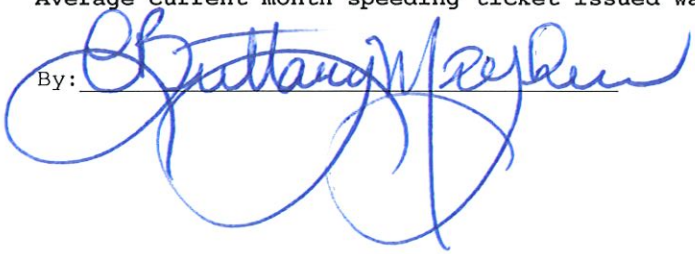
FUNDS COLLECTED:				
State Taxes:	\$152.00	\$5,781.00	\$3,845.00	\$1,936.00
Fines:	\$473.00	\$6,327.00	\$4,276.00	\$2,051.00
LEA Fees:	\$5.00	\$250.00	\$165.00	\$85.00
Multiuse:	\$0.00	\$250.00	\$150.00	\$100.00
D/L Fees:	\$0.00	\$0.00	\$0.00	\$0.00
Warrant Fees:	\$0.00	\$0.00	\$0.00	\$0.00
Capias Fees:	\$0.00	\$0.00	\$0.00	\$0.00
Pay Plan Fees:	\$0.00	\$15.00	\$30.00	\$-15.00
Collection Fees:	\$0.00	\$0.00	\$0.00	\$0.00
TOTALS	\$630.00	\$12,623.00	\$8,466.00	\$4,157.00

WARRANT INFORMATION:				
Warrants Issued:	0	0	0	0
Capias Issued:	0	0	0	0
TOTALS	0	0	0	0

Warrants Closed:	0	0	0	0
Capias Closed:	0	0	0	0
TOTALS	0	0	0	0

OTHER INFORMATION:				
Citations Closed:	5	111	127	-16
Failure to Appear:	0	0	0	0

Average current month speeding ticket issued was for 5.0 miles above posted limit.

By: 

Date: 9/1/23

Permit Number	BV Project #	Address	Permit Type	Date	Inspection Date						
1-2023	2023-008251	654 FM 3433	Annual Health Permit	1/9/2023		Inspection Only-Bureau Veritas Health Inspections	CLOSED				
2-2023		FM 3433/FM 4651	ROW-Fiber	1/12/2023		Plans approved by William, William will inspect	CLOSED				
3-2023	2023-001300	192 Marshall Rd	Comm Cell Tower Upgrade/Electrical	1/23/2023		Plan Review and Inspection-(Bureau Veritas)-Plans Approved					
4-2023	2023-002159	189 Hudson	Fence Permit	1/23/2023		In House Approval-Inspection Only-Bureau Veritas	CLOSED				
5-2023		189 Hudson	ROW-Excavation	1/23/2023		In House Approval-Inspection Only-Inspection by PW	CLOSED				
6-2023	2023-002231	510 FM 718 A,B,C	Code Compliance Inspection	1/24/2023		Inspection Only-Bureau Veritas Code Compliance Inspection	CLOSED				
7-2023	2023-002570	510 FM 718 B-Donut King	Electrical (Re-establishing electricity)	1/26/2023		Inspection Only-Bureau Veritas	CLOSED				
8-2023	2023-002569	510 FM 718 A-Eagle Mart	Electrical (Re-establishing electricity)	1/26/2023		Inspection Only-Bureau Veritas	CLOSED				
9-2023	2023-002566	303 Killough	Plumbing Permit	1/26/2023		Inspection Only-Bureau Veritas	CANCELLED				*REFILED AS A REMODEL
10-2023	2023-000302	511 McCanne	Remodel Permit	2/6/2023		Plan Review and Inspection-(Bureau Veritas)-Plans Approved					
11-2023	2023-001587	907 Georgetta Ln	Office Addition	2/6/2023	Passed	Plan Review and Inspection-(Bureau Veritas)-Plans Approved	Closed				
12-2023		Delora Doughty Park	Parks Event Temp Mobile Food Vendor	2/7/2023		In House Approval	CLOSED				
13-2023		310 FM 718	Xotic Ice Mobile Food Vendor	2/8/2023		Plan Review and Inspection-(Bureau Veritas)-	CLOSED				
14-2023		310 FM 718	Xotic Ice Sign Permit	2/8/2023		In House Approval	CLOSED				
15-2023		Delora Doughty Park	Parks Event Temp Mobile Food Vendor	2/9/2023		In House Approval	CLOSED				
16-2023	2023-001587	907 Georgetta Ln	HVAC	2/10/2023		Inspection Only (Bureau Veritas)	CLOSED				*ADDED TO PERMIT 11-2023
17-2023		Delora Doughty Park	Parks Event Temp Mobile Food Vendor	2/10/2023		In House Approval	CLOSED				
18-2023		509 Pettit	ROW-Atmos	2/16/2023		In House Approval-Inspection by PW	CLOSED				
19-2023		629 Central Ave.	Culvert and Driveway	2/17/2023		In House Approval-Inspection by PW					
20-2023	2023-004866	902 FM 3433	Plumbing Permit	2/16/2023	Passed	Inspection Only-(Bureau Veritas)	CLOSED				
21-2023	2023-005819	433 Sandy Bass Ln	New Mobile Home Move-in	2/21/2023		Council Approved-Inspection Only-(Bureau Veritas)					
22-2023		906 Brown St	ROW-Atmos	2/27/2023		In House Approval-Inspection and Site Visit by PW	CLOSED				
23-2023		118 FM 718	ROW-Atmos	2/27/2023		In House Approval-Inspection and Site Visit by PW	CLOSED				
24-2023		FM 718	ROW-Fiberlight (Future)	2/28/2023		In House Approval-Inspection and Approval by PW	CLOSED				
25-2023		510 FM 718	Driveway	3/1/2023		In House Approval-Inspection by Code Enforcement	CLOSED				
26-2023	2023-005382	510 FM 718	Fire Repair	3/14/2023		Plan Review and Inspection-(Bureau Veritas) Plans approved					
27-2023	2023-006023	310 FM 718	Electrical	3/8/2023		Inspection Only-(Bureau Veritas)	CLOSED				
28-2023		De'ora Doughty Park	Parks Event Temp Mobile Food Vendor/ Wise County Animal Shelter	3/9/2023	X	In House Approval	CLOSED				
29-2023		De'ora Doughty Park	Parks Event Temp Mobile Food Vendor/Red River Kettle Corn	3/9/2023	X	In House Approval	CLOSED				
30-2023		De'ora Doughty Park	Parks Event Temp Mobile Food Vendor/Spun With Fun	3/10/2023	X	In House Approval	CLOSED				
31-2023	2023-009893	510 FM 718	Eagle Mart/Neighborhood Beer & Wine-Plumbing	3/22/2023	PASSED	Inspection Only (Bureau Veritas)	CLOSED				
32-2023	2023-007759	526 Oak Hills	HVAC	3/27/2023	PASSED	Inspection Only (Bureau Veritas)	CLOSED				
33-2023	2023-008434	532 Oak Hills	Driveway	3/28/2023	PASSED	In House Approval/Inspection Only (Bureau Veritas)	CLOSED				
34-2023			Banner	3/30/2023	X	In House Approval Only	CLOSED				
35-2023	2023-008488	510 FM 718 #B/Donut King	Fire Suppression System	4/10/2023		Plan Review and Inspection-(Bureau Veritas)Plans Approved					
36-2023		470 Sandy Bass	Driveway		PASSED	In House Plan Review	CLOSED				
37-2023	2023-009392	442 Country Living Dr	New Mobile Home Move-in	4/11/2023	PASSED	Council Approved-Inspection Only (Bureau Veritas)	CLOSED				
38-2023	2023-009481	526 Oak Hills	Fence Permit	4/12/2023		In House Approval Inspection Only (Bureau Veritas)					
39-2023	2023-009472	905 Brown	Fence Permit	4/12/2023		In House Approval-Inspection only (Bureau Veritas)					
40-2023		Hargrave	Solicitor's Permit	4/13/2023		n/a					
41-2023		505 Oak Hills Dr	Plumbing Permit	4/17/2023		In house approval Approval-Inspection Only/PW/Code Inspection	CLOSED				
42-2023	2023-014081	303 Killough	Remodel Permit	6/12/2023		Plan Review and Inspection- (Bureau Veritas) Application missing plans, BV Requested to be a complete remodel permit (Originally a window replacement permit)					
43-2023		308 FM 718	ROW-Atmos	4/25/2023	PASSED	In House Approval-Inspection and Site Visit by PW	CLOSED				
44-2023		505 Central	ROW-Atmos	4/25/2023	PASSED	In House Approval-Inspection and Site Visit by PW	CLOSED				
45-2023		FM 3433	ROW-Atmos	4/27/2023	PASSED	In House Approval-Inspection and Site Visit by PW	CLOSED				
46-2023		532 Oak Hills	Fence Permit	4/27/2023	PASSED	In House Approval-Inspection by Code Enforcement	CLOSED				
47-2023		730 Chambers	ROW-Atmos	5/2/2023	PASSED	In House Approval-Inspection and Site Visit by PW	CLOSED				
48-2023		509 Rogers Rd	ROW-Atmos	5/2/2023	PASSED	In House Approval-Inspection and Site Visit by PW	CLOSED				
49-2023	2023-012700	516 Oak Hills	Roof	5/2/2023	PASSED	Inspection Only-(Bureau Veritas)	CLOSED				
50-2023		192 Marshall Rd	Cell Tower Upgrades	5/8/2023		Plan Review and Inspection-(Bureau Veritas)					
51-2023	2022-030266	109 Cheyenne Trl. S	Pool / Pool Deck	5/9/2023		Plan Review and Inspection -(Bureau Veritas)					
52-2023		192 Marshall Rd	Cell Tower Upgrades/Microwave Dishes	5/8/2023		Plan Review and Inspection -(Bureau Veritas)					
53-2023	2023-012299	519 Oak Hills	Mechanical/HVAC	5/9/2023	PASSED	In house Approval Inspection Only (Bureau Veritas)	CLOSED				
54-2023	2022-032961	504 FM 718	Food Establishment Permit	5/18/2023	PASSED	Inspection Only - Bureau Veritas Health Inspections	CLOSED				
55-2023		FM 718/McCanne	Banner	5/19/2023	N/A	In House Approval	CLOSED				
56-2023	2023-015427	446 Country Living Dr	New Mobile Home Move-in	5/19/2023		In house Approval Inspection Only (Bureau Veritas)					
57-2023	2023-013061	503 Oak Hills Dr.	20x30 Metal Storage Building	5/22/2023	PASSED	In House Approval Inspection Only (Bureau Veritas)	CLOSED				
58-2023		506 Wise St	Fence Permit	5/31/2023	PASSED	In House Approval-Inspection by Code Enforcement	CLOSED				
59-2023		FM 718/McCanne	Banner	6/13/2023	N/A	In-House Approval	CLOSED				
60-2023		De'ora Doughty Park	Parks Event Temp Mobile Food Vendor/ Fathers Day Event/ Chill Willy	6/16/2023	N/A	In-House Approval	CLOSED				
61-2023		De'ora Doughty Park	Parks Event Temp Mobile Food Vendor/ Fathers Day Event/ Miss George Grilled Cheese	6/16/2023	N/A	In-House Approval	CLOSED				
62-2023	2023-016138	401 Crow Dr.	Mechanical/HVAC	6/27/2023	PASSED	In-House Approval Inspection Only (Bureau Veritas)	CLOSED				
63-2023		442 Country Living Dr	Driveway	6/28/2023	PASSED	In-House Approval	CLOSED				
64-2023		446 Country Living Dr	Driveway	6/28/2023	PASSED	In-House Approval	CLOSED				
65-2023		Country Living Dr.	Asphalt Repair	6/29/2023	PASSED	In-House Approval	CLOSED				
66-2023		440 Country Living Dr.	Driveway	6/30/2023	PASSED	In-House Approval	CLOSED				
67-2023		433 Country Living Dr.	Driveway	6/30/2023	PASSED	In-House Approval	CLOSED				
68-2023	2023-017057	429 Sandy Bass	Storage Shed - Accessory Building	7/17/2023		Plan Review and Inspection- (Bureau Veritas) - Plans Approved					
69-2023		427 Sandy Bass	Fence Permit	7/17/2023		In-House Approval					

70-2023	2023-016164	111 Cheyenne Trail S	Accessory Building w/ Porch	7/18/2023		Plan Review and Inspection-(Bureau Veritas)					
71-2023		514 Wise St	Covered porch/wheelchair ramp	7/19/2023		Plan Review and Inspection-(Bureau Veritas)					
72-2023	2023-018588	503 Pettit	Plumbing Permit	7/24/2023	PASSED	Inspection Only-(Bureau Veritas)	CLOSED				
73-2023		510 Wise	Plumbing Permit	7/24/2023	PASSED	Inspection Only-(Bureau Veritas)	CLOSED				
74-2023		406 Hudson St	Electrical Permit - Generator	7/25/2023	PASSED	Inspection Only - (Bureau Veritas)	CLOSED				
75-2023		406 Hudson St	Concrete Pad	8/8/2023	PASSED	In-House Approval	CLOSED				
76-2023		536 Wise St.	NEW BUILD	8/17/2023		Plan Review and Inspection - (Bureau Veritas)					
77-2023		536 Post Oak	Fence Permit	8/11/2023	PASSED	Inspection only-In House	CLOSED				
78-2023		654 FM 3433	Annual Health Permit	8/14/2023	PASSED	Inspection Only-Bureau Veritas Health Inspections				PAID UNTIL 1/9/2024	

Stacy W. [Signature]

9/11/2023

Guided by SAFETY

2023 RRM FILING



Mid-Tex Division Highlights

In 2022, Atmos Energy spent more than \$978 million in capital investment in the Mid-Tex Division and more than 85 percent was spent to enhance the safety and reliability of our natural gas system.

This investment in system modernization also reduces our environmental impact. Our goal of reducing methane emissions from our distribution system mains and services by 50 percent from 2017 to 2035 is essential to our environmental commitment.



Atmos Energy submitted a Rate Review Mechanism (RRM) filing to the Mid-Tex Division on March 31, 2023, requesting an increase in annual revenues of approximately \$120.9 million.

DRIVERS BEHIND OUR \$120.9M FILING

Atmos Energy continues its comprehensive pipe replacement program that prioritizes the replacement of segments based on relative risk by analyzing many factors, including pipe material. This program is based on the company's Distribution Integrity Management plan developed in compliance with state and federal regulatory requirements. This replacement activity includes all pipe types, including steel and plastic, on both mains and service lines.

246

Miles of steel pipe replaced in the Mid-Tex Division

1.3 million

Lines located in the Mid-Tex Division

13,250

Steel service lines replaced in the Mid-Tex Division

15,100

Miles surveyed for natural gas emissions in the Mid-Tex Division

4,000

Hazardous leaks caused by excavation damage in the Mid-Tex Division

FUELING SAFE AND THRIVING COMMUNITIES

In 2022, Atmos Energy invested more than \$7.2 million to provide educational, literacy, financial assistance, and food security resources across the Mid-Tex Division.



Fueling bright minds and healthy futures for our kids.

We believe in making a difference in the lives of children by collaborating with local school districts and education foundations to offer nutritious meals and provide resources to help children read at grade level by third grade to increase their opportunities for success.



Fueling honor and thanks for our community heroes.

We believe in showing our respect and gratitude to firefighters, police officers, medical teams, other first responders and teachers by providing meals and support throughout the year for our hometown heroes.



Fueling hope and growth for our neighbors.

We believe in supporting our communities through programs that help eligible customers stay warm with financial assistance to pay their gas bill and upgrade their homes. We proudly support United Way, The Salvation Army and other local community welfare organizations so that our neighbors can grow and thrive.

Our Customer Bill



The average residential customer will see an increase of \$7.41 per month.



The average commercial customer will see an increase of \$27.71 per month.

2023 Timeline

Between January 2022 and December 2022, more than \$978 million was spent in the Mid-Tex Division to further enhance the safety and reliability of our natural gas system.

MARCH 31

Atmos Energy files the RRM.

APRIL 1

ACSC Coalition Review Period begins.

MAY 5

Customers receive notice of the RRM filing.

AUGUST

Settlement discussions.

SEPTEMBER

RRM is presented to ACSC City Councils for approval.

OCTOBER 1

Rates are implemented.

RRM FAQ

WHY IS ATMOS ENERGY ASKING FOR A RATE ADJUSTMENT?

The rates we charge customers – coupled with investor and creditor capital – allow us to enhance safety and reliability of our natural gas system through pipeline replacement and system modernization. We are requesting an increase in annual revenues of \$120.9 million to recover the \$978 million of capital spent from January 2022 through December 2022.

WHAT ROLE DOES THE CITY PLAY IN SETTING NATURAL GAS RATES?

The City Council reviews the rates we charge our customers in the Mid-Tex Division. In Texas, cities have original jurisdiction over natural gas rates. In order to recover costs after they've been spent, natural gas utilities must file directly with the cities for approval to adjust rates. The Railroad Commission of Texas is the regulatory body for natural gas companies in Texas, with appellate jurisdiction over cities and jurisdiction over areas outside of city limits.

WHAT IS THE RRM?

The Rate Review Mechanism (RRM) is a fully transparent annual review of the rates we charge our customers in the Mid-Tex Division. This mechanism was developed by the ACSC Coalition of Cities and Atmos Energy to ensure all of our spending is reviewed annually. It takes into consideration precedent decided by the Railroad Commission of Texas and outlines specific factors such as return on equity, capital structure, and other administrative items, reducing the need for costly litigation that is ultimately borne by our customers. The parties reached a negotiated settlement in nine out of ten filings from 2013 through 2022.

WHAT IS A CAPITAL EXPENDITURE?

Just like highways, bridges and other utility lines across the country, natural gas pipelines must be modernized over time. The associated costs, or capital expenditures, primarily include pipe replacement and repair, service line replacement, growth and fortification of the natural gas distribution system and overall pipeline integrity.



Chris Felan
Vice President
Rates & Regulatory Affairs

March 31, 2023

To the Honorable Mayor and City Manager

Re: Atmos Energy Corporation Mid-Tex 2023 Rate Review Mechanism Filing

Dear Mayor and City Manager,

Through this correspondence, Atmos Energy Corporation, Mid-Tex Division's ("Atmos Energy" or "the Company") is submitting its sixth filing under the Rider RRM - Rate Review Mechanism Tariff. We have attached to the cover letter, an Executive Summary which highlights the details of the 2023 RRM Filing.

The rates requested by the Company in its 2023 RRM filing do not require any action on the part of your City to become effective on October 1, 2023. I also wish to make clear that a decision to take no action on the proposed RRM rates will not prevent your City from receiving rates that are more favorable to customers within your city, if such rates are agreed to as part of the RRM process. If more favorable rates are agreed to, the Company will implement those rates in your City.

The Company is committed to working with your representatives to answer any questions regarding the filing during the interim. Should you have any specific questions, please forward them to your local Manager of Public Affairs or to my attention. Additionally, the Company's filing is posted on its website at www.atmosenergy.com/MTXtariffs.

In closing, I want to say again how much Atmos Energy appreciates your City's willingness to work with the Company in order to reach a mutual agreement that fairly balances the needs of the Company and the needs of the customer.

Sincerely,

A handwritten signature in black ink that reads "Chris Felan".

Chris Felan

Cc: Executive Summary

PUBLIC NOTICE OF PROPOSED RATE CHANGE - NATURAL GAS UTILITY RATES

If you are receiving this notice, you are a customer of Atmos Energy Corporation, Mid-Tex Division ("Atmos Energy" or "the Company") and a change to your gas rates has been requested. On March 31, 2023, Atmos Energy filed the Rate Review Mechanism ("RRM") to change gas rates and implement a new schedule of rates and riders. The RRM was developed in agreement with city regulators to ensure all of the Company's spending for the prior 12 months is reviewed annually. The RRM prescribes the treatment of costs to be included in the proposed rate change, filing and implementation dates, and other administrative items. The RRM tariff ensures transparency and reduces the need for costly litigation. This filing is applicable to all customers under the RRM tariff including the customers in your city served by the Mid-Tex Division (hereafter "RRM Cities"). The proposed effective date of the requested rate changes is October 1, 2023. If approved, the proposed changes will affect approximately 1,198,795 residential, 94,147 commercial, 106 industrial, and 499 transportation customers.

If approved, the proposed rates will change the Company's annual revenues for the RRM Cities of the Mid-Tex Division by \$141,664,444 or 7.57%, including gas costs, or 19.33% excluding gas cost. This requested revenue increase does not include amounts recovered as part of the securitization process approved by the Railroad Commission of Texas ("Commission") in Case No. 00007061. The proposed change in rates constitutes a "major change" as that term is defined by Section 104.101 of the Texas Utilities Code.

The Company proposes to implement the rates included in Table 1 on the back.

A Conservation and Energy Efficiency Surcharge, in the amount of \$0.05 for Residential Customers and \$0.01 for Commercial Customers, is not included in the amounts reflected on the back. A Securitization Regulatory Asset amount has been included in the amount of \$0.01840 per Ccf for Residential and Commercial customers and \$0.1797 per MMBtu for Industrial Sales customers. While these proposed

rates do not include any amounts recovered through the securitization process approved by the Commission in Case No. 00007061, the rates do reflect the Company's need to recover \$20,703,157 in carrying costs incurred during the pendency of the securitization process that were not included in the amounts reviewed and recovered in connection with Case No. 00007061.

In addition to the rate changes in the Company's residential, commercial, industrial and transportation rate schedules (Rates R, C, I and T), the other proposed tariff change is an update to its Rider WNA. Atmos Energy proposes to modify its Rider WNA to update the heat load and base load factors.

Persons who live in the RRM Cities with specific questions or desiring additional information about this filing may contact Atmos Energy Corporation at 1-888-286-6700. Complete copies of the filed Rate Review Mechanism, including all proposed rates and schedule changes, are available for inspection at Atmos Energy's offices located at 5420 LBJ Freeway, Suite 1600, Dallas, Texas 75240 or on our website www.atmosenergy.com/MTXtariffs. Persons who live in the RRM Cities and who wish to contact the regulatory authority having jurisdiction over the filing should contact their City.

Este aviso tiene el propósito de informar a los clientes de la División Mid-Tex de Atmos Energy Corporation ("Atmos Energy" o la "Compañía") que la Compañía ha presentado una solicitud para aumentar las tarifas para el servicio público de gas. Esta solicitud afecta a todos los clientes residenciales, comerciales, industriales y de transporte en las Ciudades de "RRM". Aquellos individuos con preguntas específicas o que deseen recibir información adicional sobre esta solicitud de aumentar las tarifas deben llamar a Atmos Energy Corporation al 1-888-286-6700. Además, los clientes afectados por esta solicitud que deseen mandar comentarios o una carta de protesta sobre esta solicitud a la autoridad regulatoria deben ponerse en contacto con su Ciudad con la referencia "2022 Rate Review Mechanism."



TABLE 1
Proposed Rate
Changes for RRM
Cities Customers

Customer Class	Number of Customers Affected	Current Customer Charge	Proposed Customer Charge	Current Volumetric Charge (per Ccf)	Proposed Volumetric Charge (per Ccf)
Residential	1,198,795	\$ 21.55	\$ 22.25	\$0.36223	\$0.50601
Commercial	94,147	\$ 63.50	\$ 73.51	\$0.14137	\$0.18644
Industrial	106	\$1,204.50	\$1,412.20	Per MMBtu	Per MMBtu
I First 1,500 MMBtu				\$0.4939	\$0.7606
I Next 3,500 MMBtu				\$0.3617	\$0.6651
I Over 5,000 MMBtu				\$0.0776	\$0.2710
Transportation	499	\$1,204.50	\$1,412.20		
T First 1,500 MMBtu				\$0.4939	\$0.5809
T Next 3,500 MMBtu				\$0.3617	\$0.4254
T Over 5,000 MMBtu				\$0.0776	\$0.0913

TABLE 2
Impact on Average
Bill

Customer Class (Average Monthly Usage Ccf)	Current Avg Monthly Bill with Gas Cost	Proposed Avg Monthly Bill with Gas Cost	Proposed Monthly Change	Percentage Change with Gas Cost	Percentage Change without Gas Cost
Residential (43.6)	\$ 88.47	\$ 95.88	\$ 7.41	8.38%	18.67%
Commercial (356.6)	\$ 476.43	\$ 504.14	\$ 27.71	5.82%	22.90%
Industrial (1,720)	\$14,651.36	\$15,354.00	\$702.64	4.80%	32.66%
Transportation (4,720)	\$ 6,446.15	\$ 7,023.33	\$577.18	8.95%	17.47%

The above calculations in Table 2 are based on a \$1.05357 per Ccf cost of gas for Residential, \$0.93827 per Ccf cost of gas for Commercial customers, \$6.84010 per MMBtu cost of gas for Industrial customers and \$0.6267 Transportation customers.

August 2, 2023

MODEL STAFF REPORT FOR RESOLUTION OR ORDINANCE

BACKGROUND AND SUMMARY

The City, along with 181 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 March 31, 2023, 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, 2022, entitled it to additional system-wide revenues of \$165.9 million.

Application of the standards set forth in ACSC’s RRM Tariff reduces the Company’s request to \$156.1 million, \$113.8 million of which would be applicable to ACSC members. After reviewing the filing and conducting discovery, ACSC’s consultants concluded that the system-wide deficiency under the RRM regime should be \$130.9 million instead of the claimed \$156.1 million.

After several settlement meetings, the parties have agreed to settle the case for \$142 million. This is a reduction of \$23.9 million to the Company’s initial request. This includes payment of ACSC’s expenses. The settlement also includes an additional \$19.5 million for the securitization regulatory asset expenses related to Winter Storm Uri. This was previously approved by the Texas Legislature and Railroad Commission. The Effective Date for new

rates is October 1, 2023. ACSC members should take action approving the Resolution/Ordinance before September 30, 2023.

RATE TARIFFS

Atmos generated rate tariffs attached to the Resolution/Ordinance will generate \$142 million in additional revenues. Atmos also prepared a Proof of Revenues supporting the settlement figures. 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 \$6.47 on a monthly basis, or 7.31%. The increase for average commercial usage will be \$24.72 or 5.19%. Atmos provided bill impact comparisons containing these figures.

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 October 1, 2023, ACSC residents will maintain an economic monthly advantage over GRIP and DARR rates.

Comparison to Other Mid-Tex Rates (Residential)

	<u>Average Bill</u>	<u>Compared to RRM Cities</u>
RRM Cities:	\$42.62	-
DARR:	\$42.55	(\$0.07)
ATM Cities:	\$44.39	\$1.77
Environs:	\$44.27	\$1.65

Note: ATM Cities and Environs rates are as-filed. Also note that DARR uses a test year ending in September rather than December.

EXPLANATION OF “BE IT RESOLVED” PARAGRAPHS:

1. This section approves all findings in the Resolution/Ordinance.
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.
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 \$142 million on a system-wide basis.
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 requires the Company to reimburse the City for expenses associated with review of the RRM filing, settlement discussions, and adoption of the Resolution/Ordinance approving new rate tariffs.
7. This section repeals any resolution or ordinance that is inconsistent with the Resolution/Ordinance.

8. This section finds that the meeting was conducted in compliance with the Texas Open Meetings Act, Texas Government Code, Chapter 551.
9. This section is a savings clause, which provides that if any section is later found to be unconstitutional or invalid, that finding shall not affect, impair, or invalidate the remaining provisions of this Resolution/Ordinance. This section further directs that the remaining provisions of the Resolution/Ordinance are to be interpreted as if the offending section or clause never existed.
10. This section provides for an effective date upon passage.
11. This section directs that a copy of the signed Resolution/Ordinance 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 \$165.9 million in additional system-wide revenues, the RRM settlement at \$142 million for ACSC members reflects substantial savings to ACSC cities. Settlement at \$142 million is fair and reasonable. The ACSC Executive Committee consisting of city employees of 18 ACSC members urges all ACSC members to pass the Resolution/Ordinance before September 30, 2023. New rates become effective October 1, 2023.

ORDINANCE NO. A-549

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF NEWARK, TEXAS, APPROVING A NEGOTIATED SETTLEMENT BETWEEN THE ATMOS CITIES STEERING COMMITTEE (“ACSC”) AND ATMOS ENERGY CORP., MID-TEX DIVISION REGARDING THE COMPANY’S 2023 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 ATTACHMENT ESTABLISHING A BENCHMARK FOR PENSIONS AND RETIREE MEDICAL BENEFITS; REQUIRING THE COMPANY TO REIMBURSE ACSC’S REASONABLE RATEMAKING EXPENSES; DETERMINING THAT THIS ORDINANCE WAS PASSED IN ACCORDANCE WITH THE REQUIREMENTS OF THE TEXAS OPEN MEETINGS ACT; ADOPTING A SAVINGS CLAUSE; DECLARING AN EFFECTIVE DATE; AND REQUIRING DELIVERY OF THIS ORDINANCE TO THE COMPANY AND THE ACSC’S LEGAL COUNSEL.

WHEREAS, the City of Newark, 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 March 31, 2023 Atmos Mid-Tex filed its 2023 RRM rate request with ACSC Cities based on a test year ending December 31, 2022; and

WHEREAS, ACSC coordinated its review of the Atmos Mid-Tex 2023 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 \$142 million on a system-wide basis with an Effective Date of October 1, 2023; 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 attached tariffs (Attachment 1) 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 (Attachment 2); and

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

WHEREAS, the RRM Tariff includes Securitization Interest Regulatory Asset amount of \$19.5 million;

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

Section 1. That the findings set forth in this Ordinance 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 \$142 million on a system-wide basis 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 2023 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 Attachment 1, are just and reasonable, and are designed to allow Atmos Mid-Tex to recover annually an additional \$142 million on a system-wide basis, 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 Attachment 2, attached hereto and incorporated herein.

Section 6. That Atmos Mid-Tex shall reimburse the reasonable ratemaking expenses of ACSC in processing the Company's 2023 RRM filing.

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

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

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

Section 10. That consistent with the City Ordinance that established the RRM process, this Ordinance shall become effective from and after its passage with rates authorized by attached tariffs to be effective for bills rendered on or after October 1, 2023.

Section 11. That a copy of this Ordinance shall be sent to Atmos Mid-Tex, care of Chris Felan, Vice President of Rates and Regulatory Affairs Mid-Tex Division, Atmos Energy Corporation, 5420 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 NEWARK, TEXAS, BY A VOTE OF ____ TO ____, ON THIS THE 21 DAY OF SEPTEMBER 2023.

Mayor

ATTEST:

City Secretary

APPROVED AS TO FORM:

City Attorney



Phone: 817-489-2201
 Website: www.newarktexas.com

Address: 209 Hudson St.
 PO Box 156
 Newark, TX 76071

Special Event Permit Application

Permit Number: _____

Applicants Name: Laura Puxler
 Street Address: 612 Berlee St Newark 76071
 Contact Number: 817-228-1890 Email: parks@newark-texas.com
 Applicant is, check all that apply: Event Organizer On-site Emergency Contact Organization Representative

Organization Information: Same as Applicant
 Organization: Heart For Park Contact Person: Laura
 Address: _____
 Phone Number: _____ Email: _____
 Applicant is, check all that apply: Nonprofit Board/Committee School Business Volunteer Individual Other

Event Information:
 Event Name: Cruisin Days Event Date(s): Oct 14, 2023
 Event Location: Newark Fire Dept / Debra Doughty Park Total Event Attendance: Unknown
 Select all that apply:
 Vendor Booth(s): Food/Drink (distribute or sell) Merchandise (distribute or sell)
 Amplified Sound: Live Music DJ Music Stage Announcements/Speech
 Activities: Parade Run/Bike Race Games/Crafts/Arts Inflatable(s) Carnival/Fair
 Service Needs: Police Security Fire/EMS Street Closure(s) Parks Solid Waste
 Admission: Free Open to the Public Event Fundraising Event Ticketed Private Event
 Please provide a brief description of your event:
Fundraiser for the NFD w/ carnival games, bounce houses, a parade, car show etc.

	Day of the Week	Date and Year	Set-Up Time	Start Time	End Time	Clean Up / Take Down
Day 1	<u>Sat</u>	<u>Oct 14, 2023</u>	<u>7:am</u>	<u>10:am</u>	<u>9:pm</u>	<u>by 10pm</u>
Day 2						
Day 3						
Day 4						
Day 5						

Additional Details as needed: _____



Phone: 817-489-2201
Website: www.newarktx.com

Address: 209 Hudson St.
PO Box 156
Newark, TX 76071

Public or Private Event

Will your event be open to the public?

Yes If yes, the following is required:
General Liability Insurance Certificate

Parade, Block Party, City Streets, Parking Lots

Do you plan to close, block, or use a city street, trail, or sidewalk?
Do you plan to close a street that will impact residents & businesses?
Do you plan to use a private parking lot or other private property?

Yes If yes, the following is required:
Street Closure & Notification Form
Street Closure & Notification Form
Letter with Written Permission - unsure

Food, Drinks, or Merchandise Vendor Booths

Will your vendor(s) serve or sell food, drinks, and/or merchandise on City property?
Will you serve or sell food, drinks, and/or merchandise on City property?
Will you have food truck(s) that will serve or sell food or drinks on City property?

Yes If yes, the following is required:
Vendor List
Temporary Vendor Permit
Food Truck Permit

Amplified Sound at Outdoor Festivals and/or Events

Will you have amplified sound after 10pm or before 7am?

Yes If yes, the following is required:
Letter to Request exception to Noise ordinance.

Advertisement for Event

Do you plan to display signs in town for advertising?

Yes If yes, the following is required:
Sign Permit

Police/Security

Will you be hiring Police/Security for this event?

Yes If yes, the following is required:
Request Deputy through WCSO
Fire chief will handle w/ Sheriff

I hereby certify that I have read and examined this application and know the same to be true and correct. All provisions of laws and ordinances governing activities within this application within the city limits will be complied with whether specified or not. The granting of a permit does not presume to give authority to violate or cancel the provisions of any other state or local laws.

Signature of Applicant:

Date: 8-30-23

Office Use Only

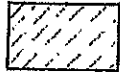
Application submitted on: Received by:

City Council meeting date: Approved? YES NO

Council notes/comments:

Oct 14, 2023
Cruisin Days

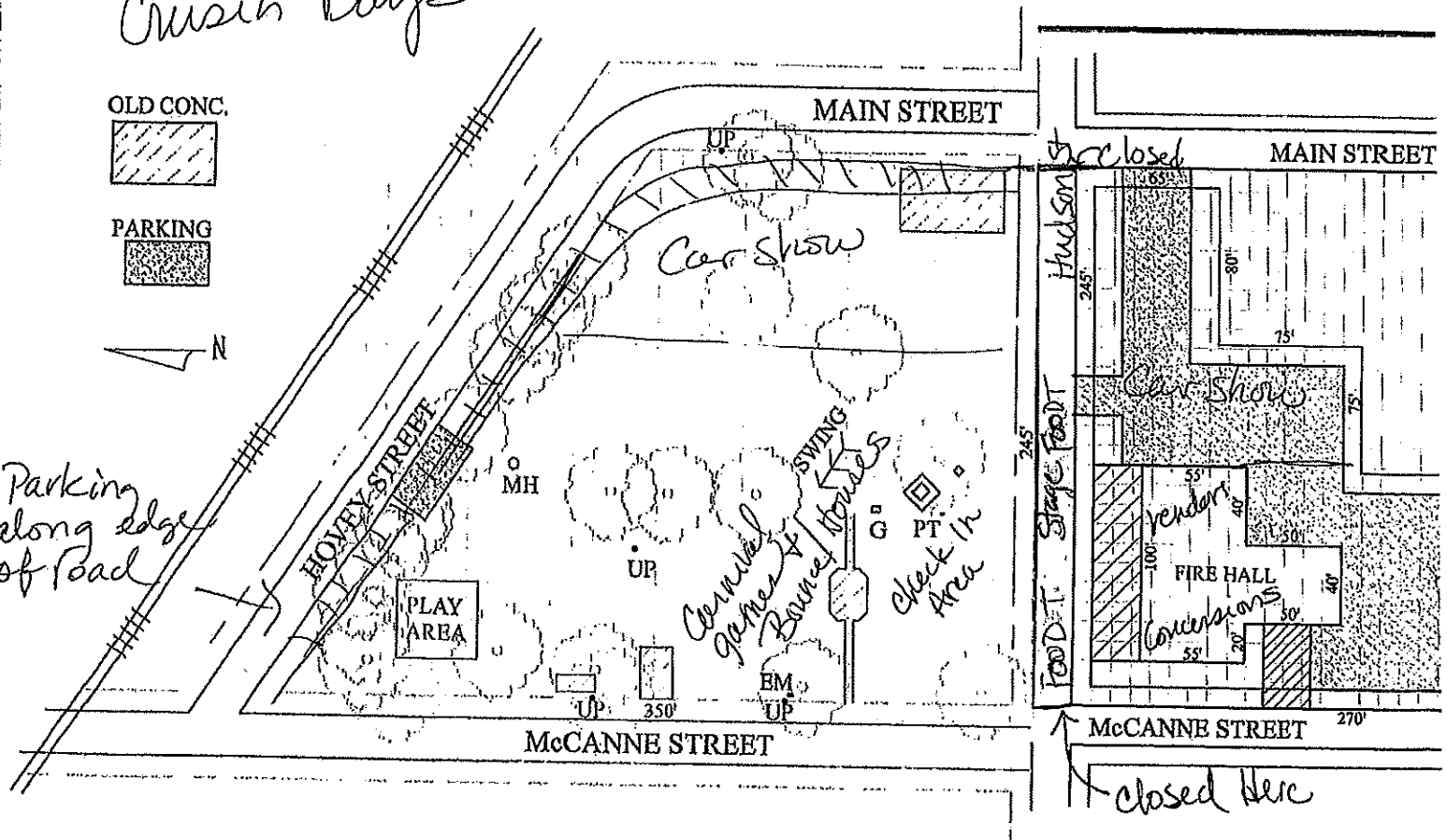
OLD CONC.



PARKING



Parking
along edge
of Road



MAIN STREET

MAIN STREET

HOMEY STREET

McCANNE STREET

McCANNE STREET

closed

FOOD T. Stage Food

closed here

Car Show

Car Show

PLAY AREA

Carnival Games & Bounce Houses

Check In Area

FIRE HALL
Concessions

MH

UP

EM

UP

SWING

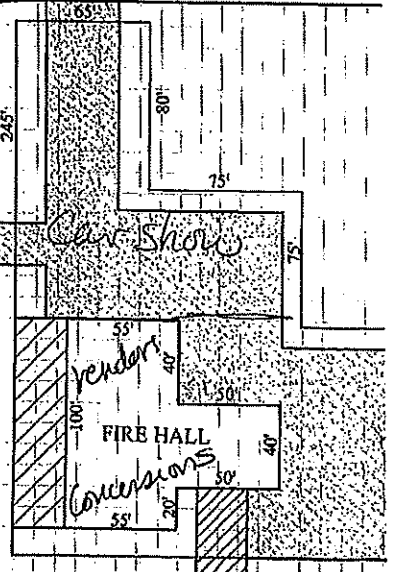
G

PT

Hudson St

245'

245'



Special Event Agreement Policies

Rental Agreement Rules & Regulations

All rentals open to the public, that advertise, or generate revenue whether for profit or non-profit must have prior approval from the City of Newark staff before the rental date will be booked. Please note that rental of open space at the parks do not give exclusive usage to the renter/event as the park is a public space.

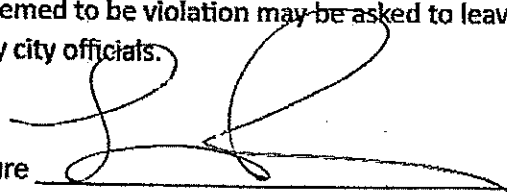
- CITY agrees to allow renter use of City property for the date and time stated in the application.
- RENTER shall indemnify and hold the CITY harmless from all loss, liability, cost, or damages that may occur or be claimed with respect to any person or property on, in or about the leased premises, or to the leases premises themselves, resulting from any act done or omission by or through RENTER, it's agents, employees, invitees, or any person on the premises by reason of RENTER's use or occupancy or resulting from RENTER's non-use or possession of such property, any and all loss, costs, liability, or expense resulting there from; and further agrees at all times to maintain such premises in a safe and careful manner.
- RENTER acknowledges that the above-described Events and Activities are not essential services provided by the City, and are not sponsored by or affiliated with the City.
- RENTER agrees to pay the full sum listed in the fee schedule at the time of reservations (this includes deposit, permit fees and rental fees.)
- RENTER assumes all supervisory responsibility for all persons present at the facility or park during rental.
- RENTER agrees to leave premises in the same or better condition than which existed prior to usage. This including putting away all equipment, removing decorations and cleaning up any trash or debris. RENTER agrees to bag and remove all refuse created by their use of the facility or park.
- RENTER is responsible for the removal of trash and litter during and after their event. Groups in excess of 100 persons are required to remove bags of trash from the public space the same day of the event. Applicants are not allowed to empty trash cans into City dumpsters.
- RENTER is responsible to provide an adequate number of toilet facilities, including mobility impaired accessible units, at the expense of the Applicant.
- RENTER agrees that no alcoholic beverages may be served or consumed on premises, nor will there be any gambling per city ordinances.
- RENTER must ensure that adequate permitted parking is secured for the special event. Applicant agrees that parking on non-paved surfaces shall be limited to only those areas specifically designated by the City if on public property. It is the applicant's responsibility to contact adjacent property owners and gain written permission to use their property for overflow parking if sufficient parking is not available on-site.

- RENTER will ensure all activities are to end by 10:00 PM unless otherwise arranged with City Staff.
- RENTER will ensure themselves and their guests will not carry or discharge any firearm, firecrackers, rockets, torpedoes, or any other firework, air gun, BB gun, bow and arrow and/or slingshots. RENTER agrees to report any problems with the facility or park to City Hall.
- RENTER shall comply with all federal, state and local laws.
- The CITY reserves the right to cancel RENTER'S reservations if the RENTER is in violations of any of the terms of this Agreement or if such rental is deemed not in the best interest of the CITY.
- RENTER will ensure there are no fires lit at city facilities or parks unless a designated space is provided by the CITY.
- RENTER cannot collect fees on the premises without previous approval by the City of Newark staff.
- RENTER and their guests will not sell or offer any food, drinks, confections, merchandise or services unless proper permission and permits are obtained through CITY staff.

Waiver Statement: I hereby absolve the City of Newark and all of its employees or agents of damages arising from injury received by the renter or participates involved in this activity whether due to negligent acts or omissions of said parties, other participants or otherwise.

I, Laura Fule, acknowledge that I have read the rental agreement & rules governing the use and care of the City of Newark parks or facilities and surrounding areas. I agree to abide by the provisions therein. The city reserves the right to refuse rental to any person or party deemed to have been in violation of the agreement & rules. Additionally, any person or party deemed to be violation may be asked to leave the city property and surrounding area at any time by city officials.

Applicant's Signature



Date

8-30-23

Sign Permit Application

Date: 10-30-23
 Event Planner
 Owner: Laura Pyle / Heart For Park
 Address: 612 Berke St Newark TX 76071
 Phone number: 817-228-1890 Zoning District: ?
 Permit Fee: _____

Type of Sign: Portable Temporary 1-5X10 - See Attached Photo

Complete description of proposed sign: 3 10x4 Banner
 (Please draw to scale)

- Attached...

Drawing of the lot plan, showing all existing signs and proposed sign location.

- Attached...

Approved: _____

Disapproved: _____

Signed: _____ Date: _____

City of Newark Representative

Sign Permit Fee

Fees for a permit to erect, construct, or relocate a sign:

<u>Sign Type</u>	<u>Permit Fee</u>
Non-Residential Sign	Based on Valuation
Banner	\$15.00
Portable Sign	\$250.00/annually
Temporary Sign	\$15.00
Temporary Real Estate directional sign	\$15.00 per signs
Vehicular Sign	No Fee
Window Sign	\$15.00
Political Sign	No Fee
Real Estate Sign	No Fee

1 @ Red light intersection



Cruisin Days NFDTX.com
Sat Oct 14
Debra Douglas Park
Parade 10a Events 11-3
Casey 7pm Car show 2-5

3
- Banners

1. @ 7 Hills
2. Central / 718
3. 718 / Hudson

Placed back from Right of way



City of Newark Street Closure Request

Event Name: Cousin Days Event Date: Oct 14, 2023
 Contact's Name: Laura Puyler Phone & E-mail: 817-228-1890 parkes@newarktx.com
 Event's Website: NVFD & Cousin Days FB page
Event Hours:
 Starting: 10 am Ending Time: 9 pm

Roads Affected: *Times and Locations are Subject to Change.*

Street Name:	From:	To:	Full Closure	Partial Closure	Closing Date / Time:	Opening Date / Time:
Closure Information						
3433				✓	9:45	10:45
718				✓	9:45	10:45
Central				✓	9:45	10:45
Hudson	In front of Ft Hall / Park		✓		9 am	9 pm
Honey			✓		9 am	9 pm
Berke @ Central	1-End	For parade		✓	9:45	10:45
Pettit @ Central	1-End	For Parade		✓	9:45	10:45
Wise @ Central	1-End	For Parade		✓	9:45	10:45
Halbert			✓		9:45	10:45
<p style="font-size: 1.2em;">Jerry Taylor of the NVFD will help with this.</p>						

I hereby certify that I have read and examined this application and know the same to be true and correct. All provisions of laws and ordinances governing street closures within the city limits will be complied with whether specified or not. The granting of a permit does not presume to give authority to violate or cancel the provisions of any other state or local laws.

Signature of Applicant:

Date: 8-30-23

*** Office Use Only**

Application submitted on: _____ Received by: _____

City Council meeting date: _____ Approved? YES NO Page 6



GOVERNMENT CAPITAL
CORPORATION

August 8, 2023

Mrs. Jenni Moore
Newark City Hall
(817) 489-2201
jmoore@newarktexas.com

Dear Mrs. Moore,

Thank you for the opportunity to present proposed financing for City of Newark. I am submitting for your review the following proposed structure:

ISSUER:	City of Newark, Texas	
FINANCING STRUCTURE:	Public Property Finance Contract issued under Local Government Code Section 271.005	
EQUIPMENT COST:	\$ 43,651.00	
TERM:	3 Annual Payments	5 Annual Payments
INTEREST RATE:	6.236%	6.236%
PAYMENT AMOUNT:	\$ 16,754.70	\$ 10,653.69
PAYMENTS BEGINNING:	October 2024 and annually thereafter	

Financing for these projects would be simple, fast and easy due to the fact that:

- ✓ We have an existing relationship with you and have your financial statements on file, expediting the process. Please keep in mind we may also need current year statements.
- ✓ We can provide familiar documentation for your legal counsel.

The above payment amount includes all applicable fees expressed as 0.01. These costs can include documentation fees, legal fees, issuance expenses, etc. The above proposal is subject to audit analysis, assumes bank qualification and mutually acceptable documentation. The terms outlined herein are based on current markets. Upon credit approval, rates may be locked for up to thirty (30) days. If funding does not occur within this time period, rates will be indexed to markets at such time.

Our finance programs are flexible and as always, my job is to make sure you have the best possible experience every time you interact with our brand. We're always open to feedback on how to make your experience better. If you have any questions regarding other payment terms, frequencies or conditions, please do not hesitate to call.

With Best Regards,

Stephanie Cates

Stephanie Cates
SVP Client Services
Main: 817-421-5400

From: Valerie Halverson <vhalverson@mwhpc.com>
Sent: Friday, September 15, 2023 11:12 AM
To: jmoore newarktexas.com
Subject: City of Newark Audit Fee Proposal

Follow Up Flag: Follow up
Flag Status: Flagged

Jenni,

Thank you for reaching out on the audit status – it was nice to visit with you!

I have looked through the information you provided, researched the City, and discussed the situation with my partners. I know we discussed this on the phone, but I wanted to reiterate that the fees we originally proposed to the City were much lower than a typical audit and were proposed with the expectation that Mr. Spore would prepare all reconciliations, adjustments, and the audit report, which is a substantial amount of work. Additionally, we have seen significant changes in the market since this agreement was originally entered into in 2021, creating an even bigger divide between the proposed 2021 fee and the cost/staff time required to perform the audit.

Our audit fees for cities that are around the size of Newark with similar service offerings range between \$14,000 - \$17,000, depending on the level of activity and how clean the records are when we start the audit. Obviously, this is significantly more than what you are accustomed to paying, and we do not want you to feel like we are trying to take advantage of this tough situation. At the same time, our costs have increased significantly, and our schedule is full with more requests for new audits regularly. We hope that we can come to an agreement that feels fair for the City and our firm.

I know that's a lot of explanation when you're really looking for a number, but I wanted to give you that information to provide a little more context for my fee proposal.

With all of those factors in mind, I would like to propose the following fee ranges for each of the next 3 audit years:

2021: \$12,000 - \$13,500

2022: \$13,500 - \$15,000

2023: \$15,000 - \$16,500

The above structure would staircase the fees into our typical fee arrangement. If our time and expenses are less than the proposed range, we will bill you the lower amount. If we find that the audit is not as big of a time commitment as I expect, then we can certainly re-negotiate at that time. However, if this audit is like the other similar cities, it's likely that our time will be quite a bit higher than the proposed range, but we will not bill you more than the high end of the range unless there are extenuating circumstances that we discuss and agree to before any additional bills are sent.

Please feel free to reach out if you would like to discuss in more detail.

Thank you for your consideration.

Valerie

Valerie Halverson, CPA
Shareholder

Please visit our website:
www.mwhpc.com



MWH Group, P.C.
P.O. Box 97000
Wichita Falls, Texas 76307-7000
940-723-1471 (tel)
940-227-4637 (direct)
vhalverson@mwhpc.com

Any U.S. Federal tax advice included in this communication (including any attachments) was not intended or written to be used, and cannot be used, for the purpose of (i) avoiding U.S. Federal tax-related penalties or (ii) promoting, marketing or recommending to another party any tax-related matter addressed herein.

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