



# CITY COUNCIL AGENDA

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NOTICE IS GIVEN THAT THE CITY COUNCIL OF THE CITY OF LAMESA, TEXAS, WILL MEET IN A REGULARLY SCHEDULED MEETING AT 5:30 P.M. ON THURSDAY, AUGUST 22, 2019, 601 SOUTH FIRST STREET, FOR THE PURPOSE OF CONSIDERING AND TAKING OFFICIAL ACTION ON THE FOLLOWING ITEMS:

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1. **CALL TO ORDER:**
2. **INVOCATION:**
3. **RESOLUTION APPROVING A NEGOTIATED SETTLEMENT BETWEEN THE EXECUTIVE COMMITTEE OF CITIES SERVED BY ATMOS WEST TEXAS ("CITIES") AND ATMOS ENERGY CORP., WEST TEXAS DIVISION REGARDING THE COMPANY'S 2019 RATE REVIEW MECHANISM FILINGS:** Consider passing a Resolution approving a negotiated settlement between the executive committee of Cities Served By Atmos West Texas ("CITIES") and Atmos Energy Corp., West Texas Division regarding the company's 2019 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 cities' 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 ' legal counsel. (*City Manager*)
4. **PURCHASE OF USED VEHICLE FOR CODE ENFORCEMENT:** City Council to approve purchase of used vehicle for use by the Code Enforcement department. (Funds to be used are insurance proceeds.) (*City Manager*)
5. **LEDC BUDGET AMENDMENT:** City Council to consider approving LEDC Budget Amendment for a grand for a project tied to a 12 Year Performance Agreement – TatumTek, LLC. (*EDC Director*)
6. **REQUEST FOR SPECIFIC USE PERMIT:** City Council to consider approving an Ordinance on Second reading approving specific use permit for the following property:

**CASE NO. P&Z 19-8:** To consider the petition of MARCO ANTONIO RODRIQUEZ, 110 CO RD 29, LAMESA, TEXAS 79331 of the following property

THE WEST 70.5 FEET OF LOT 5, BLOCK 23, HILLCREST ADDITION, to the City of Lamesa, Dawson County, Texas

located at 1208 S. 14<sup>TH</sup> STREET LAMESA, TEXAS 79331 FOR A SPECIFIC USE PERMIT FOR THE PLACEMENT OF A 1998 OAKWOOD MANUFACTURED HOME (16X72) IN AN R1 DISTRICT for primary residence. (*Building Official*)

7. **ORDINANCE AMENDING CHAPTER 12, DIVISION 3 STOP INTERSECTIONS, SECTION 12.03.082(2) OF THE CODE OF ORDINANCES TO PROVIDE FOR ADDITIONAL STOP SIGNS:** City Council to consider amending Chapter 12, Division 3 Stop Intersections, Section 12.03.082(2) of the Code of Ordinances to provide for additional stop signs through N.13<sup>th</sup> Street and Avenue R. *(City Manager)*
8. **PUBLIC HEARING - FISCAL YEAR 2019-2020 ANNUAL BUDGET:** Convene a public hearing, in accordance with State Law (Local Government Code, Chapter 102, Section 102.006), to hear a report from the City Manager and to hear comments from the public regarding the proposed Annual Budget for Fiscal Year 2019-2020 beginning on October 1, 2019 and ending September 30, 2020. *(City Manager)*

**THIS BUDGET WILL RAISE LESS REVENUE FROM PROPERTY TAXES THAN LAST YEAR'S BUDGET BY AN AMOUNT OF \$ -2,456, WHICH IS A -0.10% PERCENT DECREASE FROM LAST YEAR'S BUDGET. THE PROPERTY TAX REVENUE TO BE RAISED FROM NEW PROPERTY ADDED TO THE TAX ROLL THIS YEAR IS \$14.**

9. **FISCAL YEAR OCTOBER 2019-2020 BUDGET - ADOPTION:** Consider passing an ordinance on first reading with record vote in accordance with State Law (Local Government Code, Chapter 102, Section 102.007) providing funds for the Fiscal Year beginning October 1, 2019, and ending September 30, 2020, by approving the budget for said period and appropriating and setting aside the necessary funds out of the General Fund, Water/Wastewater, Solid Waste funds for the maintenance and operation of the various departments and for various activities and improvements to the City. *(City Manager)*

**THIS BUDGET WILL RAISE LESS REVENUE FROM PROPERTY TAXES THAN LAST YEAR'S BUDGET BY AN AMOUNT OF \$ -2,456, WHICH IS A -0.10% PERCENT DECREASE FROM LAST YEAR'S BUDGET. THE PROPERTY TAX REVENUE TO BE RAISED FROM NEW PROPERTY ADDED TO THE TAX ROLL THIS YEAR IS \$14.**

10. **ADJOURNMENT:** *The next regularly scheduled meetings of the City Council of the City of Lamesa will be August 27, 2019 at 5:30 P.M.*

## ***Upcoming Meetings***

- **August 27, 2019 City Council Meeting –**
  - 2<sup>nd</sup> Reading of Budget Ordinance  
Sell Certificates of Obligation (USDA)
- **Sept. 3, 2019 City Council Meeting -**
  - Ratify Proposed Tax Increase Reflected in the FY 2019/2020 Adopted Budget with record vote.
  - 1<sup>st</sup> Reading to Adopt Tax Ordinances (M&O, I&S, Combined Tax Rate) with record vote.
- **Sept. 10, 2019 City Council Meeting -**
  - 2<sup>nd</sup> Reading to Adopt Tax Ordinances (M&O, I&S, Combined Tax Rate) with record vote.
  - Authorize Warrants for FY 2019/2020
- **Sept. 17, 2019 City Council Meeting to be cancelled.**






## Open Meetings Information



### CLOSED MEETINGS

The City Council reserves the right to adjourn into closed session at any time during the course of this meeting to discuss any of the matters listed above, as authorized by Texas Government Code Section 551.071 (Consultation with Attorney), 551.072 (Deliberations about Real Property), 551.073 (Deliberations about Gifts and Donations), 551.074 (Personnel Matters), 551.076 (Deliberations about Security Devices) and 551.087 (Economic Development).

### PUBLIC PARTICIPATION

 The meeting will be held pursuant to the provisions of the Texas Open Meetings Act (Govt. Code, Chapter 551). Discussion and actions are limited to the agenda items listed above. Persons desiring to address the City Council or express their opinion about a particular item on this agenda should notify the City Secretary before the meeting. Persons desiring to present other business or discuss matters not on this agenda should submit a request in writing to the City Secretary by the end of business hours on the Wednesday before the next meeting in order to be considered for inclusion on that agenda.

### MEETING ACCESSIBILITY

Upon request, auxiliary aids and services will be provided to an individual with a disability in order to allow them to effectively participate in the city council meeting. Those requesting auxiliary aids or services should notify the contact person listed below at least twenty-four hours prior to the meeting by mail, telephone or RELAY Texas (1-800-735-2989)

**Contact: Betty Conde at 806-872-4322**

✉ 601 South First Street, Lamesa, Texas 79331

☎ Telephone - (806) 872-4322

☎ Fax - (806) 872-4338

### CERTIFICATION OF NOTICE

I certify this agenda was posted at the City Hall, 601 South First Street, Lamesa, Texas at **4:45 p.m., August 16<sup>th</sup>, 2019** in accordance with Chapter 551.041 of the Government Code.

Betty Conde, City Secretary



# **City Council Agenda**

## **City of Lamesa, Texas**

**DATE OF MEETING: AUGUST 22, 2019**

**AGENDA ITEMS: 1 & 2**

1. **CALL TO ORDER:** *Announcement by the Mayor.* "This meeting is being held in accordance with the provisions of the Texas Open Meetings Act (Govt. Code, Chapter 551). Discussion and actions are limited to the agenda items as posted. Persons desiring to address the City Council or express their opinion about a particular item on this agenda should complete a request at this time. Persons desiring to present other business or discuss matters not on this agenda should submit a request in writing to the City Secretary in order to be considered for inclusion on the agenda of the next meeting. A quorum being present as evidenced by the presence of \_\_\_\_ members of the City Council, this meeting is hereby called to order."

The following members are present:

JOSH STEVENS	Mayor
BRANT STEWART	Council Member – District 1
MARIE A. BRISENO	Council Member – District 2
RICK MORENO	Council Member – District 3
DORE EVAN RODRIGUEZ	Council Member – District 4
BOBBY G. GONZALES	Council Member – District 5
DOUGLAS MORRIS	Council Member – District 6/Mayor Pro-tem

City Staff members present at the meeting:

SHAWNA D. BURKHART	City Manager
BETTY CONDE	City Secretary
RUSSELL CASSELBERRY	City Attorney

Members of the press present at the meeting:

Members of the public present at the meeting:

2. **INVOCATION:**  
**AND PLEDGE OF ALLEGIANCE.**



# **City Council Agenda**

## **City of Lamesa, Texas**

**DATE OF MEETING: AUGUST 22, 2019**

**AGENDA ITEM: 3**

**SUBJECT: RESOLUTION APPROVING A NEGOTIATED SETTLEMENT BETWEEN THE EXECUTIVE COMMITTEE OF CITIES SERVED BY ATMOS WEST TEXAS ("CITIES") AND ATMOS ENERGY CORP., WEST TEXAS DIVISION REGARDING THE COMPANY'S 2019 RATE REVIEW MECHANISM FILINGS**

**PROCEEDING:** Resolution

**SUBMITTED BY:** City Staff

**AUTHORITY:** Section 104.31 of the Texas Utilities Code

### **SUMMARY STATEMENT**

Consider passing a Resolution approving a negotiated settlement between the executive committee of Cities Served By Atmos West Texas ("CITIES") and Atmos Energy Corp., West Texas Division regarding the company's 2019 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 cities' 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 ' legal counsel.

**DISCUSSION** \_\_\_\_\_

Motion by Council Member \_\_\_\_\_ to pass a Resolution approving a negotiated settlement between the Executive Committee of Cities served by Atmos West Texas ("Cities") and Atmos Energy Corp., West Texas Division regarding the company's 2019 Rate Review Mechanism Filings. Motion seconded by Council Member \_\_\_\_\_ and upon being put to a vote the motion \_\_\_\_\_.

**VOTING:** "AYE" \_\_\_\_\_ "NAY" \_\_\_\_\_ "ABSTAIN" \_\_\_\_\_

**RESOLUTION NO.**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LAMESA, TEXAS, APPROVING A NEGOTIATED SETTLEMENT BETWEEN THE EXECUTIVE COMMITTEE OF CITIES SERVED BY ATMOS WEST TEXAS ("CITIES") AND ATMOS ENERGY CORP., WEST TEXAS DIVISION REGARDING THE COMPANY'S 2019 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 CITIES' 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 CITIES' LEGAL COUNSEL.**

WHEREAS, the City of Lamesa, Texas ("City") is a gas utility customer of Atmos Energy Corp., West Texas Division ("Atmos West Texas" or "Company"), and a regulatory authority with an interest in the rates and charges of Atmos West Texas; and

WHEREAS, the City is a member of Cities Served by Atmos West Texas ("Cities"), a coalition of similarly-situated cities served by Atmos West Texas that have joined together to facilitate the review of, and response to, natural gas issues affecting rates charged in the Atmos West Texas service area; and

WHEREAS, Cities and the Company worked collaboratively to develop a new Rate Review Mechanism ("RRM") tariff that allows for an expedited rate review process by Cities as a substitute to the Gas Reliability Infrastructure Program ("GRIP") process instituted by the

Legislature, and that will establish rates for Cities based on the system-wide cost of serving the Atmos West Texas service area; and

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

WHEREAS, on about April 1, 2019, Atmos West Texas filed its 2019 RRM rate request with Cities based on a test year ending December 31, 2018, and filed an errata on April 26, 2019; and

WHEREAS, Cities coordinated its review of the Atmos West Texas 2019 RRM filing through its Executive Committee, assisted by Cities' attorneys and consultants, to resolve issues identified in the Company's RRM filing; and

WHEREAS, the Executive Committee, as well as Cities' counsel and consultants, recommends that Cities approve an increase in base rates for Atmos West Texas of \$4.7 million for Cities' members; and

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

WHEREAS, the Exhibit A rate tariffs incorporate the federal income tax rates that became effective January 1, 2019; 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 (Exhibit C); and

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



NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF Lamesa, 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 Cities, the City Council finds that the settled amount of an increase in revenues of \$11.1 million on a system-wide basis, and \$4.7 million increase for Cities, represents a comprehensive settlement of gas utility rate issues affecting the rates, operations, and services offered by Atmos West Texas within the municipal limits arising from Atmos West Texas' 2019 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 the existing rates for natural gas service provided by Atmos West Texas are unreasonable. The new tariffs attached hereto and incorporated herein as Exhibit A, are just and reasonable, and are designed to allow Atmos West Texas to recover annually an additional \$11.1 million in revenue on a system-wide basis, and \$4.7 million from customers in Cities, over the amount allowed under currently approved rates. Such tariffs are hereby adopted.

**Section 4.** That the ratemaking treatment for pensions and retiree medical benefits in Atmos West Texas' next RRM filing shall be as set forth on Exhibit B, attached hereto and incorporated herein.

**Section 5.** That amortization of regulatory liability shall be consistent with the schedule found in Exhibit C, attached hereto and incorporated herein.

**Section 6.** That Atmos West Texas shall reimburse the reasonable ratemaking expenses of the Cities in processing the Company's 2019 RRM filing.

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

**Section 8.** 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 9.** 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 10.** 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 October 1, 2019.

**Section 11.** That a copy of this Resolution shall be sent to Atmos West Texas, care of Philip Littlejohn, Vice President of Rates and Regulatory Affairs, West Texas Division, 6606 66th Street, Lubbock, Texas 79424, and Geoffrey Gay, General Counsel to Cities, at Lloyd Gosselink Rochelle & Townsend, P.C., 816 Congress Avenue, Suite 1900, Austin, Texas 78701.

PASSED AND APPROVED this \_\_\_\_\_ day of \_\_\_\_\_, 2019.

\_\_\_\_\_  
Mayor

ATTEST:

APPROVED AS TO FORM:

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

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

2142/16/7892675

**WEST TEXAS DIVISION  
ATMOS ENERGY CORPORATION**

<b>RATE SCHEDULE:</b>	<b>RESIDENTIAL GAS SERVICE</b>	
<b>APPLICABLE TO:</b>	<b>WEST TEXAS CITIES SERVICE AREA – Inside City Limits (ICL)</b>	
<b>EFFECTIVE DATE:</b>	<b>Bills Rendered on and after 10/01/2019</b>	

**Availability**

This schedule is applicable to general use by Residential customers for heating, cooking, refrigeration, water heating and other similar type uses. This schedule is not available for service to premises with an alternative supply of natural gas.

**Monthly Rate**

<b>Charge</b>	<b>Amount</b>
Customer Charge	\$ 16.80
Consumption Charge	\$ 0.23158 per Ccf

The West Texas Division Gas Cost Adjustment Rider applies to this schedule.

The West Texas Division Weather Normalization Adjustment Rider applies to this schedule.

The West Texas Division Rider TAX applies to this schedule.

The West Texas Division Rider FF applies to this schedule.

The West Texas Division Rider RRM applies to this schedule.

**Miscellaneous Charges:** Plus an amount for miscellaneous charges calculated in accordance with the applicable rider(s).

**WEST TEXAS DIVISION  
ATMOS ENERGY CORPORATION**

<b>RATE SCHEDULE:</b>	<b>COMMERCIAL GAS SERVICE</b>	
<b>APPLICABLE TO:</b>	<b>WEST TEXAS CITIES SERVICE AREA – Inside City Limits (ICL)</b>	
<b>EFFECTIVE DATE:</b>	<b>Bills Rendered on and after 10/01/2019</b>	

**Availability**

This schedule is applicable to Commercial customers, including hospitals and churches, for heating, cooking, refrigeration, water heating and other similar type uses. This schedule is not available for service to premises with an alternative supply of natural gas.

**Monthly Rate**

<b>Charge</b>	<b>Amount</b>
Customer Charge	\$ 47.00
Consumption Charge	\$ 0.14656 per Ccf

The West Texas Division Gas Cost Adjustment Rider applies to this schedule.

The West Texas Division Weather Normalization Adjustment Rider applies to this schedule.

The West Texas Division Rider TAX applies to this schedule.

The West Texas Division Rider FF applies to this schedule.

The West Texas Division Rider RRM applies to this schedule.

Miscellaneous Charges: Plus an amount for miscellaneous charges calculated in accordance with the applicable rider(s).



**WEST TEXAS DIVISION  
ATMOS ENERGY CORPORATION**

<b>RATE SCHEDULE:</b>	<b>INDUSTRIAL GAS SERVICE</b>	
<b>APPLICABLE TO:</b>	<b>WEST TEXAS CITIES SERVICE AREA – Inside City Limits (ICL)</b>	
<b>EFFECTIVE DATE:</b>	<b>Bills Rendered on and after 10/01/2019</b>	

**Availability**

This schedule is applicable to the sales to any industrial or commercial customer whose predominant use of natural gas is other than space heating, cooking, water heating or other similar type uses. Service under this schedule is available to eligible customers following execution of a contract specifying the maximum hourly load. This schedule is not available for service to premises with an alternative supply of natural gas.

**Monthly Rate**

<b>Charge</b>	<b>Amount</b>
Customer Charge	\$ 460.75
Consumption Charge	\$ 0.09494 per Ccf

The West Texas Division Gas Cost Adjustment Rider applies to this schedule.

The West Texas Division Rider TAX applies to this schedule.

The West Texas Division Rider FF applies to this schedule.

The West Texas Division Rider RRM applies to this schedule.

Miscellaneous Charges: Plus an amount for miscellaneous charges calculated in accordance with the applicable rider(s).

**WEST TEXAS DIVISION  
ATMOS ENERGY CORPORATION**

<b>RATE SCHEDULE:</b>	<b>PUBLIC AUTHORITY GAS SERVICE</b>	
<b>APPLICABLE TO:</b>	<b>WEST TEXAS CITIES SERVICE AREA – Inside City Limits (ICL)</b>	
<b>EFFECTIVE DATE:</b>	<b>Bills Rendered on and after 10/01/2019</b>	

**Availability**

This schedule is applicable to general use by Public Authority type customers, including public schools, for heating, cooking, refrigeration, water heating and other similar type uses. This schedule is not available for service to premises with an alternative supply of natural gas.

**Monthly Rate**

<b>Charge</b>	<b>Amount</b>
Customer Charge	\$ 132.25
Consumption Charge	\$ 0.12761 per Ccf

The West Texas Division Gas Cost Adjustment Rider applies to this schedule.

The West Texas Division Weather Normalization Adjustment Rider applies to this schedule.

The West Texas Division Rider TAX applies to this schedule.

The West Texas Division Rider FF applies to this schedule.

The West Texas Division Rider RRM applies to this schedule.

**Miscellaneous Charges:** Plus an amount for miscellaneous charges calculated in accordance with the applicable rider(s).

**WEST TEXAS DIVISION  
ATMOS ENERGY CORPORATION**

<b>RATE SCHEDULE:</b>	<b>TRANSPORTATION SERVICE</b>	
<b>APPLICABLE TO:</b>	<b>WEST TEXAS CITIES SERVICE AREA – Inside City Limits (ICL)</b>	
<b>EFFECTIVE DATE:</b>	<b>Bills Rendered on and after 10/01/2019</b>	

Application

Applicable, in the event that Company has entered into a Transportation Agreement, to a customer directly connected to the Atmos Energy Corp., West Texas Division Distribution System 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 with an estimated annual usage greater than 100,000 Ccf per 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 bill will be calculated by adding the following Customer and Ccf charges to the amounts and quantities due under the riders listed below:

<b>Charge</b>	<b>Amount</b>
Customer Charge per Meter	\$ 460.75 per month
Consumption Charge	\$ 0.09494 per Ccf

**Upstream Transportation Cost Recovery:** The customer is responsible for all upstream transportation costs.

**Retention Adjustment:** Plus a quantity of gas equal to the Company's most recently calculated financial L&U percentage for the twelve months ended September multiplied by the gas received into Atmos Energy Corporation's West Texas Division for transportation to the customer.

**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).

**Miscellaneous Charges:** Plus an amount for miscellaneous charges calculated in accordance with the applicable rider(s).

The West Texas Division Rider RRM applies to this schedule.

**Conversions:** Units may be converted from Ccf to Mcf or Mmbtu as necessary to comply with the underlying transportation agreement.

**WEST TEXAS DIVISION  
ATMOS ENERGY CORPORATION**

<b>RATE SCHEDULE:</b>	<b>TRANSPORTATION SERVICE</b>	
<b>APPLICABLE TO:</b>	<b>WEST TEXAS CITIES SERVICE AREA – Inside City Limits (ICL)</b>	
<b>EFFECTIVE DATE:</b>	<b>Bills Rendered on and after 10/01/2019</b>	

**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 a monthly imbalance fee at the end of each month as defined in the applicable Transportation Agreement.

**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 "Index" price reported for the month of delivery in Inside FERC's Gas Market Report under the heading "West Texas Waha".

**Replacement Index**

In the event the "Index" price reported for the month of delivery in Inside FERC's Gas Market Report under the heading "West Texas Waha" 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 transportation service under this tariff, customer must have the type of meter, instrumentation, and communication required by Company. Customer must pay Company all costs associated with the acquisition and installation of the required equipment.



ATMOS ENERGY CORPORATION  
WEST TEXAS CITIES ("WTX CITIES") RATE REVIEW MECHANISM  
PENSIONS AND RETIREE MEDICAL BENEFITS FOR APPROVAL  
TEST YEAR ENDING DECEMBER 31, 2018

Line No.	Description (a)	Shared Services		WTX		Total (g)
		Pension Account Plan (b)	Post-Employment Benefit Plan (c)	Pension Account Plan (d)	Post-Employment Benefit Plan (e)	
1	Proposed Benefits Benchmark -					
2	Fiscal Year 2019 Willis Towers Watson Report					
3	Allocation Factor	\$ 2,767,996	\$ 2,287,686	\$ 926,080	\$ 617,393	\$ 209,370
4	Proposed Benefits Benchmark Costs (Excluding Removed Cost Centers)	8.37%	8.37%	95.66%	95.66%	95.66%
5	Allocated to West Texas (Ln 1 x Ln 2)	\$ 231,726	\$ 191,516	\$ 885,894	\$ 590,602	\$ 200,285
6	O&M and Capital Factor	100.00%	100.00%	100.00%	100.00%	100.00%
7	Proposed Benefits Benchmark Costs To Approve					
8	(Excluding Removed Cost Centers) (Ln 3 x Ln 4)	\$ 231,726	\$ 191,516	\$ 885,894	\$ 590,602	\$ 200,285
9	Summary of Expense Costs to Approve:					
10	O&M Expense Factor (WP_F-2.3, Ln 2)	81.01%	81.01%	53.24%	53.24%	100.00%
11	Total Pension Account Plan					\$ 659,365
12	Total Post-Employment Benefit Plan	\$ 187,727	\$ 155,152	\$ 471,639	\$ 314,429	\$ 469,581
13	Total Supplemental Executive Benefit Plan					\$ 200,285
14	Total (Sum Ln 12 through Ln 14)	\$ 187,727	\$ 155,152	\$ 471,639	\$ 314,429	\$ 1,329,231

**ATMOS ENERGY CORPORATION**  
**WEST TEXAS CITIES ("WTX CITIES") RATE REVIEW MECHANISM**  
**AMORTIZATION OF REGULATORY LIABILITY**  
**TEST YEAR ENDING DECEMBER 31, 2018**

Line No.	Year Ended Dec. 31	Beginning of Year		Annual		End of Year	
		(a)		(c)		(d)	
		Rate Base	Rate Base	Amortization (1)	Amortization (1)	Rate Base	Rate Base
		Amount	Adjustment	Amount	Amount	Adjustment	Amount
1	2018	\$	\$		\$		\$
2	2019	58,839,618	58,839,618	2,451,651	2,451,651	56,387,967	56,387,967
3	2020	56,387,967	56,387,967	2,451,651	2,451,651	53,936,317	53,936,317
4	2021	53,936,317	53,936,317	2,451,651	2,451,651	51,484,666	51,484,666
5	2022	51,484,666	51,484,666	2,451,651	2,451,651	49,033,015	49,033,015
6	2023	49,033,015	49,033,015	2,451,651	2,451,651	46,581,364	46,581,364
7	2024	46,581,364	46,581,364	2,451,651	2,451,651	44,129,714	44,129,714
8	2025	44,129,714	44,129,714	2,451,651	2,451,651	41,678,063	41,678,063
9	2026	41,678,063	41,678,063	2,451,651	2,451,651	39,226,412	39,226,412
10	2027	39,226,412	39,226,412	2,451,651	2,451,651	36,774,761	36,774,761
11	2028	36,774,761	36,774,761	2,451,651	2,451,651	34,323,111	34,323,111
12	2029	34,323,111	34,323,111	2,451,651	2,451,651	31,871,460	31,871,460
13	2030	31,871,460	31,871,460	2,451,651	2,451,651	29,419,809	29,419,809
14	2031	29,419,809	29,419,809	2,451,651	2,451,651	26,968,158	26,968,158
15	2032	26,968,158	26,968,158	2,451,651	2,451,651	24,516,508	24,516,508
16	2033	24,516,508	24,516,508	2,451,651	2,451,651	22,064,857	22,064,857
17	2034	22,064,857	22,064,857	2,451,651	2,451,651	19,613,206	19,613,206
18	2035	19,613,206	19,613,206	2,451,651	2,451,651	17,161,555	17,161,555
19	2036	17,161,555	17,161,555	2,451,651	2,451,651	14,709,905	14,709,905
20	2037	14,709,905	14,709,905	2,451,651	2,451,651	12,258,254	12,258,254
21	2038	12,258,254	12,258,254	2,451,651	2,451,651	9,806,603	9,806,603
22	2039	9,806,603	9,806,603	2,451,651	2,451,651	7,354,952	7,354,952
23	2040	7,354,952	7,354,952	2,451,651	2,451,651	4,903,302	4,903,302
24	2041	4,903,302	4,903,302	2,451,651	2,451,651	2,451,651	2,451,651
25	2042	2,451,651	2,451,651	2,451,651	2,451,651		

## Notes:

1. The annual amortization of a 24 year recovery period is based on the Reverse South Georgia Method.

August 7, 2019

## **MODEL STAFF REPORT FOR RESOLUTION**

### **BACKGROUND AND SUMMARY**

The City, along with 66 other West Texas cities served by Atmos Energy Corporation, West Texas Division (“Atmos West Texas” or “Company”), is a member of Cities Served by Atmos West Texas (“Cities”). In 2007, the Cities and Atmos West Texas 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 Cities in 2018. On or about April 1, 2019, the Company filed a rate request pursuant to the RRM Tariff adopted by Cities. The Company claimed that its cost of service in a test year ending December 31, 2018, entitled it to additional revenues system-wide of \$17.27 million, which was reduced to \$14.82 million after the application of a credit for excess accumulated deferred income taxes. The requested revenue increase attributable to Cities, after the initial credit, was \$6.23 million.

Application of the standards set forth in the Cities’ RRM Tariff reduces the Company’s request for additional revenues from Cities to \$5.13 million. After a review of Cities’ consultants’ report and negotiations with Cities’ Executive Committee, Atmos agreed to a system-wide rate increase of \$11.1 million. That increase, when allocated between Cities, the Amarillo/Lubbock coalition, and environs, results in an increase to Cities of \$4.70 million. The Effective Date for new rates is October 1, 2019. Cities should take action approving the Resolution before the end of September.

## **PROOF OF REVENUES**

Atmos generated proof of revenues associated with the Resolution and attached rate tariffs. That proof is attached as Attachment 1 to this Staff Report. Cities' consultants have confirmed the accuracy of the proof.

## **BILL IMPACT**

The impact of this increase in revenues to an average residential customer's bill is an increase of approximately \$2.48 per month. A bill impact estimate is attached as Attachment 2.

## **CITIES' OBJECTION TO THE SECTION 104.301 GRIP PROCESS**

Cities strongly opposed the GRIP process because it constitutes piecemeal ratemaking by ignoring declining expenses and increasing revenues and rewarding the Company for increasing capital investment. 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 Cities to recover their 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 the Executive Committee'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.

## **EXPLANATION OF "BE IT RESOLVED" PARAGRAPHS**

1. This section approves all findings in the Resolution.
2. This section adopts the attached RRM rate tariffs and finds the adoption of the new rates to be just, reasonable, and in the public interest.
3. 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 West Texas to recover an



additional \$11.1 million on a system-wide basis. Settling Cities will be responsible for \$4.7 million of the \$11.1 million.

4. This section approves an exhibit that establishes a benchmark for pensions and retiree medical benefits to be used in future rate settings.
5. This section approves an exhibit to be used in future rate cases regarding recovery of regulatory liabilities, such as excess deferred income taxes.
6. This section requires the Company to reimburse the City for expenses associated with adoption of the Resolution.
7. This section repeals any resolution or ordinance that is inconsistent with this Resolution.
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. This section further directs that the remaining provisions of the Resolution 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 be sent to a representative of the Company and legal counsel for the Executive Committee.

2142/16/7892435

**ATMOS ENERGY CORPORATION**  
**WEST TEXAS CITIES ("WTX CITIES") RATE REVIEW MECHANISM**  
**PROOF OF REVENUES - SYSTEM WIDE**  
**TEST YEAR ENDING DECEMBER 31, 2018**

Line No.	Customer Class (a)	Current (b)	Proposed (c)	Bills (d)	Ccf (e)	Current Revenues (f)	Proposed Revenues (g)	Increase (h)
1	<b>Residential</b>							
2	Customer Charge	\$ 16.10	\$ 16.80	3,353,993		\$ 53,999,287	\$ 56,347,082	
3	Consumption Charge	\$ 0.19875	\$ 0.23158		180,108,996	35,796,663	41,709,641	
4	Total Class Revenue					\$ 89,795,950	\$ 98,056,724	\$ 8,260,773
5								
6	<b>Commercial</b>							
7	Customer Charge	\$ 43.25	\$ 47.00	290,370		\$ 12,558,503	\$ 13,647,390	
8	Consumption Charge	\$ 0.13423	\$ 0.14656		86,195,979	11,570,086	12,632,883	
9	Total Class Revenue					\$ 24,128,589	\$ 26,280,273	\$ 2,151,684
10								
11	<b>Industrial &amp; Transportation</b>							
12	Customer Charge	\$ 409.00	\$ 460.75	2,322		\$ 949,698	\$ 1,069,862	
13	Consumption Charge	\$ 0.08944	\$ 0.09494		21,903,542	1,959,053	2,079,522	
14	Total Class Revenue					\$ 2,908,751	\$ 3,149,384	\$ 240,633
15								
16	<b>Public Authority</b>							
17	Customer Charge	\$ 122.25	\$ 132.25	24,324		\$ 2,973,609	\$ 3,216,849	
18	Consumption Charge	\$ 0.11661	\$ 0.12761		21,648,586	2,524,442	2,762,576	
19	Total Class Revenue					\$ 5,498,051	\$ 5,979,425	\$ 481,374
20								
21	Total, Excluding Other Revenue					\$ 122,331,340	\$ 133,465,805	\$ 11,134,465

**ATMOS ENERGY CORPORATION**  
**WEST TEXAS CITIES ("WTX CITIES") RATE REVIEW MECHANISM**  
**PROOF OF REVENUES - WTX CITIES**  
**TEST YEAR ENDING DECEMBER 31, 2018**

Line No.	Customer Class (a)	Current (b)	Proposed (c)	Bills (d)	Ccf (e)	Current Revenues (f)	Proposed Revenues (g)	Increase (h)
1	<b>Residential</b>							
2	Customer Charge	\$ 16.10	\$ 16.80	1,516,784		\$ 24,420,222	\$ 25,481,971	
3	Consumption Charge	\$ 0.19875	\$ 0.23158		75,600,312	15,025,562	17,507,520	
4	Total Class Revenue					\$ 39,445,784	\$ 42,989,491	\$ 3,543,707
5								
6	<b>Commercial</b>							
7	Customer Charge	\$ 43.25	\$ 47.00	122,807		\$ 5,311,386	\$ 5,771,910	
8	Consumption Charge	\$ 0.13423	\$ 0.14656		30,351,075	4,074,025	4,448,254	
9	Total Class Revenue					\$ 9,385,410	\$ 10,220,164	\$ 834,754
10								
11	<b>Industrial &amp; Transportation</b>							
12	Customer Charge	\$ 409.00	\$ 460.75	442		\$ 180,778	\$ 203,652	
13	Consumption Charge	\$ 0.08944	\$ 0.09494		1,915,618	171,333	181,869	
14	Total Class Revenue					\$ 352,111	\$ 385,520	\$ 33,409
15								
16	<b>Public Authority</b>							
17	Customer Charge	\$ 122.25	\$ 132.25	16,339		\$ 1,997,468	\$ 2,160,860	
18	Consumption Charge	\$ 0.11661	\$ 0.12761		11,375,699	1,326,520	1,451,653	
19	Total Class Revenue					\$ 3,323,989	\$ 3,612,513	\$ 288,525
20								
21	Total, Excluding Other Revenue					\$ 52,507,294	\$ 57,207,689	\$ 4,700,395

**ATMOS ENERGY CORPORATION**  
**WEST TEXAS CITIES ("WTX CITIES") RATE REVIEW MECHANISM**  
**AVERAGE BILL COMPARISON**  
**TEST YEAR ENDING DECEMBER 31, 2018**

Line No.	Description (a)	Current (b)	Proposed (c)	Change (d) (e)	
				Amount	Percent
<b>1</b>	<b>RESIDENTIAL</b>				
2	Customer Charge	\$ 16.10			
3	Consumption Charge	=			
4	Rider GCA	9.90			
5	Subtotal	14.78			
6	Rider FF & Rider TAX	\$ 40.78			
7	Total	2.46			
8		\$ 43.24			
9	Customer Charge		\$ 16.80		
10	Consumption Charge	=	11.53		
11	Rider GCA		14.78		
12	Subtotal		43.11		
13	Rider FF & Rider TAX		2.60		
14	Total		\$ 45.72	\$ 2.48	5.73%
15					
16	<b>COMMERCIAL</b>				
17	Customer Charge	\$ 43.25			
18	Consumption Charge	33.17			
19	Rider GCA	73.33			
20	Subtotal	\$ 149.75			
21	Rider FF & Rider TAX	9.05			
22	Total	\$ 158.79			
23					
24	Customer Charge		\$ 47.00		
25	Consumption Charge	=	36.21		
26	Rider GCA		73.33		
27	Subtotal		\$ 156.54		
28	Rider FF & Rider TAX		9.46		
29	Total		\$ 166.00	\$ 7.21	4.54%
30					



**ATMOS ENERGY CORPORATION**  
**WEST TEXAS CITIES ("WTX CITIES") RATE REVIEW MECHANISM**  
**AVERAGE BILL COMPARISON**  
**TEST YEAR ENDING DECEMBER 31, 2018**

Line No.	Description (a)	Current (b)	Proposed (c)	Change Amount (d)	Change Percent (e)
31	<b><u>INDUSTRIAL</u></b>				
32	Customer Charge	\$ 409.00			
33	Consumption Charge	=			
34	Rider GCA	=			
35	Subtotal	\$ 1,760.47			
36	Rider FF & Rider TAX	=			
37	Total	\$ 1,866.82			
38					
39	Customer Charge	\$ 460.75			
40	Consumption Charge	=			
41	Rider GCA	=			
42	Subtotal	\$ 1,831.47			
43	Rider FF & Rider TAX	=			
44	Total	\$ 1,942.11	\$ 75.29		4.03%
45					
46	<b><u>TRANSPORTATION</u></b>				
47	Customer Charge	\$ 409.00			
48	Consumption Charge	=			
49	Rider GCA (1)	=			
50	Subtotal	\$ 1,134.34			
51	Rider FF & Rider TAX	=			
52	Total	\$ 1,202.87			
53					
54	Customer Charge	\$ 460.75			
55	Consumption Charge	=			
56	Rider GCA (1)	=			
57	Subtotal	\$ 1,230.69			
58	Rider FF & Rider TAX	=			
59	Total	\$ 1,305.04	\$ 102.17		8.49%
60					

**ATMOS ENERGY CORPORATION**  
**WEST TEXAS CITIES ("WTX CITIES") RATE REVIEW MECHANISM**  
**AVERAGE BILL COMPARISON**  
**TEST YEAR ENDING DECEMBER 31, 2018**

Line No.	Description (a)	Current (b)	Proposed (c)	Change (e)	
				Amount (d)	Percent
61	<b><u>PUBLIC AUTHORITY</u></b>				
62	Customer Charge	\$ 122.25			
63	Consumption Charge	= 81.18			
64	Rider GCA	= 206.60			
65	Subtotal	\$ 410.03			
66	Rider FF & Rider TAX	= 24.77			
67	Total	\$ 434.80			
68					
69	Customer Charge	\$ 132.25			
70	Consumption Charge	= 88.84			
71	Rider GCA	= 206.60			
72	Subtotal	\$ 427.69			
73	Rider FF & Rider TAX	= 25.84			
74	Total	\$ 453.53	\$ 18.72		4.31%
75					

Note:

1. Rider GCA does not apply to the Transportation Tariff. Therefore, the GCA Rate has been set to zero.

# ***City Council Agenda***

***City of Lamesa, Texas***

**DATE OF MEETING: AUGUST 22, 2019**

**AGENDA ITEM: 4**

**SUBJECT: PURCHASE OF USED VEHICLE FOR CODE ENFORCEMENT**  
**PROCEEDING: Action**  
**SUBMITTED BY: City Staff**

## **SUMMARY STATEMENT**

City Council to approve purchase of used vehicle for use by the Code Enforcement department.  
(Funds to be used are insurance proceeds.)

## **COUNCIL ACTION**

**DISCUSSION** \_\_\_\_\_

Motion by Council Member \_\_\_\_\_ to approve the purchase of used vehicle for use by the Code Enforcement department. Motion seconded by Council Member \_\_\_\_\_ and upon being put to a vote the motion \_\_\_\_\_.

**VOTING:** "AYE" \_\_\_\_\_ "NAY" \_\_\_\_\_ "ABSTAIN" \_\_\_\_\_

## **CITY MANAGER'S MEMORANDUM**

**Recommend approval.**

# ***City Council Agenda***

## ***City of Lamesa, Texas***

**DATE OF MEETING: AUGUST 22, 2019**

**AGENDA ITEM: 5**

**SUBJECT: LEDC BUDGET AMENDMENT**  
**PROCEEDING: LEDC & LEAP Budget Approval for FY 2019-2020**  
**SUBMITTED BY: City Staff**

### **SUMMARY STATEMENT**

City Council to consider approving LEDC Budget Amendment for a grand for a project tied to a 12 Year Performance Agreement – TatumTek, LLC.

### **COUNCIL ACTION**

**Discussion:** \_\_\_\_\_

Motion by Council Member \_\_\_\_\_ to approve LEDC Budget Amendment for a grand for a project tied to a 12 Year Performance Agreement – TatumTek, LLC. Motion seconded by Council Member \_\_\_\_\_ and upon being put to a vote the motion \_\_\_\_\_.

**VOTING:** "AYE" \_\_\_\_\_ "NAY" \_\_\_\_\_ "ABSTAIN" \_\_\_\_\_

### **CITY MANAGER'S MEMORANDUM**

**Recommend approval.**

**CITY OF LAMESA**

601 SOUTH 1<sup>st</sup> STREET PHONE (806) 872-2124 FAX (806) 872-4338  
LAMESA, TEXAS 79331

Budget Transfer  
Request Form

Date August 19, 2019

Department LEDC - 22

Budget Transfer  
"From" Department

Budget Transfer  
"To" Department

Amount of  
Budget Transfer

3001 Fund Balance

22-5611810

\$300,000

Explanation for Budget Transfer(s):

Grant for Project tied to a 12 Year Performance Agreement - TatumTek, LLC

Requestor Name Sean Overeynder

Approved Name \_\_\_\_\_

Approver Signature \_\_\_\_\_

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

Date \_\_\_\_\_

# **City Council Agenda**

*City of Lamesa, Texas*

**DATE OF MEETING: AUGUST 22,2019**

**AGENDA ITEM: 6**

**SUBJECT: ORDINANCE AMENDING CHAPTER 12 DIVISION 3 STOP INTERSECTIONS, SECTION 12.03.082 (2) OF THE CODE OF ORDINANCES TO PROVIDE FOR ADDIOTIONAL STOP SIGNS**

**PROCEEDING:** Ordinance, Second Reading

**SUBMITTED BY:** City Staff

## **SUMMARY STATEMENT**

City Council to consider amending Chapter 12, Division 3 Stop Intersections, Section 12.03.082 (2) of the Code of Ordinance to provide for additional stop signs at N. 13<sup>th</sup> and Avenue R.

## **COUNCIL ACTION**

**DISCUSSION** \_\_\_\_\_

Motion by Council Member \_\_\_\_\_ to consider amending Chapter 12, Division 3 Stop Intersections, Section 12.03.082 (2) of the Code of Ordinance to provide for additional stop signs at N. 13<sup>th</sup> and Avenue R. Motion seconded by Council Member \_\_\_\_\_ and upon being put to a vote the motion \_\_\_\_\_.

**VOTING:** "AYE" \_\_\_\_\_ "NAY" \_\_\_\_\_ "ABSTAIN" \_\_\_\_\_

## **CITY MANAGER'S MEMORANDUM**

**Recommend approval.**

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

**AN ORDINANCE AMENDING CHAPTER 12, DIVISION 3.  
STOP INTERSECTIONS, SECTION 12.03.082(2) OF THE  
CODE OF ORDINANCES TO PROVIDE FOR ADDITIONAL  
STOP SIGNS.**

On this the 20th day of August, 2019, there came on and was held at the regular meeting place, the City Hall, an open meeting of the City Council of the City of Lamesa, Texas held pursuant to the provisions of the Texas Open Meetings Act; there being a quorum present and acting throughout the meeting, the following ordinance was formally submitted by motion and duly seconded for the consideration and action of the meeting, to wit:

**WHEREAS**, the City Council of the City of Lamesa, Texas wishes to promote the safe passage of motor vehicles and other traffic within the City Limits of the City of Lamesa, Texas; and

**WHEREAS**, the City Council of the City of Lamesa, Texas has received a petition from residents of the neighborhood requesting a stop sign at this location; and

**WHEREAS**, the City Council of the City of Lamesa, Texas has determined that additional stop signs are warranted; and

**WHEREAS**, the City Council of the City of Lamesa, Texas wishes to provide for the installation and maintenance of such additional stop signs; and

**WHEREAS**, the City Council of the City of Lamesa, Texas finds it to be in the public interest and welfare to pass an ordinance to add additional stop signs at this location.

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

**SECTION ONE.** That Section 12.03.082(2) of the Code of Ordinances of the City of Lamesa, Texas is hereby amended to include as follows:

Additional stop signs shall be erected and maintained at the following intersections:

**(2) Two-way stop:**

**Through Street**  
N. 13<sup>th</sup>

**Stop Street**  
Avenue R

**SECTION TWO.** That the effective date of this Ordinance shall be August 30, 2019.

**SECTION THREE.** The provisions of this ordinance are to be cumulative and all other ordinances or parts of ordinances governing or regulating the same subject matter as that covered herein; provided, however, that all prior ordinances or parts of ordinances inconsistent with or in conflict with any of the provisions of this ordinance are hereby expressly repealed to the extent of any such inconsistency or conflict.

**SECTION FOUR.** If any section, subsection, sentence, clause or phrase of this ordinance is, for any reason, held to be unconstitutional or invalid, such holding shall not affect the validity of the remaining portions of this ordinance. The City Council of the City of Lamesa, Texas hereby declares that it would have passed this ordinance and each

section, subsection, sentence, clause, or phrase hereof irrespective of the fact that any one or more sections, subsections, sentences, clauses, or phrases be declared unconstitutional or invalid.

**SECTION FIVE.** The City Secretary is hereby authorized and directed to publish the descriptive caption of this ordinance in the manner and for the length of time prescribed by Article IV, Section 24 of the City Charter.

**SECTION SIX.** That the Director of Public Works is hereby authorized and directed to cause the placement of suitable traffic control and devices as may be necessary to ensure compliance with the provisions of this ordinance.

Upon being put to a vote, the foregoing ordinance was Passed, on First Reading on the 20th day of August, 2019 by a majority vote; and then on the 22nd day of August 2019 there came on and was held at the regular meeting place, the City Hall, an open meeting of the City Council of the City of Lamesa, Texas held pursuant to the provisions of the Texas Open Meetings Act; there being a quorum present and acting throughout the meeting, the foregoing ordinance was formally submitted by motion and duly seconded for the consideration and action of the meeting, and upon being put to a vote, the foregoing ordinance was Passed on Second and Final Reading and Adopted this day of August 22<sup>nd</sup>, 2019 by a majority vote and ordered to be spread upon the minutes of the City Council of the City of Lamesa, Texas and recorded in the ordinance book thereafter.

**ATTEST:**

**APPROVED:**

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Betty Conde,  
City Secretary

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Josh Stevens  
Mayor



# **City Council Agenda**

*City of Lamesa, Texas*

**DATE OF MEETING: AUGUST 22, 2019**

**AGENDA ITEM: 7**

SUBJECT: **REQUEST FOR SPECIFIC USE PERMIT**  
PROCEEDING: Approval  
SUBMITTED BY: City Staff  
EXHIBITS: Ordinance, Second Reading  
AUTHORITY: City Charter, City Code, Texas Government Code

## **SUMMARY STATEMENT**

City Council to consider approving an Ordinance on Second reading approving specific use permit for the following property:

**CASE NO. P&Z 19-8:** To consider the petition of MARCO ANTONIO RODRIQUEZ, 110 CO. RD 29 LAMESA, TEXAS 79331 of the following property

THE WEST 70.5 FEET OF LOT 5, BLOCK 23, HILLCREST ADDITION, of the City of Lamesa, Dawson County, Texas

located at 1208 S. 14<sup>TH</sup> STREET LAMESA, TEXAS 79331 FOR A SPECIFIC USE PERMIT FOR THE PLACEMENT OF A 1998 OAKWOOD MANUFACTURED HOME (16X72) IN AN R1 DISTRICT as his primary residence.

## **COUNCIL ACTION**

**DISCUSSION** \_\_\_\_\_

Motion by Council Member \_\_\_\_\_ to consider approving an Ordinance on Second reading approving specific use permit. Motion seconded by Council Member \_\_\_\_\_ and upon being put to a vote the motion \_\_\_\_\_.

**VOTING:** "AYE" \_\_\_\_\_ "NAY" \_\_\_\_\_ "ABSTAIN" \_\_\_\_\_

## **CITY MANAGER'S MEMORANDUM**

**Recommend approval.**

**ORDINANCE NO.**

**AN ORDINANCE GRANTING A SPECIFIC USE PERMIT TO ALLOW  
PLACEMENT OF A MANUFACTURED HOME ON THE WEST 70.5 FEET  
OF LOT 5, BLOCK 23, OF THE HILLCREST ADDITION TO THE TOWN  
OF LAMESA, DAWSON COUNTY, TEXAS, LOCATED AT 1208 SOUTH  
12<sup>TH</sup> STREET, LAMESA, TEXAS, UPON RECOMMENDATION OF THE  
PLANNING AND ZONING COMMISSION.**

On the this 20th day of August, 2019, there came on and was held at the regular meeting place, the City Hall, an open meeting of the City Council of the City of Lamesa, Texas, held pursuant to the provisions of the Texas Open Meetings Act, and there being a quorum present and acting throughout the meeting, the following ordinance was formally submitted by motion and duly seconded for consideration and action at the meeting, to wit:

**WHEREAS**, the Code of Ordinances of the City of Lamesa provides that specific use permits may be granted for the use of property not otherwise allowed in certain zoning districts of the City upon application of the property owner and upon recommendation of the Planning and Zoning Commission of the City; and

**WHEREAS**, an application has been made for a specific use permit to allow placement of a manufactured home on the following described property, to-wit:

The West 70.5 feet of Lot 5, Block 23, of the Hillcrest Addition to the Town of Lamesa, Dawson County, Texas; and

**WHEREAS**, said property is located within the city limits of the City of Lamesa, Texas, located at 1208 South 14<sup>th</sup> Street and is located within a R-1 District (Single-family residential); and

**WHEREAS**, the Planning and Zoning Commission of the City of Lamesa, Texas, after hearing such application and the arguments for and against the same, has voted to recommend to the City Council of the City of Lamesa, Texas, that such request for a specific use permit for the placement of a 1998 (16X72) Oakwood Manufactured Home on such property be granted; and

**WHEREAS**, a public hearing where all interested persons were provided with an opportunity to be heard on the request for a specific use permit was held at City Hall, 601 South First Street, in the City of Lamesa, Texas, on August 20, 2019, which date is not less than fifteen days prior to the publication of a notice of such hearing in the Lamesa Press-Reporter, a newspaper of general circulation in the City of Lamesa, Texas; and

**WHEREAS**, after such hearing, the City Council of the City of Lamesa, Texas, finds that the use for which such specific use permit is sought will not be injurious to the neighborhood or otherwise detrimental to the public interest and welfare and will be in harmony with the general purpose of the Zoning Ordinances of the City of Lamesa, Texas, and that the recommendation of the Planning and Zoning Commission of the City of Lamesa, Texas, should be accepted.

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

**SECTION ONE:** The request for a specific use permit to allow the placement of a 1998 (16 x 72) Oakwood Manufactured Home on the following described property located at 1208 South 14<sup>th</sup> Street, Lamesa, Texas, to-wit:

The West 70.5 feet Lot 5, Block 23, of the Hillcrest Addition to the Town of Lamesa, Dawson County, Texas,

be, and is hereby, **GRANTED.**

**SECTION TWO:** The provisions of this ordinance are to be cumulative and shall constitute an amendment to the zoning ordinances of the City of Lamesa, Texas, only as it applies to the hereinabove described property.

**SECTION THREE:** If any section, subsection, sentence, clause or phrase of this ordinance is, for any reason, held to be unconstitutional or invalid, such holding shall not affect the validity of the remaining portions of this ordinance. The City Council of the City of Lamesa, Texas, hereby declares that it would have passed this ordinance and each section, subsection, sentence, clause, or phrase hereof irrespective of the fact that any one or more sections, subsections, sentences, clauses, or phrases be declared unconstitutional or invalid.

**SECTION FOUR:** The City Secretary is hereby authorized and directed to publish the descriptive caption of this ordinance in the manner and for the length of time prescribed by Article IV, Section 24 of the City Charter and state law.

Upon being put to a vote, the foregoing ordinance was Passed, on First Reading on the 20<sup>th</sup> day of August, 2019; and

Upon being put to a vote, the foregoing ordinance was Passed, on Second Reading on the 22<sup>nd</sup> day of August, 2019.

**ATTEST:**

**APPROVED:**

\_\_\_\_\_  
Betty Conde  
City Secretary

\_\_\_\_\_  
Josh Stevens  
Mayor

# **City Council Agenda**

## **City of Lamesa, Texas**

**DATE OF MEETING: AUGUST 22, 2019**

**AGENDA ITEM: 8**

**SUBJECT: PUBLIC HEARING - FISCAL YEAR 2019-2020 ANNUAL BUDGET**  
**PROCEEDING: 1<sup>st</sup> Public Hearing**  
**SUBMITTED BY: City Staff**  
**EXHIBITS: Proposed Budget Document**  
**AUTHORITY: Local Government Code, Chapter 102, Section 102.006**

### **SUMMARY STATEMENT**

Convene a public hearing, in accordance with State Law (Local Government Code, Chapter 102, Section 102.006), to hear a report from the City Manager and to hear comments from the public regarding the proposed Annual Budget for Fiscal Year 2019-2020 beginning on October 1, 2019 and ending September 30, 2020. *(City Manager)*

**THIS BUDGET WILL RAISE LESS REVENUE FROM PROPERTY TAXES THAN LAST YEAR'S BUDGET BY AN AMOUNT OF \$ -2,456, WHICH IS A -0.10% PERCENT DECREASE FROM LAST YEAR'S BUDGET. THE PROPERTY TAX REVENUE TO BE RAISED FROM NEW PROPERTY ADDED TO THE TAX ROLL THIS YEAR IS \$14.**

### **1<sup>st</sup> PUBLIC HEARING**

Following the report from the City Manager, the Mayor will ask if anyone wishes to speak regarding the proposed Annual Budget for Fiscal Year 2019-2020.

The following persons spoke:

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Following the public comments the Mayor will close the public hearing.



# **City Council Agenda**

## **City of Lamesa, Texas**

**DATE OF MEETING: AUGUST 22, 2019**

**AGENDA ITEM: 9**

**SUBJECT:** FISCAL YEAR OCTOBER 2019-2020 BUDGET - ADOPTION  
**PROCEEDING:** Ordinance; First reading  
**SUBMITTED BY:** City Staff  
**EXHIBITS:** Ordinance  
**AUTHORITY:** State Law; Local Government Code, Chapter 102, Section 102.007

### **SUMMARY STATEMENT**

Consider passing an ordinance on first reading **with record vote** in accordance with State Law (Local Government Code, Chapter 102, Section 102.007) providing funds for the Fiscal Year beginning October 1, 2019, and ending September 30, 2020, by approving the budget for said period and appropriating and setting aside the necessary funds out of the General Fund, Water/Wastewater, Solid Waste funds for the maintenance and operation of the various departments and for various activities and improvements to the City.

**THIS BUDGET WILL RAISE LESS REVENUE FROM PROPERTY TAXES THAN LAST YEAR'S BUDGET BY AN AMOUNT OF \$ -2,456, WHICH IS A -0.10% PERCENT DECREASE FROM LAST YEAR'S BUDGET. THE PROPERTY TAX REVENUE TO BE RAISED FROM NEW PROPERTY ADDED TO THE TAX ROLL THIS YEAR IS \$14.**

### **COUNCIL ACTION**

**DISCUSSION:** \_\_\_\_\_

Motion by Council Member \_\_\_\_\_ to adopt on first reading the proposed 2019-2020 Annual Budget, including the following statement (to be read aloud):

**THIS BUDGET WILL RAISE LESS REVENUE FROM PROPERTY TAXES THAN LAST YEAR'S BUDGET BY AN AMOUNT OF \$ -2,456, WHICH IS A -0.10% PERCENT DECREASE FROM LAST YEAR'S BUDGET. THE PROPERTY TAX REVENUE TO BE RAISED FROM NEW PROPERTY ADDED TO THE TAX ROLL THIS YEAR IS \$14.**

Motion seconded by Council Member \_\_\_\_\_ and upon being put to a vote the motion \_\_\_\_\_.

**RECORD VOTE REQUIRED: VOTE BY SHOW OF HANDS**

VOTING	"AYE"	"NAY"	"ABSTAIN"
Josh Stevens	_____	_____	_____
Brant Stewart	_____	_____	_____
Marie A. Briseno	_____	_____	_____
Rick Moreno	_____	_____	_____
Dore Evan Rodriquez	_____	_____	_____
Bobby Gonzales	_____	_____	_____
Doug Morris	_____	_____	_____

**CITY MANAGER’S MEMORANDUM**

**Recommend approval.**

**ORDINANCE NO.**

**AN ORDINANCE ADOPTING AND APPROVING A BUDGET FOR THE FISCAL YEAR BEGINNING OCTOBER 1, 2019 AND ENDING SEPTEMBER 30, 2020 AND MAKING APPROPRIATIONS FOR EACH DEPARTMENT, PROJECT, AND ACCOUNT; APPROVING REVISED BUDGET FIGURES FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2018; PROVIDING FOR NECESSARY TRANSFERS OF FUNDS BETWEEN ACCOUNTS AND DEPARTMENTS, IF REQUIRED; AND PROVIDING A SAVINGS CLAUSE.**

On the this 22<sup>rd</sup> day of August, 2019, there came on and was held at the regular called meeting place, the City Hall, an open meeting of the City Council of the City of Lamesa, Texas, held pursuant to the provisions of the Texas Open Meetings Act, and there being a quorum present and acting throughout the meeting, the following ordinance was formally submitted by motion and duly seconded for the consideration and action of the meeting, to wit:

**WHEREAS**, a budget for the Fiscal Year beginning October 1, 2019, and ending September 30, 2020, has been prepared by the City Manager; and

**WHEREAS**, the City Manager, on July 31, 2019, filed a proposed budget with the City Secretary for the Fiscal Year beginning October 1, 2019; and

**WHEREAS**, the City Secretary did post notice that said proposed budget had been filed and was available for public inspection; and

**WHEREAS**, the City Council did not hold two public hearings regarding the proposed property ad valorem tax rate at \$0.83406 due to it being equivalent to the effective tax rate and not exceeding the effective tax rate.

**WHEREAS**, On August 22<sup>rd</sup>, 2019, the City Council held a public hearing and adopted the 2019-2020 Budget Ordinance on 1<sup>st</sup> reading for the upcoming Fiscal Year. On August 27<sup>th</sup>, 2019, City Council will consider passing the Budget Ordinance on 2<sup>nd</sup> and final reading. It is determined the proposed budget for Fiscal Year 2019-2020 to be appropriate and correct in all respects and that all requirements of the law have been satisfied; and

**NOW, THEREFORE, BE IT ORDAINED** by the City Council of the City of Lamesa:

**SECTION 1.** Subject to the applicable provisions of the State Law and the City Charter, the budget for the Fiscal Year beginning October 1, 2019, and ending September 30, 2020, as filed and submitted by the City Manager, and adjusted by the City Council, containing estimates of resources and revenues for the year from all of the various sources provided by the city, and the projects, operations, activities and purchases proposed to be undertaken during the year, together with the estimated costs thereof, and estimated amounts of all other proposed expenditures, is hereby approved and adopted.

**SECTION 2.** (A) There is hereby appropriated from the funds indicated and for such purposes and other expenditures proposed in such budget, not to exceed for all such purposes for any department, the total amount of the estimated costs of the projects, operations, activities, purchases and other expenditures proposed for such department; and

(B) The City Manager is hereby authorized to approve the transfer of allocated amounts between classifications, departments, and unappropriated surpluses if such transfers do not significantly change the work program contemplated in the approved budget.

**SECTION 3.** THE BUDGET WILL RAISE LESS REVENUE FROM PROPERTY TAXES THAN LAST YEAR'S BUDGET BY AN AMOUNT OF \$-2,456, WHICH IS A -0.10 PERCENT DECREASE FROM LAST YEAR'S BUDGET. THE PROPERTY TAX REVENUE TO BE RAISED FROM NEW PROPERTY ADDED TO THE TAX ROLL THIS YEAR IS \$14.

**SECTION 4.** The amounts set out under the headings "Revised or Estimated 2019-2020" shall be, and are hereby, authorized and approved as revised budget amounts for the Fiscal Year ending on September 30, 2019.

**SECTION 5.** Increases in fees and rates to be amended as follows:

That Section §13.03.216 Water rates and charges is hereby amended as follows:

(a) Rate schedule.

- (1) The minimum rate for water, which shall be charged to all customers, except as otherwise provided, shall be \$42.70 per month effective October 1, 2019.
- (2) Next two thousand gallons (each 1,000) shall be \$3.25.
- (3) Each 1,000 gallons above three thousand shall be \$3.90.
- (4) Increase of 10% on consumption rates related to the prison.
- (5) Bulk Water Rate: \$15 per one thousand gallons (each 1,000).

That Section §13.03.217 Wastewater service rates and charges to be amended as follows:

- (a) Minimum rate. The minimum rate for wastewater service, which shall be charged all customers, except as otherwise provided, shall be: (1) residential: \$26.00; and (2) commercial: \$34.50; per month effective October 1, 2019.



That Section §1.08.006 Park Fees is hereby amended as follows:

(d) Fees for Park Rentals and Deposits

(1) **Forrest Park Community Center:**

(A) **Small Room (34' x 60')**

Holds 88 people. 10 tables/8 chairs per table and 2 head tables with 4 chairs each.

Refundable Deposit \$150.00, 4 hour rental \$150.00, All day rental \$300.00.

(B) **Large Room (46' x 60')**

Holds 150-175 people. 20 tables/8 chairs per table and 2 head tables with 4 chairs each.

Refundable Deposit \$200.00, 4 hour rental \$200.00, All day rental \$400.00.

(C) **Entire Building (80' x 60')**

Capacity: 313. Holds 252 people. 30 tables/8 chairs per table and 3 head tables with 4 chairs per table.

Refundable Deposit \$350.00, 4 hour rental \$350.00, All day rental \$700.00

(D) **Kitchen**

Refundable Deposit \$100.00, 4 hour rental \$100.00, All day rental \$200.00.

(E) **Non-Profits, Churches, Taxing Entities and Benefit Events**

Refundable Deposit \$100.00, 4 hour rental \$100.00, All day rental \$200.00.

(F) **Additional Information**

On rentals, the customer has 1 hour to set up before the event starts. Each additional hour needed for the rental is \$50.00 per hour for the building and \$25.00 hour for the kitchen. There is a \$10.00 per hour per employee fee to set up any additional tables.

(2) **Pioneer Park Building:**

- (A) Refundable Deposit \$50.00, All day rental \$100.00.  
15 tables/4 chairs per table. Seats 60.

**No Alcohol/No Dancing**

- (B) **Non-Profits, Churches, Taxing Entities and Benefit Events**

Refundable Deposit \$25.00, All day rental \$25.00.

(3) **Lamesa Court Yard "Park on Square"**

**Dances allowed / No Alcohol.**

- (A) Private weddings, parties, festivals, etc.  
Refundable Deposit \$50.00, All day rental \$150.00. Includes one  
Porta-Toilet unit.

Dances, events.

Refundable Deposit \$100.00, All day rental \$300.00. Includes one  
Porta-Toilet unit.

- (B) **Non-Profits, Churches, Taxing Entities and Benefit Events**

Refundable Deposit \$25.00, All day rental \$25.00.

(4) **City Plaza**

**Dances allowed / No Alcohol.**

- (A) Private weddings, parties, festivals, etc.  
Refundable Deposit \$75.00, All day rental \$125.00. Includes one  
Porta-Toilet unit.

Dances, events.

Refundable Deposit \$75.00, All day rental \$300.00. Includes one  
Porta-Toilet unit.

- (B) **Non-Profits, Churches, Taxing Entities and Benefit Events**

Refundable Deposit \$25.00, All day rental \$25.00.

(5) **Boys & Girls Club Pavilion Rental**

**No Dances allowed / No Alcohol.**

- (A) Private weddings, parties, festivals, etc.  
Refundable Deposit \$75.00, All day rental \$125.00. Includes one Porta-Toilet unit.
- (B) **Non-Profits, Churches, Taxing Entities and Benefit Events**  
Refundable Deposit \$25.00, All day rental \$25.00.

Refundable deposits will be returned within 7 days if the facility was found clean at the end of the rental. The City retains the right not to refund deposits if the facility is found to be not clean at the end of the rental.

(6) **RV Parking**

- (A) Guests may stay four (4) nights free of charge per month. Whether consecutive or not, after fourth (4<sup>th</sup>) night \$20.00 charge per night. Must be a tourist. Can not exceed more than 10 consecutive days.

(7) **Porta-Toilets**

- (A) Deposit \$50.00, Rental 50.00, per single unit per rental.
- (B) **Non-Profits, Churches, Taxing Entities and Benefit Events**  
Refundable Deposit \$25.00, Rental \$25.00 per single unit per rental.

(8) **Dumpsters**

- (A) Rental \$25.00
- (B) **Non-Profits, Churches, Taxing Entities and Benefit Events**  
Rental \$25.00.

That Section §1.08.006 Park Fees is hereby amended as follows:

(c) Fees for use of adult softball field

(3) **Non-Profits, Churches, Taxing Entities and Benefit Events**

Refundable Deposit \$25.00, Rental \$25.00.

Refundable deposits will be returned within 7 days if the facility was found clean at the end of the rental. The City retains the right not to refund deposits if the facility is found to be not clean at the end of the rental.

**SECTION 6.** The Investment Plan for the City has been reviewed and is approved for the Fiscal Year beginning October 1, 2019, and ending September 30, 2020.

**SECTION 7.** That should any section, paragraph, sentence, clause, phrase or word of this Ordinance be declared unconstitutional or invalid for any reason, the remainder of this ordinance shall not be affected thereby.

**SECTION 8.** All ordinances and resolutions, or parts of ordinances and resolutions, in conflict with this Ordinance are hereby repealed, and are no longer in force or effect.

**SECTION 9.** This ordinance shall become effective upon adoption of its second and final reading by the City Council of the City of Lamesa, Texas and the effective date of the ordinance and all rates and appropriations contained herein shall be October 1, 2019.

Upon being put to a vote, the foregoing ordinance was Passed, on Second Reading on the 27<sup>th</sup> day of August, 2019, by a majority vote.

ATTEST:

APPROVED:

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Betty Conde  
City Secretary

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Josh Stevens  
Mayor

# ***City Council Agenda***

## ***City of Lamesa, Texas***

**DATE OF MEETING: AUGUST 22, 2019**

**AGENDA ITEM: 10**

**ADJOURNMENT:** Announcement by the Mayor - "The next regularly scheduled meeting of the City Council of the City of Lamesa will be **August 27<sup>TH</sup>, 2019** at 5:30 P.M."

### ***Upcoming Meetings***

- **August 27, 2019 City Council Meeting –**
  - 2<sup>nd</sup> Reading of Budget Ordinance
- **Sept. 3, 2019 City Council Meeting -**
  - Ratify Proposed Tax Increase Reflected in the FY 2019/2020 Adopted Budget with record vote.
  - 1<sup>st</sup> Reading to Adopt Tax Ordinances (M&O, I&S, Combined Tax Rate) with record vote.
- **Sept. 10, 2019 City Council Meeting -**
  - 2<sup>nd</sup> Reading to Adopt Tax Ordinances (M&O, I&S, Combined Tax Rate) with record vote.
  - Authorize Warrants for FY 2019/2020
- **Sept. 17, 2019 City Council Meeting to be cancelled.**