



# Sachse, Texas

Sachse City Hall  
3815 Sachse Road  
Building B  
Sachse, Texas 75048

## Meeting Agenda City Council

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Monday, February 20, 2012

7:30 PM

Council Chambers

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*The Mayor and Sachse City Council request that all cell phones and pagers be turned off or set to vibrate. Members of the audience are requested to step outside the Council Chambers to respond to a page or to conduct a phone conversation.*

The City Council of the City of Sachse will hold a Regular Meeting on Monday, February 20, 2012, at 7:30 p.m. in the Council Chambers at the Sachse City Hall, 3815 Sachse Road, Building B, Sachse, Texas to consider the following items of business:

### Invocation and Pledges of Allegiance to U.S. and Texas Flags.

**A. Pledge of Allegiance to the Flag of the United States of America: I pledge allegiance to the flag of the United States of America, and to the Republic for which it stands: one nation under God, indivisible, with liberty and justice for all.**

**B. Pledge of Allegiance to the Texas State Flag: Honor the Texas flag; I pledge allegiance to thee, Texas, one state under God, one and indivisible.**

### 1. CONSENT AGENDA.

1.a ALL ITEMS LISTED ON THE CONSENT AGENDA WILL BE CONSIDERED BY THE CITY COUNCIL AND WILL BE ENACTED BY ONE MOTION, THERE WILL BE NO SEPARATE DISCUSSION OF THESE ITEMS UNLESS A COUNCIL MEMBER OR CITIZEN SO REQUESTS.

[12-0697](#) Consider approval of the minutes of the February 6, 2012, regular meeting.

*Executive Summary*

*Minutes from the last Council meeting.*

*Attachments:* [Min. 2.6.12.pdf](#)

[12-0699](#) Consider an ordinance calling for a general election for City Officers (City Council) on May 12, 2012.

*Executive Summary*

*Ordinance calling the the annual election as provided for in the City's Home Rule Charter.*

*Attachments:* [Ord. Election.pdf](#)

**12-0704**

Consider a resolution authorizing the City Manager to renew the Microsoft Enterprise software licensing through the State of Texas contract with Dell for three years at \$28,925.50 annually as a Consent item.

*Executive Summary*

*It is necessary for the City to maintain licensing for all computer network servers, Exchange, user authentication, firewall-security, workstation operating systems and productivity software that each end-user utilizes on a daily basis. In addition to these licensing requirements, the City has to maintain licensing for anti-spam and anti-virus protection.*

*The Microsoft Enterprise agreement and licensing renewal is proposed for purchase through Dell, which is the City's current Microsoft software vendor. This company is a licensed contract vendor of the State of Texas, Department of Information Services (DIR). The term of the next renewal agreement will be 3 years, and will expire in February 2015.*

**Attachments:** [Microsoft Agreement Contract 2-2012.pdf](#)  
[Microsoft Agreement Resolution unsigned.pdf](#)

**12-0696**

Consider a resolution of the City Council of the City of Sachse, Texas, approving a Master Interlocal Cooperative Purchasing Agreement by and between the City of Sachse and the City of Grand Prairie for the purchase of goods and services.

*Executive Summary*

*The City is interested in using bid prices obtained from the City of Grand Prairie on contracts for asphalt rehabilitation and concrete repair and replacement. In order to "piggy-back" on these goods and services, the City of Sachse and Grand Prairie have to enter into an agreement. This Master Interlocal Cooperative Purchasing Agreement will allow Sachse to use the contract prices from Grand Prairie for asphalt rehabilitation and concrete repair and replacement for projects scheduled for construction in Sachse.*

**Attachments:** [Master Interlocal Agreement 11-29-10](#)  
[RESOLUTION for Master Purchasing Agreement](#)

2. **MAYOR AND CITY COUNCIL ANNOUNCEMENTS REGARDING SPECIAL EVENTS, CURRENT ACTIVITIES, AND LOCAL ACHIEVEMENTS.**
3. **CITIZEN INPUT.**

*The public is invited at this time to address the Council. The Mayor will ask you to come to the Microphone and state your name and address for the record. If your remarks pertain to a specific Agenda item, please hold them until that item, at which time the Mayor may solicit your comments.*

The City Council is prohibited from discussing any item not on the posted agenda according to the Texas Open Meetings Act.

- [11-0597](#) Proclamation for National Engineers Week during February 19-25, 2012.

*Executive Summary*

*Each year during the week of George Washington's Birthday, the National Society of Professional Engineers proclaims it National Engineers Week. This proclamation will proclaim February 19-25, 2012 National Engineers Week in Sachse to support the contributions of engineers to our community.*

**Attachments:** [proclamation](#)

**4. REGULAR AGENDA ITEMS.**

- [12-0712](#) Discuss a suspension resolution suspending the effective date of Atmos Energy Corp., Mid-Tex Division proposed rate increase allowing additional time for the Atmos Cities Steering Committee to review Atmos's proposed rate increase.

*Executive Summary*

*Sachse, along with approximately 153 other cities served by Atmos Energy Corp., Mid-Tex Division ("Atmos Mid-Tex" or "Company"), is a member of the Atmos Cities Steering Committee ("ACSC" or "Steering Committee"). On or about January 31, 2012, Atmos Mid-Tex filed with the City a Statement of Intent to increase rates within the City.*

*The purpose of this agenda item is to discuss the suspension of Atmos Mid-Tex's proposed March 6, 2012 effective date for a rate increase allowing additional time for the ACSC to review the proposed rate increase and to negotiate the increase with Atmos Mid-Tex.*

**Attachments:** [Frequently Asked Questions Regarding ACSC and the RRM Process](#)  
[List of ACSC Cities - Updated 03 02 11](#)

- [12-0711](#) Consider a resolution of the city council of the City of Sachse, Texas, suspending the March 6, 2012, effective date of Atmos Energy Corp., Mid-Tex Division ("Atmos Mid-Tex") requested rate

change to permit the city time to study the request and to establish reasonable rates; approving cooperation with Atmos Cities Steering Committee ("ACSC") and other cities in the Atmos Mid-Tex service area to hire legal and consulting services and to negotiate with the company and direct any necessary litigation and appeals; requiring reimbursement of cities' rate case expenses; finding that the meeting at which this resolution is passed is open to the public as required by law; requiring notice of this resolution to the company and ACSC's legal counsel; providing a repealing clause; and providing an effective date.

*Executive Summary*

*Sachse, along with approximately 153 other cities served by Atmos Energy Corp., Mid-Tex Division ("Atmos Mid-Tex" or "Company"), is a member of the Atmos Cities Steering Committee ("ACSC" or "Steering Committee"). On or about January 31, 2012, Atmos Mid-Tex filed with the City a Statement of Intent to increase rates within the City.*

*The purpose of this agenda item is to suspend Atmos Mid-Tex's proposed March 6, 2012 effective date for a rate increase allowing additional time for the ACSC to review the proposed rate increase and to negotiate the increase with Atmos Mid-Tex.*

**Attachments:** [51Sachse Reso suspending Atmos 3-6-12 effective date rate change53990](#)  
[Frequently Asked Questions Regarding ACSC and the RRM Process](#)  
[List of ACSC Cities - Updated 03 02 11](#)

**12-0708**

Discuss the status of the Municipal Complex Bond costs.

*Executive Summary*

*Staff will present the status of the Municipal Complex Bond costs and committed expenditures to date.*

**Attachments:** [Summary of Municipal Campus Bond Expenditures 1-31-2012 \(2-20-12\).pdf](#)  
[Complex Bond Status 2-20-12.pdf](#)

**12-0695**

Consider a resolution authorizing a change order in the amount of eight thousand and no dollars (\$8,000) for the Water Tank Renovations contract with A&M Construction & Utilities, Incorporated for the installation Sachse name on the south side of the Sachse Road elevated water storage tank.

*Executive Summary*

*The Sachse Road elevated water tank located at the Public Works*

*Maintenance Facility was recently refurbished, which included painting the interior and exterior of the tank. The City name and logo was painted on the tank for traffic on Sachse Road to view. This resolution will authorize a change order to the contract with A&M Construction and Utilities, Inc. for the Water Tank Renovations to install the City name on the side of the tank which can be seen from the President George Bush Turnpike (PGBT) for a cost of \$8,000.*

**Attachments:** [Attachment 1 – Project Map](#)  
[CHNGORD#3](#)  
[RESOLUTION FOR co3](#)  
[City name logo exhibit](#)

**12-0700**

Consider appointments to the Tax Increment Financing (TIF) Board of Directors.

*Executive Summary*

*Council to consider appointments to the three expiring terms on the TIF Board.*

**Attachments:** [TIF Board.pdf](#)  
[TIF applications.pdf](#)

**5. ADJOURNMENT.**

*Vision Statement: Sachse is a friendly, vibrant community offering a safe and enjoyable quality of life to all who call Sachse home.*

The City of Sachse reserves the right to reconvene, recess or realign the regular session or called Executive Session or order of business at any time prior to adjournment.

Note: The Sachse City Council reserves the right to convene into Executive Session pursuant to the Texas Government Code, Title 5, Chapter 551 regarding posted items on the regular meeting agenda.

State law prohibits the introduction or discussion of any item of business not posted at least seventy-two (72) hours prior to the meeting time. Therefore, during Citizen Input for example, the Council is prohibited by state law to deliberate or take action on any issues introduced by the public other than to take them under advisement.

Posted: February 17, 2012; 5:00 p.m. Terry Smith, City Secretary \_\_\_\_\_.

If you plan to attend this public meeting and you have a disability that requires special arrangements at the meeting, please contact Terry Smith, City Secretary, at (972) 495-1212, 48 business hours prior to the scheduled meeting date. Reasonable accommodations will be made to assist your needs.



## Legislation Details (With Text)

**File #:** 12-0697      **Version:** 1      **Name:** Consider approval of the minutes of the February 6, 2012, regular meeting.

**Type:** Regular Agenda Item      **Status:** Agenda Ready

**File created:** 2/8/2012      **In control:** City Council

**On agenda:** 2/20/2012      **Final action:**

**Title:** Consider approval of the minutes of the February 6, 2012, regular meeting.

Executive Summary  
Minutes from the last Council meeting.

**Sponsors:**

**Indexes:**

**Code sections:**

**Attachments:** [Min. 2.6.12.pdf](#)

Date	Ver.	Action By	Action	Result
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### Title

Consider approval of the minutes of the February 6, 2012, regular meeting.

### *Executive Summary*

*Minutes from the last Council meeting.*

### Background

Minutes from the last regular meeting on February 6, 2012.

### Policy Considerations

None.

### Budgetary Considerations

None.

### Staff Recommendations

Consider approval of the minutes of the February 6, 2012, regular meeting, as a consent agenda item.

**REGULAR MEETING  
OF THE  
CITY COUNCIL OF THE CITY OF SACHSE**

**FEBRUARY 6, 2012**

The City Council of the City of Sachse held a Regular Meeting on Monday, February 6, 2012 at 7:30 p.m. at the Sachse City Hall after proper notice. The roll of the duly constituted City Council Members was called which members are as follows, to wit:

Mayor Mike Felix  
Mayor Pro Tem Charles W. Smith  
Councilman Bill Adams  
Councilwoman Pat McMillan  
Councilman Jared Patterson  
Councilman Todd Ronnau  
Councilman Mark Timm

and all were present.

Staff present: City Manager Billy George, Finance Director Jeri Rainey; Interim Community Development Director Michael Spencer; Fire Chief Doug Kendrick, Police Chief Dennis Veach, Sachse EDC Director Carlos Vigil, Public Works Director Joe Crase and City Secretary Terry Smith.

**Invocation and Pledge of Allegiance to U.S. and Texas Flags:**

The invocation was offered by Mayor Pro Tem Smith and the pledges were led by Councilman Patterson.

**1. Consent Agenda:**

Councilman Timm moved to approve the Consent Agenda Items: No. **11-0668** Minutes of the January 16, 2012 Regular Meeting; **12-0671** Resolution No. 3355 rejecting all sealed bids provided in response to the City's request for annual contract for city wrecker and impound services that were due on November 18th, 2011; **12-0670** Resolution No. 3356 approving the terms and conditions of the agreement for wrecker and impound services between the City of Sachse and Martin Services, INC. D/B/A Big Bass Towing, to provide wrecker and impound services for tows of vehicles for the City of Sachse; and **12-0677** Consider acceptance of the City Quarterly Budget and Investment Reports as presented for the 1st quarter period ending 12/31/2011. The motion was seconded by Councilwoman McMillan and passed unanimously.

**2. Mayor and City Council Announcements regarding special events, current activities and local achievements:**

**12-0669** Staff Briefing: Police Department. Police Chief Veach gave an overview of the last year's activities and statistics.

Mayor Felix noted the upcoming events: February 14<sup>th</sup> is the Valentine's Day party at 4:00 p.m. at the Library; March 2<sup>nd</sup> is the Chamber Banquet; March 31<sup>st</sup> is the Easter Egg Hunt and Doggie Bone Hunt; and April 14<sup>th</sup> is Arbor Day & the Great American Cleanup.

Councilman Patterson noted the Sachse High School girls' basketball team is undefeated at home and their last game is tomorrow night.

Mayor Felix presented Lance Whitworth with a Plaque of Appreciation as Interim Library Manager.

**3. Citizen Input:**

Carolyn Riner 7201 Sable Lane, had questions about the towing contract, regarding a city tow vs. a private tow.

Bob Jensen 7200 Bailey Road, stated there are too many speed humps on Bailey Road and asked if they could be removed.

Jackie Eichelberger 7121 Bailey Road, stated the speed humps were requested and installed to stop speeding on Bailey Road.

Brett Franks 4811 West Creek Lane, stated the Sachse Sports Association had 600 kids register for baseball this year and asked the Council to keep this in mind during the budget next year.

**4. Regular Agenda Items:**

**12-0663 Consider a resolution requesting discretionary funds from Collin County for the design and construction of Woodbridge Parkway from Hensley Lane to State Highway 78:**

Following discussion, a motion was made by Councilman Timm to approve Resolution No. 3357 requesting discretionary funds from Collin County for the design and construction of Woodbridge Parkway from Hensley Lane to State Highway 78. The motion was seconded by Councilwoman McMillan and passed unanimously.

**12-0666 Discuss asphalt reconstruction projects, procurement alternatives, and project funding considerations:**

Public Works Director Joe Crase briefed the Council on upcoming projects.

Following discussion, no formal Council action was taken.

There being no further business, Councilman Patterson moved to adjourn. The motion was seconded by Mayor Pro Tem Smith and passed unanimously. The meeting adjourned at 8:40 p.m.

ATTEST:

APPROVED:

\_\_\_\_\_  
CITY SECRETARY

\_\_\_\_\_  
MAYOR



Legislation Details (With Text)

**File #:** 12-0699      **Version:** 1      **Name:** Consider an ordinance calling for a general officer (City Council) election on May 12, 2012.  
**Type:** Regular Agenda Item      **Status:** Agenda Ready  
**File created:** 2/8/2012      **In control:** City Council  
**On agenda:** 2/20/2012      **Final action:**

**Title:** Consider an ordinance calling for a general election for City Officers (City Council) on May 12, 2012.  
Executive Summary  
Ordinance calling the the annual election as provided for in the City's Home Rule Charter.

**Sponsors:**

**Indexes:**

**Code sections:**

**Attachments:** [Ord. Election.pdf](#)

Date	Ver.	Action By	Action	Result
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**Title**  
Consider an ordinance calling for a general election for City Officers (City Council) on May 12, 2012.

*Executive Summary*  
*Ordinance calling the the annual election as provided for in the City's Home Rule Charter.*

**Background**  
The ordinance calls for the Council election on the second Saturday in May. This year two City Council places are up for election. They are: Place 1 (Charles W. Smith incumbent) and Place 2 (Jared Patterson incumbent). Both terms are for three years and all City Council places are elected at large. This ordinance provides for a joint election contract with Dallas County as we have done for the past 20 years.

**Policy Considerations**  
The election provides for the continuity of these two Council places so a full Council can be accomplished according to the City Charter.

**Budgetary Considerations**  
Funds are appropriately budgeted for the May election.

**Staff Recommendations**  
Council approve the ordinance calling for the general officer (City Council) election on May 12, 2012, as a consent agenda item.

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

**AN ORDINANCE CALLING FOR A GENERAL ELECTION FOR CITY OFFICERS (CITY COUNCIL) ON MAY 12, 2012; ESTABLISHING CERTAIN PROCEDURES FOR SAID GENERAL OFFICER ELECTION; CALLING FOR THE QUALIFIED VOTERS OF THE CITY OF SACHSE TO CONSIDER THE ELECTION OF TWO (2) COUNCIL MEMBERS FOR THREE (3) YEAR TERMS; AUTHORIZING A JOINT ELECTION WITH DALLAS COUNTY; PROVIDING FOR A SAVING CLAUSE; AND PROVIDING AN EFFECTIVE DATE.**

**SECTION I.**

**IT IS ORDERED THAT** a general election be held for City Officers (City Council) in the City of Sachse, Texas on the 12th day of May, 2012, the same being the second Saturday of said month, for the purpose of electing Council Members in Place 1 and Place 2 for three year terms.

**SECTION II.**

That the polling place for both early voting and election day for said election shall be the Sachse City Hall, 3815-B Sachse Road, Sachse, Texas, for all Dallas and Collin County legally qualified voters residing in the City of Sachse. Early voting locations will also include polling places Dallas County-wide, including early voting days and hours as shown on the attached "Exhibit A".

**SECTION III.**

That none but legally qualified voters shall be entitled to vote at said election. Legally qualified voters shall be those persons having a current voter registration and shall be residents of the City of Sachse according to the Texas Election Code for said municipal election.

**SECTION IV.**

That notice of said election shall be posted in three public places within the limits of the city according to the Texas Election Code. A return of such posting shall be documented by the City Secretary. Said notice to prescribe early voting by mail, early voting places and hours of operation, and election day hours of operation. Publication of said notice of the election shall be in accordance with the Texas Election Code.

**SECTION V.**

That the City Manager and City Secretary are authorized to execute an agreement for a Joint Election with the Dallas County Election Department and other entities that will provide for all election appointments, early voting by mail, the voting location as Sachse City Hall and hours of operation, payments for election officials, necessary election arrangements and a runoff election (if applicable).

That the City Secretary shall have the authority to approve any minor modifications as may be necessary in the best interest of the City and within the regulations of the Texas Election Code. The early voting mail clerk is: Toni Pippins-Poole, Dallas County Elections Department, 2377 Stemmons Freeway, Suite 820, Dallas, Texas 75207.

SECTION VI.

That the provisions of this ordinance are severable, so that the invalidity of one or more provisions shall not affect the validity of those valid portions.

SECTION VII.

That this ordinance shall become and be effective immediately upon its adoption and publication as required by law, and it is accordingly so ORDAINED.

**PASSED AND APPROVED** this 20th day of February, 2012

APPROVED:

\_\_\_\_\_  
MAYOR

ATTEST:

\_\_\_\_\_  
CITY SECRETARY



**City Secretary's  
Office**

To: All Interested Parties  
From: Terry Smith, City Secretary  
Subject: Key Election Dates- May 12, 2012 Sachse City Council Election  
Date: January 4, 2012

Candidates filing period February 6 - March 5

**Early Voting Dates** Voting Hours

April 30 (Mon) – May 4 (Fri) 8am- 5pm (Weekdays)

May 5 (Sat) 8am- 5pm

May 6 (Sun) 1pm- 6pm

May 7 (Mon) & May 8 (Tue) 7am- 7pm

Early Voting at Sachse City Hall and Dallas County-wide. See websites below for locations.

Early Voting Clerk for mail ballots: Toni Pippins-Poole, Dallas County Elections 2377 N. Stemmons Freeway, Suite 820, Dallas, Texas 75207. Phone (214) 819-6300 (From March 13<sup>th</sup> until May 4<sup>th</sup>)

**Election Day**

May 12 (Sat) 7am- 7pm

Voting will be at Sachse City Hall 3815 –B Sachse Road, Sachse, Texas 75048.

**Council Meetings:**

May 21 (Mon) 6:30 pm Special Meeting- Election Canvass

June 4 (Mon) 7:30 pm. Regular meeting – new Council Members sworn-in after minutes approved (Assumes no runoff election)

Dallas County Elections web site: [dalcoelections.org](http://dalcoelections.org) City's web site:  
[cityofsachse.com](http://cityofsachse.com)

**3815 Sachse Road, Bldg. B, Sachse, Texas 75048 Phone: (972) 495-1212  
Fax: (972) 530-0426**



## Legislation Details (With Text)

**File #:** 12-0704      **Version:** 2      **Name:** Microsoft Enterprise Agreement  
Microsoft Enterprise Agreement

**Type:** Regular Agenda Item      **Status:** Agenda Ready

**File created:** 2/10/2012      **In control:** City Council

**On agenda:** 2/20/2012      **Final action:**

**Title:** Consider a resolution authorizing the City Manager to renew the Microsoft Enterprise software licensing through the State of Texas contract with Dell for three years at \$28,925.50 annually as a Consent item.

### Executive Summary

It is necessary for the City to maintain licensing for all computer network servers, Exchange, user authentication, firewall-security, workstation operating systems and productivity software that each end-user utilizes on a daily basis. In addition to these licensing requirements, the City has to maintain licensing for anti-spam and anti-virus protection.

The Microsoft Enterprise agreement and licensing renewal is proposed for purchase through Dell, which is the City's current Microsoft software vendor. This company is a licensed contract vendor of the State of Texas, Department of Information Services (DIR). The term of the next renewal agreement will be 3 years, and will expire in February 2015.

### Sponsors:

### Indexes:

### Code sections:

**Attachments:** [Microsoft Agreement Contract 2-2012.pdf](#)  
[Microsoft Agreement Resolution unsigned.pdf](#)

Date	Ver.	Action By	Action	Result
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### Title

Consider a resolution authorizing the City Manager to renew the Microsoft Enterprise software licensing through the State of Texas contract with Dell for three years at \$28,925.50 annually as a Consent item.

### Executive Summary

*It is necessary for the City to maintain licensing for all computer network servers, Exchange, user authentication, firewall-security, workstation operating systems and productivity software that each end-user utilizes on a daily basis. In addition to these licensing requirements, the City has to maintain licensing for anti-spam and anti-virus protection.*

*The Microsoft Enterprise agreement and licensing renewal is proposed for purchase through Dell, which is the City's current Microsoft software vendor. This company is a licensed contract vendor of the State of Texas, Department of Information Services (DIR). The term of the next renewal agreement will be 3 years, and will expire in February 2015.*

### Background

The City of Sachse maintains a network consisting of approximately 150 desktops, thin client workstations, laptops and mobile data computers. The network servers that the City owns are: 1 Linux server; 2 Microsoft SQL Servers; 2 combination domain controllers/application servers; 1 Laserfiche server with attached storage array; 1 dedicated Incode server; 1 dedicated Insite online payments server; 1 Blackberry server; 3 terminal servers; 1 Public Safety audio recording server; 1 Fire Department Firehouse web access server; 4 IT utility servers; 2 Cisco telephone system servers; 1 XMedius Fax server; and 1 Microsoft Exchange e-mail server.

A licensing audit was completed in the FY 04-05 budget year with funds appropriated to begin incrementally purchasing software licensing to demonstrate that the City desires to be legally licensed for all operating systems, Exchange user licenses and the many desktop applications. Previously there had not been an effective way of maintaining licensing across the City as the audit reflected. As a result, the City's IT Consultants at that time, Datamax Technologies, recommended that the City consider entering into a Microsoft Enterprise Agreement to providing an effective way to create business flexibility, achieve standardization, ensure compliance, and simplify license administration across the City. The first such agreement was approved by the City Council on February 6, 2006.

The licensing agreement was designed to ease the burden of license administration, budgeting and support. The State of Texas has a contract in place with Microsoft allowing the City to obtain pricing at a lower pricing level under the umbrella of the State. The State's contract does not have an expiration date. The City has the ability under the umbrella of the State of Texas's Microsoft Licensing Agreement to purchase/enroll in the licensing/assurance and maintenance program. Because the City has fewer than 250 desktops the only stipulation is that the City will be required to complete an addendum to the contract stating the number of desktop clients that we are operating.

#### Policy Considerations

To maintain compliance with software licensing rules and regulations. To provide the tools and resources necessary to perform daily tasks with the use of various productivity software packages. To provide a stable data and communication network across the City.

#### Budgetary Considerations

The budgetary impact of this decision is approximately \$28,925.50 per year for three years. The total contract amount over the three year period is \$86,776.50.

#### Current Year :

Budgeted Funds-Microsoft Agreement	\$ 25,408.00
Budgeted Funds-General Maintenance and Support Contracts <u>\$ 3,517.50</u>	
Annual Licensing Contract as proposed:	\$ 28,925.50

The amount could potentially increase as the City adds new connections or users to the network. The proposed agreement would license 150 workstations and 135 users. There is an annual true up provision should that number increase. The City will strive to manage the

an annual true-up provision should that number increase. The City will strive to manage the quantity of user CALS (core access licenses) by consolidating user groups that do not access the network or email on a regular basis.

#### Staff Recommendations

Consider a resolution of the City Council of the City of Sachse, Texas, authorizing the City Manager to renew the Microsoft Enterprise Software Licensing Agreement through the State of Texas' agreement with Dell; and providing and effective date as a Consent item.



Dell Customer Confidential

# Quotation

Customer: TX-L CITY OF SACHSE  
 Contact: Gary L. Burcalow  
 Customer#: 319974  
 Phone: (469) 429-4769  
 Email: gburcalow@cityofsachse.com  
 Date of Issue: January 13,2012

Budgetary Quote Number: CXW12052011EARNWL#6796043 R02  
 Quote Expires: February 28, 2012

PLEASE SEE IMPORTANT TERMS AND CONDITIONS AT THE BOTTOM OF THIS QUOTATION

State Contract#: DIR-SDD-1014

Product Description	EA PAYMENTS 1 - 3	Part#	Mfg#	Quantity	Unit Price	Ext. Price
OfficeProPlus ALNG SA MVL Pltfrm			269-12442	150	\$ 73.80	\$ 11,070.00
CoreCAL ALNG SA MVL Pltfrm UsrCAL			W06-01072	135	\$ 26.24	\$ 3,542.40
WinVistaBsnss ALNG SA MVL Pltfrm wVistaEnt			66J-00580	150	\$ 28.70	\$ 4,305.00
SQLCAL ALNG SA MVL UsrCAL			359-00961	25	\$ 27.06	\$ 676.50
SQLSvrStd ALNG SA MVL			228-04433	2	\$ 144.32	\$ 288.64
ExchgSvrStd ALNG SA MVL			312-02257	1	\$ 113.98	\$ 113.98
WinSvrStd ALNG SA MVL			P73-00226	13	\$ 117.26	\$ 1,524.38
WinSvrEnt ALNG SA MVL			P72-00188	3	\$ 379.66	\$ 1,138.98
WinWebSvr ALNG SA MVL			LWA-00507	1	\$ 65.60	\$ 65.60
WinRmtDsktpSrvcsCAL ALNG SA MVL DvcCAL			6VC-01253	40	\$ 13.94	\$ 557.60
VisioStd ALNG SA MVL			D86-01253	1	\$ 39.36	\$ 39.36
ExprssnStdioWebPro ALNG SA MVL			NHF-00296	2	\$ 22.14	\$ 44.28
SQLCAL ALNG LicSAPk MVL UsrCAL			359-00960	84	\$ 61.50	\$ 5,166.00
SysCtrMgmtSteEnt ALNG LicSAPk MVL			MUY-00205	1	\$ 392.78	\$ 392.78
						\$ -
<b>Year 1 Subtotal - Annual Payment 1 due upon contract signing</b>						<b>\$ 28,925.50</b>
OfficeProPlus ALNG SA MVL Pltfrm			269-12442	150	\$ 73.80	\$ 11,070.00
CoreCAL ALNG SA MVL Pltfrm UsrCAL			W06-01072	135	\$ 26.24	\$ 3,542.40
WinVistaBsnss ALNG SA MVL Pltfrm wVistaEnt			66J-00580	150	\$ 28.70	\$ 4,305.00
SQLCAL ALNG SA MVL UsrCAL			359-00961	25	\$ 27.06	\$ 676.50

SQLSvrStd ALNG SA MVL		228-04433	2	\$ 144.32	\$ 288.64
ExchgSvrStd ALNG SA MVL		312-02257	1	\$ 113.98	\$ 113.98
WinSvrStd ALNG SA MVL		P73-00226	13	\$ 117.26	\$ 1,524.38
WinSvrEnt ALNG SA MVL		P72-00188	3	\$ 379.66	\$ 1,138.98
WinWebSvr ALNG SA MVL		LWA-00507	1	\$ 65.60	\$ 65.60
WinRmtDsktpSrvcsCAL ALNG SA MVL DvcCAL		6VC-01253	40	\$ 13.94	\$ 557.60
VisioStd ALNG SA MVL		D86-01253	1	\$ 39.36	\$ 39.36
ExprssnStdioWebPro ALNG SA MVL		NHF-00296	2	\$ 22.14	\$ 44.28
SQLCAL ALNG LicSAPk MVL UsrCAL		359-00960	84	\$ 61.50	\$ 5,166.00
SysCtrMgmtSteEnt ALNG LicSAPk MVL		MUY-00205	1	\$ 392.78	\$ 392.78
					\$ -
<b>Year 2 BUDGETARY ESTIMATION * Subtotal - Annual Payment 2 due upon the 1st enrollment anniversary</b>					<b>\$ 28,925.50</b>
OfficeProPlus ALNG SA MVL Pltfrm		269-12442	150	\$ 73.80	\$ 11,070.00
CoreCAL ALNG SA MVL Pltfrm UsrCAL		W06-01072	135	\$ 26.24	\$ 3,542.40
WinVistaBsns ALNG SA MVL Pltfrm wVistaEnt		66J-00580	150	\$ 28.70	\$ 4,305.00
SQLCAL ALNG SA MVL UsrCAL		359-00961	25	\$ 27.06	\$ 676.50
SQLSvrStd ALNG SA MVL		228-04433	2	\$ 144.32	\$ 288.64
ExchgSvrStd ALNG SA MVL		312-02257	1	\$ 113.98	\$ 113.98
WinSvrStd ALNG SA MVL		P73-00226	13	\$ 117.26	\$ 1,524.38
WinSvrEnt ALNG SA MVL		P72-00188	3	\$ 379.66	\$ 1,138.98
WinWebSvr ALNG SA MVL		LWA-00507	1	\$ 65.60	\$ 65.60
WinRmtDsktpSrvcsCAL ALNG SA MVL DvcCAL		6VC-01253	40	\$ 13.94	\$ 557.60
VisioStd ALNG SA MVL		D86-01253	1	\$ 39.36	\$ 39.36
ExprssnStdioWebPro ALNG SA MVL		NHF-00296	2	\$ 22.14	\$ 44.28
SQLCAL ALNG LicSAPk MVL UsrCAL		359-00960	84	\$ 61.50	\$ 5,166.00
SysCtrMgmtSteEnt ALNG LicSAPk MVL		MUY-00205	1	\$ 392.78	\$ 392.78
					\$ -
<b>Year 3 BUDGETARY ESTIMATION * Subtotal - Annual Payment 3 due upon the 2nd enrollment anniversary</b>					<b>\$ 28,925.50</b>

<b>Grand Total (USD) Years 1 - 3:</b>	<b>\$ 86,776.50</b>
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Notes:

Microsoft Enterprise Agreement (EA) Enrollment#: 6796043

***Dell offers the following quote for CITY OF SACHSE Microsoft Enterprise Enrollment Agreement  
This quote will expire thirty (30) days from the date of issuance;  
upon expiration of this quote, the following prices may no longer be valid.  
For customer's general information and budgeting purposes, Dell offers the following estimate for subsequent years  
of CITY OF SACHSE Microsoft Enterprise Agreement.  
Prices for subsequent Enrollment years are not binding on Dell or CITY OF SACHSE in any way and will be  
determined on the Enrollment anniversary date.***

Customer must complete all required Microsoft enrollment documentation. The EA cannot be executed (processed at Microsoft) until both the complete documents and PO are received for the first annual payment.

Quote prepared by: Celeste Williams

- 1) Customer's purchase is subject to the terms and conditions of the above referenced contract.
- 2) Sale/use tax is based on the "ship to" address on your invoice. Please indicate your taxability status on your purchase order. If exempt, Customer must have an Exemption Certificate on file, including non-federal government customers. If you have a questions re: your tax status, please contact your inside sales representative listed above.
- 3) Shipments to California: for certain products, a State Environmental Fee of up to \$10 per item may be applied to your invoice. Prices do not reflect this fee unless noted. For more information, refer to [www.dell.com/environmentalfee](http://www.dell.com/environmentalfee). This applies unless this provision is specifically excluded in the above referenced contract.
- 4) All product descriptions and prices are based on latest information available and are subject to change within the terms of the above referenced contract.
- 5) Unless specified otherwise in the above referenced contract, all prices are based on Net 30 terms. If not shown, shipping, handling, taxes and other fees will be added at the time of the order where applicable.
- 6) Customer understands and acknowledges that all warranties, representations and returns are subject to the manufacturer, publisher or distributor guidelines.

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

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SACHSE, TEXAS, AUTHORIZING THE CITY MANAGER TO RENEW THE MICROSOFT ENTERPRISE SOFTWARE LICENSING AGREEMENT THROUGH THE STATE OF TEXAS' AGREEMENT WITH DELL; AND PROVIDING AN EFFECTIVE DATE.**

**WHEREAS**, the City Council for the City of Sachse desires to maintain compliance with software licensing rules and regulations and to provide the necessary tools and resources to maintain a stable and reliable data and communication network across the City; and

**WHEREAS**, the State of Texas and Microsoft Enterprise have entered into a licensing agreement allowing cities within the State to obtain lower level pricing for the administration, budgeting and support of city-wide data and communication networks; and

**WHEREAS**, upon full review and consideration of the Agreement and all matters related thereto, the City Council is of the opinion and finds that the terms and conditions thereof should be approved, and that the City Manager should be authorized to renew the Agreement on behalf of the City of Sachse, Texas.

**NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SACHSE, TEXAS, THAT:**

**SECTION 1.** The City Manager is hereby authorized to renew the Microsoft Enterprise Software Licensing Agreement.

**SECTION 2.** This Resolution shall take effect immediately from and after its passage, and it is accordingly so resolved.

**DULY RESOLVED AND ADOPTED** by the City Council of the City of Sachse, Texas, this the \_\_\_\_\_ day of \_\_\_\_\_, 2012.

CITY OF SACHSE, TEXAS

\_\_\_\_\_  
Mike Felix, Mayor

ATTEST:

\_\_\_\_\_  
Terry Smith, City Secretary



Legislation Details (With Text)

**File #:** 12-0696      **Version:** 1      **Name:** Master Interlocal Cooperative Purchasing Agreement

**Type:** Regular Agenda Item      **Status:** Agenda Ready

**File created:** 2/7/2012      **In control:** City Council

**On agenda:** 2/20/2012      **Final action:**

**Title:** Consider a resolution of the City Council of the City of Sachse, Texas, approving a Master Interlocal Cooperative Purchasing Agreement by and between the City of Sachse and the City of Grand Prairie for the purchase of goods and services.

Executive Summary

The City is interested in using bid prices obtained from the City of Grand Prairie on contracts for asphalt rehabilitation and concrete repair and replacement. In order to “piggy-back” on these goods and services, the City of Sachse and Grand Prairie have to enter into an agreement. This Master Interlocal Cooperative Purchasing Agreement will allow Sachse to use the contract prices from Grand Prairie for asphalt rehabilitation and concrete repair and replacement for projects scheduled for construction in Sachse.

Sponsors:

Indexes:

Code sections:

**Attachments:** [Master Interlocal Agreement 11-29-10](#)  
[RESOLUTION for Master Purchasing Agreement](#)

Date	Ver.	Action By	Action	Result
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Title

Consider a resolution of the City Council of the City of Sachse, Texas, approving a Master Interlocal Cooperative Purchasing Agreement by and between the City of Sachse and the City of Grand Prairie for the purchase of goods and services.

*Executive Summary*

*The City is interested in using bid prices obtained from the City of Grand Prairie on contracts for asphalt rehabilitation and concrete repair and replacement. In order to “piggy-back” on these goods and services, the City of Sachse and Grand Prairie have to enter into an agreement. This Master Interlocal Cooperative Purchasing Agreement will allow Sachse to use the contract prices from Grand Prairie for asphalt rehabilitation and concrete repair and replacement for projects scheduled for construction in Sachse.*

Background

According to State of Texas law, municipalities must obtain competitive bids from qualified and responsible bidders for goods and services over a specified amount. The law also allows municipalities to contract with one another to provide goods and services which have been procured meeting State law. The City of Sachse has used this procurement alternative in the past to purchase vehicles and construct asphalt paving rehabilitation projects. A master

agreement is typically approved by both cities and serves as the contract to provide goods and services (see attached Exhibit A).

#### Policy Considerations

The City of Grand Prairie bid and awarded a contract for asphalt rehabilitation and another contract for concrete repair and replacement. Staff feels there is a benefit for the City of Sachse to “piggy-back” on these contracts for planned budgeted improvements in Sachse. The benefits are as follows:

- 1) Save time since there would not be a bidding process.
- 2) Lower costs since the unit quantity costs are lower due to the economies of scale.
- 3) The contractor is known and staffs from the cities have used these contractors on projects in the past with much success.

#### Budgetary Considerations

The City has budgeted \$1,136,000 in the Capital Improvement Plan (CIP) for asphalt pavement repair and replacement for the following projects:

- 1) Ingram/Blackburn - \$391,000
- 2) Eastview Drive- \$250,000
- 3) Merritt Road from Sachse Road to north of Pleasant Valley - \$295,000 (Dallas County adding \$125,000)
- 4) Major asphalt repair for Sachse Road, Ponderosa, 2<sup>nd</sup> Street, Bonanza, Big Valley, Cartwright - \$200,000

Once the Master Interlocal Cooperative Purchasing Agreement is approved by the City Council of both cities, staff will estimate the cost for each project using the contract bid item quantities. The City Council will authorize the expenditure for each project for a not to exceed cost as is done for all CIP projects. Afterwards, a notice to proceed is issued to the contractor to start the work.

#### Staff Recommendations

Staff recommends the City Council approve a resolution of the City Council of the City of Sachse, Texas, approving a Master Interlocal Cooperative Purchasing Agreement by and between the City of Sachse and the City of Grand Prairie for the purchase of goods and services; and providing an effective date, as a consent agenda item.

**MASTER INTERLOCAL COOPERATIVE PURCHASING AGREEMENT  
BETWEEN THE CITY OF GRAND PRAIRIE  
AND THE CITY OF SACHSE**

**WHEREAS**, Chapter 791 of the Texas Government Code, also known as the Interlocal Cooperation Act, and Chapter 271.102 of the Texas Local Government Code authorizes all local governments to contract with each other to perform governmental functions or services including administrative functions normally associated with the operation of government such as purchasing of necessary equipment, supplies and services;

**WHEREAS**, The City of Grand Prairie and the City of Sachse desire to enter into this Agreement for the purpose of fulfilling and implementing their respective public and governmental purposes, needs, objectives, programs and services;

**WHEREAS**, The City of Grand Prairie and the City of Sachse represent that each are independently authorized to perform the functions or services contemplated by this Agreement;

**WHEREAS**, it is deemed in the best interest of all participating governments that said governments do enter into a mutually satisfactory agreement for the purchase of necessary equipment, supplies, and services;

**WHEREAS**, the participating governments are of the opinion that cooperation in the purchasing of equipment, supplies, services and auctions will be beneficial to the taxpayers of the governments through the efficiencies and potential savings to be realized; and

**WHEREAS**, each party has sufficient resources to perform the functions contemplated by this Agreement;

**NOW THEREFORE**, the parties hereto, in consideration of the mutual covenants and conditions contained herein, promise and agree as to each of the other as follows:

1. The City of Grand Prairie and the City of Sachse are authorized to participate in each other's current and/or future contracts for goods and services. Said contracts shall have been established in accordance with all appropriate procedures governing competitive bids and competitive proposals, if required.
2. The City of Grand Prairie and the City of Sachse agree that the ordering of goods and services is the responsibility of the local government seeking to obtain such goods and services under the established contract, and that participating government shall deal directly with the vendor in obtaining the goods and services and payment therefore. The participating government shall be liable to the vendor only for goods and services ordered and received by it, and shall not, by the execution of this Agreement, assume any additional liability. Neither the City of Grand

Prairie nor the City of Sachse warrant, or is responsible for, the quality or delivery of goods or services from the vendor under contract. Should a dispute arise between a participating government and a vendor, the same shall be handled by and between that participating government and the vendor.

3. Each government shall pay invoices directly to the providers of goods and services that are invoiced and delivered directly to each respective government.
4. Participation of either government in any cooperative purchasing activity is strictly voluntary. Nothing in this Agreement shall prevent either governments from purchasing and/or accepting and awarding bids, proposals and contracts subject to this Agreement on its own behalf.
5. Each government shall ensure that all applicable laws and ordinances have been satisfied.
6. **Effective Date and Term.** This Agreement shall be effective when signed by the last party who's signing makes the Agreement fully executed and will remain in full force and effect indefinitely. Any party may modify or terminate this Agreement as provided in Paragraph(s) 7 or 8.
7. **Modification.** The terms and conditions of this Agreement may be modified upon the mutual consent of all parties. Mutual consent will be demonstrated by approval of the governing body of each party hereto. No modification to this Agreement shall be effective and binding unless and until it is reduced to writing and signed by duly authorized representatives of all parties.
8. **Termination.** This Agreement may be terminated at any time by the City of Grand Prairie or the City of Sachse, with or without cause, upon thirty (30) days written notice to the other party in accordance with Paragraph 11 herein.
9. **Hold Harmless.** To the extent allowed by law, the City of Grand Prairie and the City of Sachse agree to hold each other harmless from and against any and all claims, losses, damages, causes of action, suits and liabilities of every kind, including all expenses of litigation, court costs and attorney's fees, for injury or death of any person, for damage to any property, or for any breach of contract, arising out of or in connection with the work done under this Agreement.
10. **Invalidity.** If any provision of this Agreement shall be held to be invalid, illegal, or unenforceable by a court or other tribunal of competent

jurisdiction, the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired thereby. The parties shall use their best efforts to replace the respective provision or provisions of this Agreement with legal terms and conditions approximating the original intent of the parties.

11. **Written Notice.** Unless otherwise specified, written notice shall be deemed to have been duly served if delivered in person, sent by email, by fax with successful send confirmation, or by certified mail to the last business address as listed herein.

**City of Grand Prairie:** Purchasing Division  
Attn: Purchasing Manager  
City of Grand Prairie  
318 W. Main St.  
Grand Prairie, TX 75050  
972/237-8269 ph ~ 972/237-8265 fax  
[purchasingfax@gptx.org](mailto:purchasingfax@gptx.org)

**The City of Sachse:** Finance Department  
Attn: Jeri Rainey  
The City of Sachse  
3915-B Sachse Road  
Sachse, TX 75189  
469-429-4760 ph ~ 972-675-9812 fax  
[jrainey@cityofsachse.com](mailto:jrainey@cityofsachse.com)

12. **Entire Agreement.** It is understood that this Agreement contains the entire agreement between the parties and supercedes any and all prior agreements, arrangements, or understandings between the parties relating to the subject matter. No oral understandings, statements, promises, or inducements contrary to the terms of this Agreement exist. This Agreement cannot be changed or terminated orally. No verbal agreement or conversation with any officer, agent, or employee of any party before or after the execution of this Agreement shall affect or modify any of the terms or obligations hereunder.
13. **Amendment.** No Amendment to this Agreement shall be effective and binding unless and until it is reduced to writing and signed by duly authorized representatives of both parties.
14. **Texas Law.** This Agreement has been made under and shall be governed by the laws of the State of Texas.
15. **Place of Performance.** Performance and all matters related thereto shall be in the County of the government originating the bid. This shall be Dallas and Collin Counties, Texas, United States of America for the City

of Sachse and shall be Dallas County, Texas, United States of America for the City of Grand Prairie.

- 16. **Authority to Enter Contract.** Each party has the full power and authority to enter into and perform this Agreement and the person signing this Agreement on behalf of each party has been properly authorized and empowered to enter into this Agreement. The persons executing this Agreement hereby represent that they have authorization to sign on behalf of their respective Government.
  
- 17. **Waiver.** Failure of any party, at any time, to enforce a provision of this Agreement, shall in no way constitute a waiver of that provision, nor in anyway affect the validity of this Agreement, any part hereof, or the right of either party thereafter to enforce each and every provision hereof. No term of this Agreement shall be deemed waived or breach excused unless the waiver shall be in writing and signed by the party claimed to have waived. Furthermore, any consent to or waiver of a breach will not constitute consent to or waiver of or excuse of any other different or subsequent breach.
  
- 18. **Agreement Read.** The parties acknowledge that they understand and intend to be bound by the terms and conditions of this Agreement.
  
- 19. **Multiple Originals.** It is understood and agreed that this Agreement may be executed in a number of identical copies, each of which shall be deemed an original for all purposes.

**CITY OF GRAND PRAIRIE**

**THE CITY OF SACHSE**

BY: \_\_\_\_\_  
Tom Cox, Deputy City Manager

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

DATE: \_\_\_\_\_

\_\_\_\_\_  
William K. George, City Manager

ATTEST: \_\_\_\_\_  
Cathy DiMaggio, City Secretary

DATE: \_\_\_\_\_

APPROVED AS TO FORM:

ATTEST: \_\_\_\_\_

\_\_\_\_\_  
Donald R. Postell, City Attorney

\_\_\_\_\_  
Terry Smith, City Secretary

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

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SACHSE, TEXAS, APPROVING A MASTER INTERLOCAL COOPERATIVE PURCHASING AGREEMENT BY AND BETWEEN THE CITY OF SACHSE AND THE CITY OF GRAND PRAIRIE FOR THE PURCHASE OF GOODS AND SERVICES; AND PROVIDING AN EFFECTIVE DATE.**

**WHEREAS**, Chapter 791 of the Texas Government Code, also known as the Interlocal Cooperation Act, and Chapter 271.102 of the Texas Local Government Code authorizes all local governments to contract with each other to perform governmental functions or services including administrative functions normally associated with the operation of government such as purchasing of necessary equipment, goods and services;

**WHEREAS**, the City Council of the City of Sachse, Texas has been presented a Master Interlocal Cooperative Purchasing Agreement from the City of Grand Prairie for the purchase of necessary equipment, goods and services;

**WHEREAS**, upon full review and consideration of the Master Interlocal Cooperative Agreement, and all matters related thereto, the City Council is of the opinion and finds that the terms and conditions thereof should be approved, and that the Mayor should be authorized to execute such agreement on behalf of the City of Sachse, Texas.

**BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SACHSE, TEXAS:**

**Section 1:** That the City Council hereby approves the terms and conditions of the Master Interlocal Cooperative Purchasing Agreement, which is attached hereto and incorporated herein as Exhibit A, by and between the City of Sachse and the City of Grand Prairie and authorizes the Mayor to execute said agreement on behalf of the City of Sachse.

**Section 2:** This resolution shall become effective immediately upon its passage.

**RESOLVED** this 20<sup>th</sup> day of February, 2012. CITY OF SACHSE, TEXAS

\_\_\_\_\_  
Mike Felix, Mayor

ATTEST:

\_\_\_\_\_  
Terry Smith, City Secretary



## Legislation Details (With Text)

**File #:** 11-0597      **Version:** 1      **Name:** Proclamation for Engineer's Week  
**Type:** Regular Agenda Item      **Status:** Agenda Ready  
**File created:** 12/16/2011      **In control:** City Council  
**On agenda:** 2/20/2012      **Final action:**  
**Title:** Proclamation for National Engineers Week during February 19-25, 2012.

### Executive Summary

Each year during the week of George Washington's Birthday, the National Society of Professional Engineers proclaims it National Engineers Week. This proclamation will proclaim February 19-25, 2012 National Engineers Week in Sachse to support the contributions of engineers to our community.

### Sponsors:

### Indexes:

### Code sections:

**Attachments:** [proclamation](#)

Date	Ver.	Action By	Action	Result
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### Title

Proclamation for National Engineers Week during February 19-25, 2012.

### *Executive Summary*

*Each year during the week of George Washington's Birthday, the National Society of Professional Engineers proclaims it National Engineers Week. This proclamation will proclaim February 19-25, 2012 National Engineers Week in Sachse to support the contributions of engineers to our community.*

### Background

George Washington has been regarded as one of America's first engineers whose contributions had a dramatic affect on the United States. Therefore, National Engineers Week takes place during the week in February of his birthday. The National Society of Professional Engineers organizes and recruits corporations to participate in the event each year. Engineers Week celebrates the positive contributions engineers make to society and is a catalyst for outreach across the country to kids and adults alike. Engineers Week is part of many corporate and government cultures and is celebrated on every U.S. engineering college campus. Engineers Week 2011 celebrated a 60th anniversary (1951-2011).

Each year during Engineers Week, special events are organized and participated by kids and adults. These events include:

- 1) Discover Engineering Family Day (February 18, 2012), which is held each year at the National Building Museum, in Washington, D.C.

2) Introduce a Girl to Engineering Day (February 23, 2012), which gives thousands of women engineers, with support from their male counterparts, the chance to directly mentor more than one million girls and young women in grades K through 12.

3) New Faces in Engineering Program - Reflecting the increasingly important role engineers play in today's society, National Engineers Week Foundation is broadening its annual New Faces of Engineering program, which, for 8 years, has honored the nation's most promising young engineering professionals. Now, for the first time, the popular initiative will also recognize the best and brightest college engineering students, whose academic successes and contributions to the industry are already poised to make an impact.

Engineers in their communities also help proclaim this week National Engineers Week to recognize the role engineers have in their communities and get the word out to kids to expose them to what engineers do in society.

#### Policy Considerations

No City policy is affected by this item since it is a proclamation.

#### Budgetary Considerations

No budgetary impact is affected by this item since it is a proclamation.

#### Staff Recommendations

Staff recommends the Mayor and City Council issuing a proclamation for National Engineers Week during February 19-25, 2012.

# ***PROCLAMATION***

**WHEREAS**, engineers have used their professional, scientific and technical knowledge and skills in creative and innovative ways to fulfill society's needs; and,

**WHEREAS**, engineers face the major technological challenges of our time—from rebuilding towns devastated by natural disasters to designing an information superhighway that will speed our country into the future; and,

**WHEREAS**, engineers are a crucial link in research, development, and demonstration and in transforming scientific discoveries into useful products, and we will look more than ever to engineers and their knowledge and skills to meet the challenges of the future; and,

**WHEREAS**, engineers play a crucial role in developing the consensus engineering standards that permit modern economies and societies to exist; and,

**WHEREAS**, engineers are encouraging our young math and science students to see themselves as possible future engineers and to realize the practical power of their knowledge; and,

**WHEREAS**, the National Society of Professional Engineers through National Engineers Week and other activities is raising public awareness of engineers' significant, positive contributions to societal needs.;

**NOW THEREFORE**, I, Mike Felix, Mayor of the City of Sachse, Texas and on behalf of the City Council, do hereby proclaim

**February 19 to February 25, 2012 as NATIONAL ENGINEERS WEEK**

in the City of Sachse and urge all citizens in our community to support our City Engineer in his contributions to our community.

**IN WITNESS WHEREOF**, I have hereunto set my hand and caused the Seal of the City of Sachse, Texas to be affixed this the 20th day of February, 2012.



\_\_\_\_\_  
Mike J. Felix  
Mayor



## Legislation Details (With Text)

<b>File #:</b>	12-0712	<b>Version:</b>	1	<b>Name:</b>	Discuss ACSC Rate Suspension Atmos
<b>Type:</b>	Regular Agenda Item	<b>Status:</b>		<b>Status:</b>	Agenda Ready
<b>File created:</b>	2/15/2012	<b>In control:</b>		<b>In control:</b>	City Council
<b>On agenda:</b>	2/20/2012	<b>Final action:</b>		<b>Final action:</b>	

**Title:** Discuss a suspension resolution suspending the effective date of Atmos Energy Corp., Mid-Tex Division proposed rate increase allowing additional time for the Atmos Cities Steering Committee to review Atmos's proposed rate increase.

### Executive Summary

Sachse, along with approximately 153 other cities served by Atmos Energy Corp., Mid-Tex Division ("Atmos Mid-Tex" or "Company"), is a member of the Atmos Cities Steering Committee ("ACSC" or "Steering Committee"). On or about January 31, 2012, Atmos Mid-Tex filed with the City a Statement of Intent to increase rates within the City.

The purpose of this agenda item is to discuss the suspension of Atmos Mid-Tex's proposed March 6, 2012 effective date for a rate increase allowing additional time for the ACSC to review the proposed rate increase and to negotiate the increase with Atmos Mid-Tex.

### Sponsors:

### Indexes:

### Code sections:

**Attachments:** [Frequently Asked Questions Regarding ACSC and the RRM Process](#)  
[List of ACSC Cities - Updated 03 02 11](#)

Date	Ver.	Action By	Action	Result
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### Title

Discuss a suspension resolution suspending the effective date of Atmos Energy Corp., Mid-Tex Division proposed rate increase allowing additional time for the Atmos Cities Steering Committee to review Atmos's proposed rate increase.

### Executive Summary

*Sachse, along with approximately 153 other cities served by Atmos Energy Corp., Mid-Tex Division ("Atmos Mid-Tex" or "Company"), is a member of the Atmos Cities Steering Committee ("ACSC" or "Steering Committee"). On or about January 31, 2012, Atmos Mid-Tex filed with the City a Statement of Intent to increase rates within the City.*

*The purpose of this agenda item is to discuss the suspension of Atmos Mid-Tex's proposed March 6, 2012 effective date for a rate increase allowing additional time for the ACSC to review the proposed rate increase and to negotiate the increase with Atmos Mid-Tex.*

### Background

In 2003, TXU Gas filed a statewide rate case which became known at the Railroad Commission of Texas ("RRC") as Gas Utilities Docket ("GUD") No. 9400. That same year the

Texas Legislature passed legislation referred to as the Gas Reliability Infrastructure Program ("GRIP") which authorized annual piecemeal rate reviews that Texas courts have concluded significantly restrict city jurisdiction, participation, and input. Shortly after GUD No. 9400 was decided in 2004, Atmos Energy purchased TXU Gas and created what is known as Atmos Energy Corp., Mid-Tex Division. The City is within the Atmos Mid-Tex Division.

Atmos Mid-Tex filed four GRIP cases before filing a traditional rate case in September, 2007. As part of Cities' Settlement Agreement with Atmos of the 2007 rate case, ACSC and Atmos created a substitute process for annual piecemeal GRIP cases. That substitute process was called a Rate Review Mechanism ("RRM") and was intended as an expedited but comprehensive rate review that included a number of fixed values and constraints. The RRM was intended as a three-year experiment. Last year, it was extended for a fourth year with some slight modifications to the original formulas. ACSC negotiated with Atmos in the final quarter of last year to further extend the RRM process, but no agreement was reached. Atmos has expressed a desire to reach a settlement of the January 31, 2012 filing that includes a revised RRM process.

Enclosed are frequently asked questions ("FAQ") on ACSC and the RRM ratemaking process.

### **Discussion and Purpose**

Atmos Mid-Tex filed a Statement of Intent on January 31, 2012, seeking to increase system-wide base rates (which exclude the cost of gas) by approximately \$49 million or 11.94%. However, the Company is requesting an increase of 13.6%, excluding gas costs, for its residential customers. Additionally, the application would change the way that rates are collected, by increasing the residential fixed-monthly (or customer) charge from \$7.50 to \$18.00 and decreasing the consumption charge from \$0.25 per 100 cubic feet ("ccf") to \$0.07 per ccf.

The law provides that a rate request made by a gas utility cannot become effective until at least 35 days following the filing of the application to change rates. Atmos has proposed an effective date of March 6, 2012. The law permits the City to suspend the rate change for 90 days after the date the rate change would otherwise be effective. If the City fails to take some action regarding the filing before the effective date, Atmos' rate request is deemed administratively approved.

The purpose of the resolution is to extend the effective date of Atmos Mid-Tex's proposed rate increase to give the City time to review the rate-filing package. The resolution suspends the March 6, 2012 effective date of the Company's rate increase for the maximum period permitted by law to allow the City, working in conjunction with the other ACSC cities, to evaluate the filing, determine whether the filing complies with law, and if lawful, to determine what further strategy to pursue, including settlement and ultimately to approve reasonable rates.

### **Explanation of "Be It Resolved Paragraphs"**

Section 1. The City is authorized to suspend the rate change for 90 days after the date that the rate change would otherwise be effective so long as the City has a legitimate purpose. Time to study and investigate the application is always a legitimate purpose. Please note that the resolution refers to the suspension period as the “maximum period allowed by law” rather than ending by a specific date. This is because the Company controls the effective date and can extend its effective date and, therefore, extend the deadline for final city action to increase the time that the City retains jurisdiction (for example, if necessary to reach settlement on the case). If the suspension period is not otherwise extended by the Company, the City must take final action on Atmos Mid-Tex’s request to raise rates by June 4, 2012.

Section 2. This provision recognizes the City’s membership in ACSC and authorizes the City to participate with other similarly situated cities served by Atmos Mid-Tex in order to more efficiently represent the interests of the City and its citizens.

Section 3. By law, the Company must reimburse the cities for their reasonable rate case expenses. Legal counsel and consultants approved by ACSC will present their invoices to the City of Arlington which will then seek reimbursement from Atmos Mid-Tex. The City will not incur liability for payment of rate case expenses by adopting a suspension resolution.

Section 4. This section merely recites that the resolution was passed at a meeting that was open to the public and that the consideration of the resolution was properly noticed.

Section 5. This section provides that both Atmos Mid-Tex’s designated representative and counsel for ACSC will be notified of the City’s action by sending a copy of the approved and signed resolution to certain designated individuals.

#### Policy Considerations

Sachse is a member of the Atmos Cities Steering Committee, a group of cities committed to ensuring that Atmos's utility rates are fair and reasonable.

#### Budgetary Considerations

An increase in utility rates will increase the cost of the utility in the City.

#### Staff Recommendations

None.

## **FREQUENTLY ASKED QUESTIONS REGARDING ACSC AND THE RRM RATEMAKING PROCESS**

### **What is the Role of Cities in Ratemaking?**

Cities have historically exercised original jurisdiction over the level of gas rates charged within their boundaries. Generally, gas distribution utilities have filed rate cases at the city level and only gone to the Railroad Commission of Texas (“RRC”) with an appeal of city action or if they cannot reach a settlement with cities. If a utility and cities reach an agreement, the utility may then file a case at the RRC to implement the same rates approved by cities in areas outside municipal boundaries.

Once a case is at the RRC, the Commission Staff generally expects cities to intervene and do most of the discovery, sponsor opposing witnesses, and do most of the cross-examination and briefing. There is no consumer advocate at the RRC. If cities do not participate in hearings at the RRC, the request of a regulated utility is likely to be rubber-stamped.

### **What is the background to the creation of the Atmos Cities’ Steering Committee?**

The Atmos pipeline and distribution systems were built, owned and operated by Lone Star Gas (“LSG”) which maintained over 200 rate jurisdictions until it sold its assets to Texas Utilities (“TXU”) in the late 1990’s. That meant that many cities had their own unique distribution rates and that individual cities had to process rate cases at the local level. LSG-Pipeline served all 200-plus distribution systems and pipeline rates were set by the RRC.

From the early 1980’s through the late 1990’s, LSG filed no pipeline or system-wide rate case at the RRC. When LSG was finally brought before the RRC to show cause why its rates should not be reduced, approximately 80 cities intervened and created an *ad hoc* group known as the Steering Committee of Cities Served by Lone Star.

TXU purchased the LSG assets in the late 1990’s and immediately commenced consolidating 200-plus ratemaking jurisdictions into regions. As regional cases were filed, cities within each region created an *ad hoc* committee to form a common strategy and negotiating position. Once TXU had aggregated the cities into five or six jurisdictions, each with a different rate, Texas Utilities Gas Company filed a system-wide case to bring all of the old LSG territory under one common rate. The different city regional committees then united and formed the Allied Coalition of Cities (“ACC”). While the gas utility assets were owned and controlled by TXU, the Steering Committee transformed itself from an *ad hoc* group that came together only in response to rate filings by the utility into a permanent standing committee.

In Gas Utilities Docket (“GUD”) No. 9400 in 2004, TXU’s request for a \$61.6 million system-wide increase was aggressively opposed by ACC. The Company received only a \$2.01 million increase. Unhappy with that result, TXU decided that owning a gas system was neither as fun nor as profitable as the deregulated electric system, and they sold the system to Atmos Energy Corporation (“Atmos” or “Company”). ACC was then transformed into the Steering

Committee of Cities Served by Atmos and then renamed Atmos Cities Steering Committee to obtain an easy to remember acronym, “ACSC”.

### **What is the Atmos Cities Steering Committee?**

ACSC is a coalition of 154 cities that unite in common purpose to address gas utility rate and franchise issues related to Atmos Energy Corporation. Its objectives are to: (1) ensure that gas utility rates charged to cities and their residents are fair and reasonable; (2) maintain reasonable franchise fee revenues for cities; (3) protect cities’ original jurisdiction over rates and services; (4) be a voice for consumers where no state agency assumes such a role; and (5) promote sound ratemaking policy in the public interest.

Cities join the permanent standing committee by passing a resolution and agreeing to support the work of ACSC through modest occasional *per capita* assessments which support ongoing administrative and legislative advocacy and all expenses where cities are not entitled to reimbursement. Each member city designates a representative to ACSC. Member representatives may volunteer to serve on the ACSC Executive Committee or Settlement Committee. The Executive Committee sets policy, hires legal counsel and consultants, directs litigation, establishes a legislative agenda, sets assessments on members as needed and meets quarterly with Atmos executives. The Settlement Committee is directly involved in negotiating resolution of contested matters with Atmos executives.

The list of current members is attached.

### **What is the benefit of membership in ACSC?**

One hundred fifty-four cities speaking as one voice is much more effective in advocacy before the Railroad Commission and legislature than any one city or multiple small groups of cities.

The legislature has given gas utilities a right to an annual increase in rates. Resources (both financial and human) of individual cities are conserved by membership in ACSC. Additionally, membership enhances institutional memory of ratemaking issues, public policy debates, and right-of-way and franchise fee battles.

### **What has ACSC accomplished recently?**

Going into the legislative session, ACSC in December 2010 released a 48-page report, “Natural Gas Consumers and the Texas Railroad Commission.” More than 200 television, newspaper and radio news sites posted information on and a link to the report which may be found on ACSC’s website, [TexasGasConsumers.org](http://TexasGasConsumers.org).

Earlier in 2010, ACSC representatives visited on several occasions with the Sunset Commission Staff, and several ACSC recommendations for reform were included in the Sunset Commission Report on the Railroad Commission, delivered to the legislature’s Sunset Committee prior to public hearings on the agency. Several ACSC member representatives testified before the legislature regarding reforms needed at the Railroad Commission.

During the most recent legislative session, lobbying efforts by ACSC were critical in killing two gas utility bills that would have undermined traditional regulation, deprived cities of certain rights, and led to even greater rate increases.

ACSC has resolved a major issue involving franchise fees. Atmos unilaterally, without notice, ceased inclusion of franchise fees in the calculations of gross receipts regardless of whether specific franchises included such payments. Several cities were willing to pursue the matter through litigation. However, counsel for ACSC was able to negotiate a resolution that allowed each member city to determine whether it desired an increase in franchise fee payments based on inclusion of franchise fees in the calculation of gross receipts. If a city opted for inclusion of fee-on-fee revenues, it had the further option of retroactive payments back to the point in time that Atmos decided to curtail fee-on-fee payments. Each member had these options regardless of the wording of the then valid franchise agreement. This resolution spared significant litigation costs and anxiety and was only possible because of the clout of the ACSC membership.

One of the most significant accomplishments of ACSC occurred in 2007 via a settlement of the then pending system-wide rate case. Approximately 50 ACSC city representatives showed up in Arlington for a meeting with Atmos executives who were shocked at the vocal opposition to Atmos practices, the unfairness of annual Gas Reliability Infrastructure Program (“GRIP”) rate filings that precluded city and citizen review, and the Company’s lack of coordination with cities. That meeting led to the creation of the Rate Review Mechanism (“RRM”) process and greater ongoing communication between the Company and ACSC.

In 2010, ongoing communications between ACSC and the Company led to a workable solution to the need to replace steel service lines in a manner that accommodated city needs to control their rights-of-way, while moderating the rate impact and focusing first on the riskiest service lines based on leak repair histories. This compromise precluded a more onerous (from a city and consumer perspective) program threatened by the RRC.

### **What is a RRM case?**

The concept of a RRM proceeding emerged as a three-year experimental substitute for GRIP cases as part of the settlement of Atmos Mid-Tex’s 2007 system-wide rate case. In 2003, the Texas Legislature added Section 104.301, Interim Adjustment for Changes in Investment, to the Gas Utility Regulatory Act. While not identified as such in the law, § 104.301 was referred to as the Gas Reliability Infrastructure Program or GRIP. The GRIP adjustments allowed gas companies to recover changes to invested capital without a review of whether increased revenues or declining expenses offset the invested capital costs. Both Atmos Pipeline and Atmos Mid-Tex filed GRIP cases as soon as the RRC adopted rules to implement the interim adjustments. As explained below, it quickly became apparent that the GRIP adjustments were terrible public policy.

As an alternative to GRIP, ACSC entered into a negotiated agreement with Atmos in 2007 to establish the RRM process. Unlike GRIP, the RRM provided for an annual review of all portions of Mid-Tex’s cost of service. It fixed an authorized rate of return on equity for the three-year period at 9.6% (which was less than what the RRC would have authorized) and set

caps on the extent to which expenses or investments could increase from one year to the next. More importantly, it allowed cities to make a comprehensive evaluation of all aspects of the utility business—investment, operation and maintenance expenses and revenues—unlike GRIP which only allows consideration of changes to invested capital.

**Why is RRM superior to GRIP?**

The GRIP cases are one-sided guarantees of a rubber-stamp of the utility’s rate request. ACSC attempted to participate in the first two GRIP proceedings filed by both Atmos Pipeline and Atmos Mid-Tex at the RRC. Not only were cities’ motions to intervene denied, but also, ACSC’s comments were ignored. At the city level, ACSC consultants determined that Atmos was not only including items such as artwork, chairs, computers and meals in interim rate adjustments that were allegedly intended to promote pipeline safety, but also the Company was over-earning its previously authorized rate of return. ACSC attacked the Commission’s rule in court because it denied city participation, denied a hearing on a contested matter, and denied cities’ recovery of any expenses associated with resisting GRIP rate increases. The courts have not been helpful to cities and the Texas Supreme Court has affirmed the denial of cities’ right to participate in GRIP cases at the RRC.

Cities have contended that GRIP is terrible public policy since it authorizes what would from a history of public interest regulation be regarded as unlawful—piecemeal ratemaking. GRIP allows rates to increase if the utility’s invested capital net of depreciation increases year-over-year. An increase in rates is mandated under GRIP if investment increases, even if increasing revenues and declining expenses more than offset the costs associated with increased investment.

The RRM process negotiated by ACSC solves the piecemeal ratemaking problem by providing for a comprehensive review of Atmos’ expenses and revenues. Furthermore, RRM benefits ACSC by: (1) allowing cities participation that would be denied under GRIP; (2) allowing cities to recover, at utility shareholder expense, all their ratemaking costs; and (3) avoiding both litigation and RRC jurisdiction.

The legislature has functionally authorized annual increases in gas utility rates through the GRIP process. Since consumers are otherwise stuck with annual rate increases, it is better to have cities participating in the comprehensive RRM process than unable to participate in a piecemeal process.

**What has been the history of the RRM efforts?**

In 2010, ACSC, in settling the third RRM proceeding, agreed to a slight modification and extension of the process. A settlement of the fourth annual RRM is now pending before ACSC members. The results of the four RRM proceedings are as follows:

<b>RRM Filing</b>	<b>Year</b>	<b>Atmos Request</b>	<b>ACSC Settlement</b>
#1	2008	\$33.5 million	\$20 million
#2	2009	\$20.2 million	\$2.6 million
#3	2010	\$70.2 million	\$27 million
#4	2011	\$15.7 million	\$6.6 million

These results are better for cities and consumers than would have been authorized by the RRC under the GRIP process.

**What is the future of the RRM process?**

The settlement of the fourth RRM filing anticipated ACSC and Atmos working between August and December to refine the RRM process. A settlement perpetuating the RRM process was not reached by the end of 2011 which has led to the filing of the January 31, 2012 traditional rate case. Discussions regarding the future of the RRM process will continue as we attempt to resolve the rate case by settlement.

If you have other questions please contact me at (512) 322-5875 and/or ggay@lglawfirm.com.

Geoffrey Gay  
ACSC, General Counsel

## ACSC Cities (154 Total)

Abilene	Fate	Palestine
Addison	Flower Mound	Pantego
Allen	Forest Hill	Paris
Alvarado	Fort Worth	Parker
Angus	Frisco	Pecan Hill
Anna	Frost	Plano
Argyle	Gainesville	Ponder
Arlington	Garland	Pottsboro
Bedford	Garrett	Prosper
Bellmead	Grand Prairie	Quitman
Benbrook	Grapevine	Red Oak
Beverly Hills	Haltom City	Reno (Parker County)
Blossom	Harker Heights	Richardson
Blue Ridge	Haskell	Richland
Bowie	Haslet	Richland Hills
Boyd	Hewitt	River Oaks
Bridgeport	Highland Park	Roanoke
Brownwood	Highland Village	Robinson
Buffalo	Honey Grove	Rockwall
Burkburnett	Hurst	Roscoe
Burleson	Iowa Park	Rowlett
Caddo Mills	Irving	Royse City
Carrollton	Justin	Sachse
Cedar Hill	Kaufman	Saginaw
Celeste	Keene	Seagoville
Celina	Keller	Sherman
Cisco	Kemp	Snyder
Cleburne	Kennedale	Southlake
Clyde	Kerrville	Springtown
College Station	Killeen	Stamford
Colleyville	Krum	Stephenville
Colorado City	Lakeside	Sulphur Springs
Comanche	Lake Worth	Sweetwater
Coolidge	Lancaster	Temple
Coppell	Lewisville	Terrell
Corinth	Lincoln Park	The Colony
Corral City	Little Elm	Trophy Club
Crandall	Lorena	Tyler
Crowley	Madisonville	University Park
Dalworthington Gardens	Malakoff	Venus
Denison	Mansfield	Vernon
DeSoto	McKinney	Waco
Duncanville	Melissa	Watauga
Eastland	Mesquite	Waxahachie
Edgecliff Village	Midlothian	Westlake
Emory	Murphy	Whitesboro
Ennis	Newark	White Settlement
Euless	Nocona	Wichita Falls
Everman	North Richland Hills	Woodway
Fairview	Northlake	Wylie
Farmers Branch	Oak Leaf	
Farmersville	Ovilla	



Legislation Details (With Text)

**File #:** 12-0711      **Version:** 1      **Name:** Atmos ACSC Suspension  
**Type:** Regular Agenda Item      **Status:** Agenda Ready  
**File created:** 2/15/2012      **In control:** City Council  
**On agenda:** 2/20/2012      **Final action:**

**Title:** Consider a resolution of the city council of the City of Sachse, Texas, suspending the March 6, 2012, effective date of Atmos Energy Corp., Mid-Tex Division (“Atmos Mid-Tex”) requested rate change to permit the city time to study the request and to establish reasonable rates; approving cooperation with Atmos Cities Steering Committee (“ACSC”) and other cities in the Atmos Mid-Tex service area to hire legal and consulting services and to negotiate with the company and direct any necessary litigation and appeals; requiring reimbursement of cities’ rate case expenses; finding that the meeting at which this resolution is passed is open to the public as required by law; requiring notice of this resolution to the company and ACSC’s legal counsel; providing a repealing clause; and providing an effective date.

**Executive Summary**

Sachse, along with approximately 153 other cities served by Atmos Energy Corp., Mid-Tex Division (“Atmos Mid-Tex” or “Company”), is a member of the Atmos Cities Steering Committee (“ACSC” or “Steering Committee”). On or about January 31, 2012, Atmos Mid-Tex filed with the City a Statement of Intent to increase rates within the City.

The purpose of this agenda item is to suspend Atmos Mid-Tex’s proposed March 6, 2012 effective date for a rate increase allowing additional time for the ACSC to review the proposed rate increase and to negotiate the increase with Atmos Mid-Tex.

**Sponsors:**

**Indexes:**

**Code sections:**

**Attachments:** [51Sachse Reso suspending Atmos 3-6-12 effective date rate change53990](#)  
[Frequently Asked Questions Regarding ACSC and the RRM Process](#)  
[List of ACSC Cities - Updated 03 02 11](#)

Date	Ver.	Action By	Action	Result
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**Title**

Consider a resolution of the city council of the City of Sachse, Texas, suspending the March 6, 2012, effective date of Atmos Energy Corp., Mid-Tex Division (“Atmos Mid-Tex”) requested rate change to permit the city time to study the request and to establish reasonable rates; approving cooperation with Atmos Cities Steering Committee (“ACSC”) and other cities in the Atmos Mid-Tex service area to hire legal and consulting services and to negotiate with the company and direct any necessary litigation and appeals; requiring reimbursement of cities’ rate case expenses; finding that the meeting at which this resolution is passed is open to the public as required by law; requiring notice of this resolution to the company and ACSC’s legal counsel; providing a repealing clause; and providing an effective date.

**Executive Summary**

*Sachse, along with approximately 153 other cities served by Atmos Energy Corp., Mid-Tex*

*Division (“Atmos Mid-Tex” or “Company”), is a member of the Atmos Cities Steering Committee (“ACSC” or “Steering Committee”). On or about January 31, 2012, Atmos Mid-Tex filed with the City a Statement of Intent to increase rates within the City.*

*The purpose of this agenda item is to suspend Atmos Mid-Tex's proposed March 6, 2012 effective date for a rate increase allowing additional time for the ACSC to review the proposed rate increase and to negotiate the increase with Atmos Mid-Tex.*

## Background

In 2003, TXU Gas filed a statewide rate case which became known at the Railroad Commission of Texas (“RRC”) as Gas Utilities Docket (“GUD”) No. 9400. That same year the Texas Legislature passed legislation referred to as the Gas Reliability Infrastructure Program (“GRIP”) which authorized annual piecemeal rate reviews that Texas courts have concluded significantly restrict city jurisdiction, participation, and input. Shortly after GUD No. 9400 was decided in 2004, Atmos Energy purchased TXU Gas and created what is known as Atmos Energy Corp., Mid-Tex Division. The City is within the Atmos Mid-Tex Division.

Atmos Mid-Tex filed four GRIP cases before filing a traditional rate case in September, 2007. As part of Cities’ Settlement Agreement with Atmos of the 2007 rate case, ACSC and Atmos created a substitute process for annual piecemeal GRIP cases. That substitute process was called a Rate Review Mechanism (“RRM”) and was intended as an expedited but comprehensive rate review that included a number of fixed values and constraints. The RRM was intended as a three-year experiment. Last year, it was extended for a fourth year with some slight modifications to the original formulas. ACSC negotiated with Atmos in the final quarter of last year to further extend the RRM process, but no agreement was reached. Atmos has expressed a desire to reach a settlement of the January 31, 2012 filing that includes a revised RRM process.

Enclosed are frequently asked questions (“FAQ”) on ACSC and the RRM ratemaking process.

## **Discussion and Purpose**

Atmos Mid-Tex filed a Statement of Intent on January 31, 2012, seeking to increase system-wide base rates (which exclude the cost of gas) by approximately \$49 million or 11.94%. However, the Company is requesting an increase of 13.6%, excluding gas costs, for its residential customers. Additionally, the application would change the way that rates are collected, by increasing the residential fixed-monthly (or customer) charge from \$7.50 to \$18.00 and decreasing the consumption charge from \$0.25 per 100 cubic feet (“ccf”) to \$0.07 per ccf.

The law provides that a rate request made by a gas utility cannot become effective until at least 35 days following the filing of the application to change rates. Atmos has proposed an effective date of March 6, 2012. The law permits the City to suspend the rate change for 90 days after the date the rate change would otherwise be effective. If the City fails to take some action regarding the filing before the effective date, Atmos’ rate request is deemed

administratively approved.

The purpose of the resolution is to extend the effective date of Atmos Mid-Tex's proposed rate increase to give the City time to review the rate-filing package. The resolution suspends the March 6, 2012 effective date of the Company's rate increase for the maximum period permitted by law to allow the City, working in conjunction with the other ACSC cities, to evaluate the filing, determine whether the filing complies with law, and if lawful, to determine what further strategy to pursue, including settlement and ultimately to approve reasonable rates.

### **Explanation of "Be It Resolved Paragraphs"**

Section 1. The City is authorized to suspend the rate change for 90 days after the date that the rate change would otherwise be effective so long as the City has a legitimate purpose. Time to study and investigate the application is always a legitimate purpose. Please note that the resolution refers to the suspension period as the "maximum period allowed by law" rather than ending by a specific date. This is because the Company controls the effective date and can extend its effective date and, therefore, extend the deadline for final city action to increase the time that the City retains jurisdiction (for example, if necessary to reach settlement on the case). If the suspension period is not otherwise extended by the Company, the City must take final action on Atmos Mid-Tex's request to raise rates by June 4, 2012.

Section 2. This provision recognizes the City's membership in ACSC and authorizes the City to participate with other similarly situated cities served by Atmos Mid-Tex in order to more efficiently represent the interests of the City and its citizens.

Section 3. By law, the Company must reimburse the cities for their reasonable rate case expenses. Legal counsel and consultants approved by ACSC will present their invoices to the City of Arlington which will then seek reimbursement from Atmos Mid-Tex. The City will not incur liability for payment of rate case expenses by adopting a suspension resolution.

Section 4. This section merely recites that the resolution was passed at a meeting that was open to the public and that the consideration of the resolution was properly noticed.

Section 5. This section provides that both Atmos Mid-Tex's designated representative and counsel for ACSC will be notified of the City's action by sending a copy of the approved and signed resolution to certain designated individuals.

### **Policy Considerations**

Sachse is a member of the Atmos Cities Steering Committee, a group of cities committed to ensuring that Atmos's utility rates are fair and reasonable.

### **Budgetary Considerations**

An increase in utility rates will increase the cost of the utility in the City.

### **Staff Recommendations**

Approve a resolution of the city council of the City of Sachse, Texas, suspending the March 6, 2012, effective date of Atmos Energy Corp., Mid-Tex Division ("Atmos Mid-Tex") requested rate change to permit the city time to study the request and to establish reasonable rates; approving cooperation with Atmos Cities Steering Committee ("ACSC") and other cities in the Atmos Mid-Tex service area to hire legal and consulting services and to negotiate with the company and direct any necessary litigation and appeals; requiring reimbursement of cities' rate case expenses; finding that the meeting at which this resolution is passed is open to the public as required by law; requiring notice of this resolution to the company and ACSC's legal counsel; providing a repealing clause; and providing an effective date.

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

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SACHSE, TEXAS, SUSPENDING THE MARCH 6, 2012, EFFECTIVE DATE OF ATMOS ENERGY CORP., MID-TEX DIVISION (“ATMOS MID-TEX”) REQUESTED RATE CHANGE TO PERMIT THE CITY TIME TO STUDY THE REQUEST AND TO ESTABLISH REASONABLE RATES; APPROVING COOPERATION WITH ATMOS CITIES STEERING COMMITTEE (“ACSC”) AND OTHER CITIES IN THE ATMOS MID-TEX SERVICE AREA TO HIRE LEGAL AND CONSULTING SERVICES AND TO NEGOTIATE WITH THE COMPANY AND DIRECT ANY NECESSARY LITIGATION AND APPEALS; REQUIRING REIMBURSEMENT OF CITIES’ RATE CASE EXPENSES; FINDING THAT THE MEETING AT WHICH THIS RESOLUTION IS PASSED IS OPEN TO THE PUBLIC AS REQUIRED BY LAW; REQUIRING NOTICE OF THIS RESOLUTION TO THE COMPANY AND ACSC’S LEGAL COUNSEL; PROVIDING A REPEALING CLAUSE; AND PROVIDING AN EFFECTIVE DATE.**

**WHEREAS**, on or about January 31, 2012, Atmos Energy Corp., Mid-Tex Division (“Atmos Mid-Tex” or “Company”), pursuant to Gas Utility Regulatory Act § 104.102 filed with the City of Sachse, Texas (“City”) a Statement of Intent to change gas rates in all municipalities exercising original jurisdiction within its Mid-Tex Division service area, effective March 6, 2012; and

**WHEREAS**, the City is a regulatory authority under the Gas Utility Regulatory Act (“GURA”) and under Chapter 104, §104.001 et seq. of GURA has exclusive original jurisdiction over Atmos Mid-Tex’s rates, operations, and services within the City; and

**WHEREAS**, in order to maximize the efficient use of resources and expertise, it is reasonable for the City to maintain its involvement in the Atmos Cities Steering Committee (“ACSC”) and to cooperate with the more than 150 similarly situated city members of ACSC and other city participants in conducting a review of the Company’s application and to hire and direct legal counsel and consultants and to prepare a common response and to negotiate with the Company and direct any necessary litigation; and

**WHEREAS**, Atmos Mid-Tex proposed March 6, 2012, as the effective date for its requested increase in rates; and

**WHEREAS**, it is not possible for the City to complete its review of Atmos Mid-Tex’s filing by March 6, 2012; and

**WHEREAS**, the City will need an adequate amount of time to review and evaluate Atmos Mid-Tex’s rate application to enable the City to adopt a final decision as a local regulatory authority with regard to Atmos Mid-Tex’s requested rate increase; and

**WHEREAS**, the Gas Utility Regulatory Act § 104.107 grants local regulatory authorities the right to suspend the effective date of proposed rate changes for ninety (90) days; and

**WHEREAS**, the Gas Utility Regulatory Act § 103.022 provides that costs incurred by Cities in ratemaking activities are to be reimbursed by the regulated utility.

**NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SACHSE, TEXAS, THAT:**

**SECTION 1.** The March 6, 2012, effective date of the rate request submitted by Atmos Mid-Tex on January 31, 2012, be suspended for the maximum period allowed by law to permit adequate time to review the proposed changes and to establish reasonable rates.

**SECTION 2.** The City is authorized to cooperate with ACSC and its member cities in the Mid-Tex service area and under the direction of the ACSC Executive Committee to hire and direct legal counsel and consultants, negotiate with the Company, make recommendations to the City regarding reasonable rates, and to direct any necessary administrative proceedings or court litigation associated with an appeal of a rate ordinance and the rate case filed with the City or Railroad Commission.

**SECTION 3.** The City's reasonable rate case expenses shall be reimbursed by Atmos.

**SECTION 4.** It is hereby officially found and determined that the meeting at which this Resolution is passed is open to the public as required by law and the public notice of the time, place, and purpose of said meeting was given as required.

**SECTION 5.** A copy of this Resolution shall be sent to Atmos, care of David Park, Vice President Rates & Regulatory Affairs, at Atmos Energy Corporation, Mid-Tex Division, 5420 LBJ Freeway, Suite 1862, Dallas, Texas 75240, and to Geoffrey Gay, General Counsel to ACSC, at Lloyd Gosselink Rochelle & Townsend, P.C., P.O. Box 1725, Austin, Texas 78767-1725.

**SECTION 6.** All resolutions in conflict with this Resolution are hereby repealed.

**SECTION 7.** This Resolution shall become effective immediately from and after its passage.

**DULY RESOLVED AND ADOPTED** by the City Council of the City of Sachse,  
Texas, this \_\_\_\_\_ day of February, 2012.

CITY OF SACHSE, TEXAS

\_\_\_\_\_  
Mike Felix, Mayor

ATTEST:

\_\_\_\_\_  
Terry Smith, City Secretary

APPROVED AS TO FORM:



\_\_\_\_\_  
Peter G. Smith, City Attorney  
(PGS:2-14-12:TM 53990)



Legislation Details (With Text)

**File #:** 12-0708      **Version:** 1      **Name:** Municipal Campus Bond Program Update  
**Type:** Regular Agenda Item      **Status:** Agenda Ready  
**File created:** 2/15/2012      **In control:** City Council  
**On agenda:** 2/20/2012      **Final action:**  
**Title:** Discuss the status of the Municipal Complex Bond costs.  
 Executive Summary  
 Staff will present the status of the Municipal Complex Bond costs and committed expenditures to date.

**Sponsors:**  
**Indexes:**  
**Code sections:**  
**Attachments:** [Summary of Municipal Campus Bond Expenditures 1-31-2012 \(2-20-12\).pdf](#)  
[Complex Bond Status 2-20-12.pdf](#)

Date	Ver.	Action By	Action	Result
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**Title**  
Discuss the status of the Municipal Complex Bond costs.

*Executive Summary*  
Staff will present the status of the Municipal Complex Bond costs and committed expenditures to date.

**Background**  
The revenue available for use to complete the construction of the Municipal Complex including bond proceeds and interest revenue totals \$20,779,309.12. \$20,704,409.73 in expenditures have been identified. \$19,539,395.86 of this has been spent and \$1,165,013.87 has been encumbered for future payment.

**Policy Considerations**  
None

**Budgetary Considerations**  
Unused funds are constrained to the bond as approved.

**Staff Recommendations**  
Discuss the status of the Municipal Campus Bond costs. Discussion item only no action necessary.

City of Sachse  
Summary of Municipal Campus Expenditures/Encumbrances  
January 31, 2012

Revenue

	Budget		Balance	
Bond Proceeds	20,405,000.00	-	20,405,000.00	-
Interest Income	374,309.12	-	374,309.12	-
			<u>20,779,309.12</u>	

Expenditures

	Available	Encumbrances Paid	Remaining Encumbrances	Released from
Art/Furniture/Equipment/Etc.	4,131,325.93	4,127,532.36	-	-
Lee Lewis	12,073,927.52	12,068,821.52	5,106.00	-
Ron Hobbs	2,258,248.75	2,180,347.94	77,900.81	-
Bond Interest (2011)	667,000.00	667,000.00		
Financing Costs	174,132.73	174,132.73	-	-
Computer Replacement	100,000.00	94,705.01	5,294.99	-
Stoffels	40,000.00	16,131.50	23,868.50	-
K2Audio	3,800.00	-	-	3,800.00
Other	6,400.00		-	6,400.00
Computer Security	6,000.00	6,000.00	-	-
Server Replacement	25,000.00	21,821.07	3,178.93	-
Portable Radios	15,000.00	11,439.75	3,560.25	-
Sachse Road Signalization	200,000.00	-	200,000.00	-
Bond Interest (2012)	750,000.00	-	750,000.00	-
Police Vehicles	87,000.00	87,079.18	-	-
Lights and Lettering at City Hall	6,500.00	5,789.00	711.00	-
Web Streaming	40,000.00	-	5,000.00	35,000.00
Amphitheater Lighting	2,500.00	2,496.00	4.00	-
Library Card Readers	13,000.00	-	-	13,000.00
Backup Recovery	24,000.00	13,554.60	10,445.40	-
Reception Exit Sign	400.00	392.50	7.50	-
Public Safety Radio Consoles	50,000.00	23,481.40	26,518.60	-
Video/Audio Improvement	19,000.00	17,088.75	1,911.25	-
Computerized Medical Aided Dispatch	20,000.00	19,015.00	-	985.00
Move EOC Lights	700.00	-	-	700.00
HR Furniture	4,600.00	-	4,600.00	-
Window Tint for City Hall	3,300.00	-	-	3,300.00
Landscaping	4,000.00	-	-	4,000.00
Additional Street Lighting	9,217.00 *	-	9,217.00	-
Archiving Video for Server	4,000.00	-	-	4,000.00
Christmas Lights	2,567.55	2,567.55	-	-
AED's	6,600.00	-	6,600.00	-
Relocate Decorative Glass	4,000.00	-	4,000.00	-
Relocate Monitor Stands (Council)	1,800.00	-	1,800.00	-
Patio Furniture	3,200.00	-	3,200.00	-
Service Agreements	22,089.64	-	22,089.64	-
Dais Shelving	-	-	-	-
	<u>20,779,309.12</u>	<u>19,539,395.86</u>	<u>1,165,013.87</u>	<u>71,185.00</u>

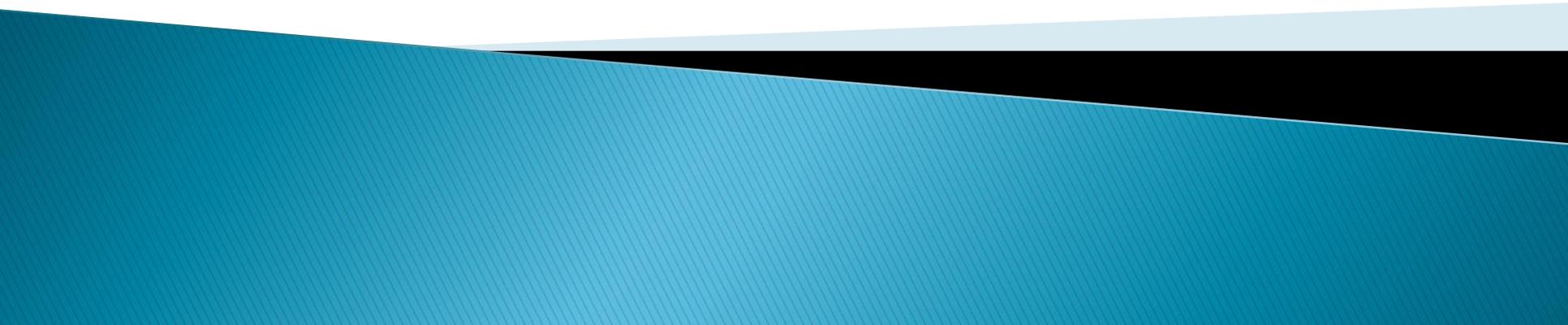
\* \$7,600 original budgeted amount

Revenue	20,779,309.12
Encumbrances Paid	(19,539,395.86)
Remaining Encumbered	<u>(1,165,013.87)</u>
Balance Unencumbered	<u>74,899.39</u>

Presented to Council on July 16th	199,600.00 *
Added during Budget process	1,083,000.00
Recent considerations	41,874.19

# Municipal Complex Bond Status

February 20, 2012



# Revenue

▶ Bond Proceeds	20,405,000.00
▶ Interest Income	374,309.12
◦ Total Available	20,779,309.12

# Requested Items

<b>A</b>	<b>\$ 6,500</b>	<b>Lights and Lettering at City Hall</b>	<b>5</b>	<b>\$20,000</b>	<b>Computerized Medical Aided Dispatch</b>
<b>B</b>	<b>\$ 40,000</b>	<b>Web Streaming</b>	<b>6</b>	<b>\$ 700</b>	<b>Move lights in EOC</b>
<b>C</b>	<b>\$ 2,500</b>	<b>Amphitheater Portable Lighting</b>	<b>7</b>	<b>\$4,600</b>	<b>Add furniture in Room CH 209</b>
<b>D</b>	<b>\$ 13,000</b>	<b>Add Card readers to Library.</b>	<b>8</b>	<b>\$3,300</b>	<b>Window tint to City Hall</b>
<b>1</b>	<b>\$ 24,000</b>	<b>20 licenses of Symantec BackupExec System Recovery 2011 and Hardware</b>	<b>9</b>	<b>\$4,000</b>	<b>Landscaping Library (around A/C)</b>
<b>2</b>	<b>\$ 400</b>	<b>Exit Sign Reception Office 2<sup>nd</sup> floor CH</b>	<b>10</b>	<b>\$7,600</b>	<b>Add additional street lighting to Sachse Rd entrance.</b>
<b>3</b>	<b>\$50,000</b>	<b>Public Safety Radio Consoles</b>	<b>1</b>	<b>\$4,000</b>	<b>Archiving Video for server HARDWARE</b>
<b>4</b>	<b>\$19,000</b>	<b>Video Audio improvements</b>		<b>\$199,600</b>	<b>TOTAL</b>

# Expenditures

	Available	Paid	Remaining	Released
Art/Furniture/Equipment/Etc.	4,131,325.93	4,127,532.36	-	-
Lee Lewis	12,073,927.52	12,068,821.52	5,106.00	-
Ron Hobbs	2,258,248.75	2,180,347.94	77,900.81	-
Bond Interest (2011)	667,000.00	667,000.00		
Financing Costs	174,132.73	174,132.73	-	-
Computer Replacement	100,000.00	94,705.01	5,294.99	-
Stoffels	40,000.00	16,131.50	23,868.50	-
K2Audio	3,800.00	-	-	3,800.00
Other	6,400.00		-	6,400.00
Computer Security	6,000.00	6,000.00	-	-
Server Replacement	25,000.00	21,821.07	3,178.93	-
Portable Radios	15,000.00	11,439.75	3,560.25	-
Sachse Road Signalization	200,000.00	-	200,000.00	-
Bond Interest (2012)	750,000.00	-	750,000.00	-
Police Vehicles	87,000.00	87,079.18	-	-
Lights and Lettering at City Hall	6,500.00	5,789.00	711.00	-
Web Streaming	40,000.00	-	5,000.00	35,000.00
Amphitheater Lighting	2,500.00	2,496.00	4.00	-
Library Card Readers	13,000.00	-	-	13,000.00
Backup Recovery	24,000.00	13,554.60	10,445.40	-
Reception Exit Sign	400.00	392.50	7.50	-
Public Safety Radio Consoles	50,000.00	23,481.40	26,518.60	-
Video/Audio Improvement	19,000.00	17,088.75	1,911.25	-
Computerized Medical Aided Disp	20,000.00	19,015.00	-	985.00
Move EOC Lights	700.00	-	-	700.00
HR Furniture	4,600.00	-	4,600.00	-
Window Tint for City Hall	3,300.00	-	-	3,300.00
Landscaping	4,000.00	-	-	4,000.00
Additional Street Lighting	9,217.00	*	9,217.00	-
Archiving Video for Server	4,000.00	-	-	4,000.00
Christmas Lights	2,567.55	2,567.55	-	-
AED's	6,600.00	-	6,600.00	-
Relocate Decorative Glass	4,000.00	-	4,000.00	-
Relocate Monitor Stands (Council)	1,800.00	-	1,800.00	-
Patio Furniture	3,200.00	-	3,200.00	-
Service Agreements	22,089.64	-	22,089.64	-
Dais Shelving	-	-	-	-
	<b>20,779,309.12</b>	<b>19,539,395.86</b>	<b>1,165,013.87</b>	<b>71,185.00</b>

Presented to Council on July 16th

199,600.00

Added during Budget process

1,083,000.00

Recent considerations

41,874.19

# July, 2012

	Available	Encumbrances Paid	Remaining Encumbrances	Released from Encumbrance
Lights and Lettering at City Hall	6,500.00	5,789.00	711.00	-
Web Streaming	40,000.00	-	5,000.00	35,000.00
Amphitheater Lighting	2,500.00	2,496.00	4.00	-
Library Card Readers	13,000.00	-	-	13,000.00
Backup Recovery	24,000.00	13,554.60	10,445.40	-
Reception Exit Sign	400.00	392.50	7.50	-
Public Safety Radio Consoles	50,000.00	23,481.40	26,518.60	-
Video/Audio Improvement	19,000.00	17,088.75	1,911.25	-
Computerized Medical Aided Dispatch	20,000.00	19,015.00	-	985.00
Move EOC Lights	700.00	-	-	700.00
HR Furniture	4,600.00	-	4,600.00	-
Window Tint for City Hall	3,300.00	-	-	3,300.00
Landscaping	4,000.00	-	-	4,000.00
		*		
Additional Street Lighting	9,217.00	-	9,217.00	-
Archiving Video for Server	4,000.00	-	-	4,000.00
	201,217.00	81,817.25	58,414.75	60,985.00
* 7,600 Original budgeted amount	(1,617.00)			
	199,600.00			

# Other

	Available	Encumbrances Paid	Remaining Encumbrances	Released from Encumbrance
Computer Security	6,000.00	6,000.00	-	-
Server Replacement	25,000.00	21,821.07	3,178.93	-
Portable Radios	15,000.00	11,439.75	3,560.25	-
Sachse Road Signalization	200,000.00	-	200,000.00	-
Bond Interest (2012)	750,000.00	-	750,000.00	-
Police Vehicles	87,000.00	87,079.18	-	-
	<b>1,083,000.00</b>	<b>126,340.00</b>	<b>956,739.18</b>	<b>-</b>

# Recent Considerations

	Available	Encumbrances Paid	Remaining Encumbrances	Released from Encumbrance
Christmas Lights	2,567.55	2,567.55	-	-
AED's	6,600.00	-	6,600.00	-
Relocate Decorative Glass	4,000.00	-	4,000.00	-
Relocate Monitor Stands (Council)	1,800.00	-	1,800.00	-
Patio Furniture	3,200.00	-	3,200.00	-
Service Agreements	22,089.64	-	22,089.64	-
Dais Shelving	-	-	-	-
	40,257.19	2,567.55	37,689.64	-
* Additional Street Lighting Cost	<u>1,617.00</u>			
	41,874.19			

# Summary

Revenue	20,779,309.12
Encumbrances Paid	(19,539,395.86)
Remaining Encumbered	(1,165,013.87)
Balance Unencumbered	74,899.39



# Questions

?



## Legislation Details (With Text)

<b>File #:</b>	12-0695	<b>Version:</b>	1	<b>Name:</b>	Sachse tank logo
<b>Type:</b>	Regular Agenda Item	<b>Status:</b>		<b>Status:</b>	Agenda Ready
<b>File created:</b>	2/7/2012	<b>In control:</b>		<b>In control:</b>	City Council
<b>On agenda:</b>	2/20/2012	<b>Final action:</b>		<b>Final action:</b>	
<b>Title:</b>	Consider a resolution authorizing a change order in the amount of eight thousand and no dollars (\$8,000) for the Water Tank Renovations contract with A&M Construction & Utilities, Incorporated for the installation of the Sachse name on the south side of the Sachse Road elevated water storage tank.				

### Executive Summary

The Sachse Road elevated water tank located at the Public Works Maintenance Facility was recently refurbished, which included painting the interior and exterior of the tank. The City name and logo was painted on the tank for traffic on Sachse Road to view. This resolution will authorize a change order to the contract with A&M Construction and Utilities, Inc. for the Water Tank Renovations to install the City name on the side of the tank which can be seen from the President George Bush Turnpike (PGBT) for a cost of \$8,000.

### Sponsors:

### Indexes:

### Code sections:

- Attachments:** [Attachment 1 – Project Map](#)  
[CHNGORD#3](#)  
[RESOLUTION FOR co3](#)  
[City name logo exhibit](#)

Date	Ver.	Action By	Action	Result
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### Title

Consider a resolution authorizing a change order in the amount of eight thousand and no dollars (\$8,000) for the Water Tank Renovations contract with A&M Construction & Utilities, Incorporated for the installation Sachse name on the south side of the Sachse Road elevated water storage tank.

### Executive Summary

*The Sachse Road elevated water tank located at the Public Works Maintenance Facility was recently refurbished, which included painting the interior and exterior of the tank. The City name and logo was painted on the tank for traffic on Sachse Road to view. This resolution will authorize a change order to the contract with A&M Construction and Utilities, Inc. for the Water Tank Renovations to install the City name on the side of the tank which can be seen from the President George Bush Turnpike (PGBT) for a cost of \$8,000.*

### Background

The City Council awarded a contract to A&M Construction and Utilities, Inc. in the amount of \$737,000 for water tank renovations. The water tanks were the Maxwell Creek Road ground

storage tanks, the 5<sup>th</sup> Street elevated water tank, and the Sachse Road elevated water tank located at the Public Works Facility. The renovations and re-painting of the exterior and interior of the tanks has been completed but a final notice of acceptance has not been issued. Therefore, the contract is still open.

#### Policy Considerations

The President George Bush Turnpike (PGBT) was opened for traffic on December 22, 2011. The North Texas Tollway Authority (NTTA) will not allow posting City limit signs or monuments along the PGBT notifying traffic what City they are located in while driving. The Sachse Road elevated water tank is visible from the PGBT for northbound traffic coming from Rowlett. In an effort to identify the City of Sachse, staff recommends installing the City name on the Sachse Road elevated water tank. The name will face the southerly direction (see Attachment 1 project map and City name logo exhibit).

A change order can be processed to the existing contract with A&M Construction & Utilities, Inc. since the contract has not yet been closed out for the installation of the City name.

#### Budgetary Considerations

Two change orders were approved to the current water tank renovation contract for additional work which was identified while the water tanks were taken out of service. The change orders were paid for using the contingency included in the original contract price. Therefore, the contract price approved by Council was not exceeded.

Change Order 3 for the installation of the City name on the south side of the Sachse Road elevated water tank will cost \$8,000 (see attached Exhibit A). This cost can be paid using the water impact fee fund, which has a balance of \$301,500.14.

#### Staff Recommendations

Staff recommends the City Council approve a resolution of the City Council of the City of Sachse, Texas approving Change Order Number Three in the amount of eight thousand and no dollars (\$8,000) for the Water Tank Renovations contract with A&M Construction & Utilities, Incorporated for the installation Sachse name on the south side of the Sachse Road elevated water storage tank and authorizing the City Manager to execute the change order; authorizing the purchasing agent to issue purchase orders pursuant to approval; and providing an effective date.

# Attachment 1 – Project Map



**EXHIBIT A**

 <p><b>CONTRACT CHANGE ORDER</b></p>	Date  February 20, 2012
	Project No.  EN-10-101
	Location  City of Sachse, Texas
To (Contractor)  A&M Construction & Utilities, Inc. 4950 Grisham Rowlett, TX 75088	Job Description  Water Tank Renovations
	Change Order No.  3
	Original Contract Price  \$737,000.00

You are hereby requested to comply with the following changes from the contract plans and specifications:

Item No. (1)	Description of changes - quantities, units, unit price, change in completion schedule, etc. (2)	Decrease in contract price (3)	Increase in contract price (4)
1.	Install "Sachse" logo on south side of tank		\$8,000.00
	<b>Change in contract price due to this Change Order:</b>		
	Total Decrease		
	Total Increase		\$ 8,000.00
	Difference between Columns (3) and (4)		
	Net (increase)(decrease) in contract price		<b>\$ 8,000.00</b>

The sum of \$ 8,000.00 is hereby (added to) (~~deducted from~~) the total contract price, and the total adjusted contract price to date thereby is \$ 745,000.00

The time provided for completion in the contract is (unchanged) (~~increased by~~) (~~decreased by~~) 30 calendar days. This document shall become an amendment to the contract and all provisions of the contract will apply hereto.

Recommended by _____ (Engineer) <b>Cobb-Fendley, Inc.</b>	_____ Date
Accepted by _____ (Contractor) <b>A&amp;M Construction &amp; Utilities, Inc.</b>	_____ Date
Approved by _____ (Owner) <b>City of Sachse</b>	_____ Date

(Note: Fill out form in triplicate. One for Contractor; one for Engineer; one for Owner.)

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

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SACHSE, TEXAS, APPROVING CHANGE ORDER NUMBER THREE IN THE AMOUNT OF EIGHT THOUSAND DOLLARS AND NO CENTS (\$8,000.00) FOR THE WATER TANK RENOVATIONS CONTRACT WITH A&M CONSTRUCTION AND UTILITIES, INCORPORATED FOR THE INSTALLATION OF THE SACHSE NAME ON THE SOUTH SIDE OF THE SACHSE ROAD ELEVATED WATER STORAGE TANK AND AUTHORIZING THE CITY MANAGER TO EXECUTE THE CHANGE ORDER; AUTHORIZING THE PURCHASING AGENT TO ISSUE PURCHASE ORDERS PURSUANT TO APPROVAL; AND PROVIDING AN EFFECTIVE DATE.**

**WHEREAS**, the City Council of the City of Sachse, Texas has been presented Change Order Number Three in the amount of eight thousand dollars and no cents (\$8,000.00) for the installation of the City name on the south side of the Sachse Road elevated storage tank, a copy of which is attached hereto and incorporated herein as Exhibit "A"; and

**WHEREAS**, upon full review and consideration of all change orders and all matters related thereto, the City Council is of the opinion and finds that the terms and conditions thereof should be approved, and that the City Manager should be authorized to execute Change Order Number Three on behalf of the City of Sachse, Texas.

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

**Section 1:** The City of Sachse does hereby approve Change Order Number Three in the amount of eight thousand dollars and no cents (\$8,000.00) to the Water Tank Renovations contract with A&M Construction & Utilities, Inc.

**Section 2:** The City of Sachse does hereby authorize the City Manager Change Order Number Three behalf of the City of Sachse and authorize the Purchasing Agent to issue purchase orders to conform to this resolution.

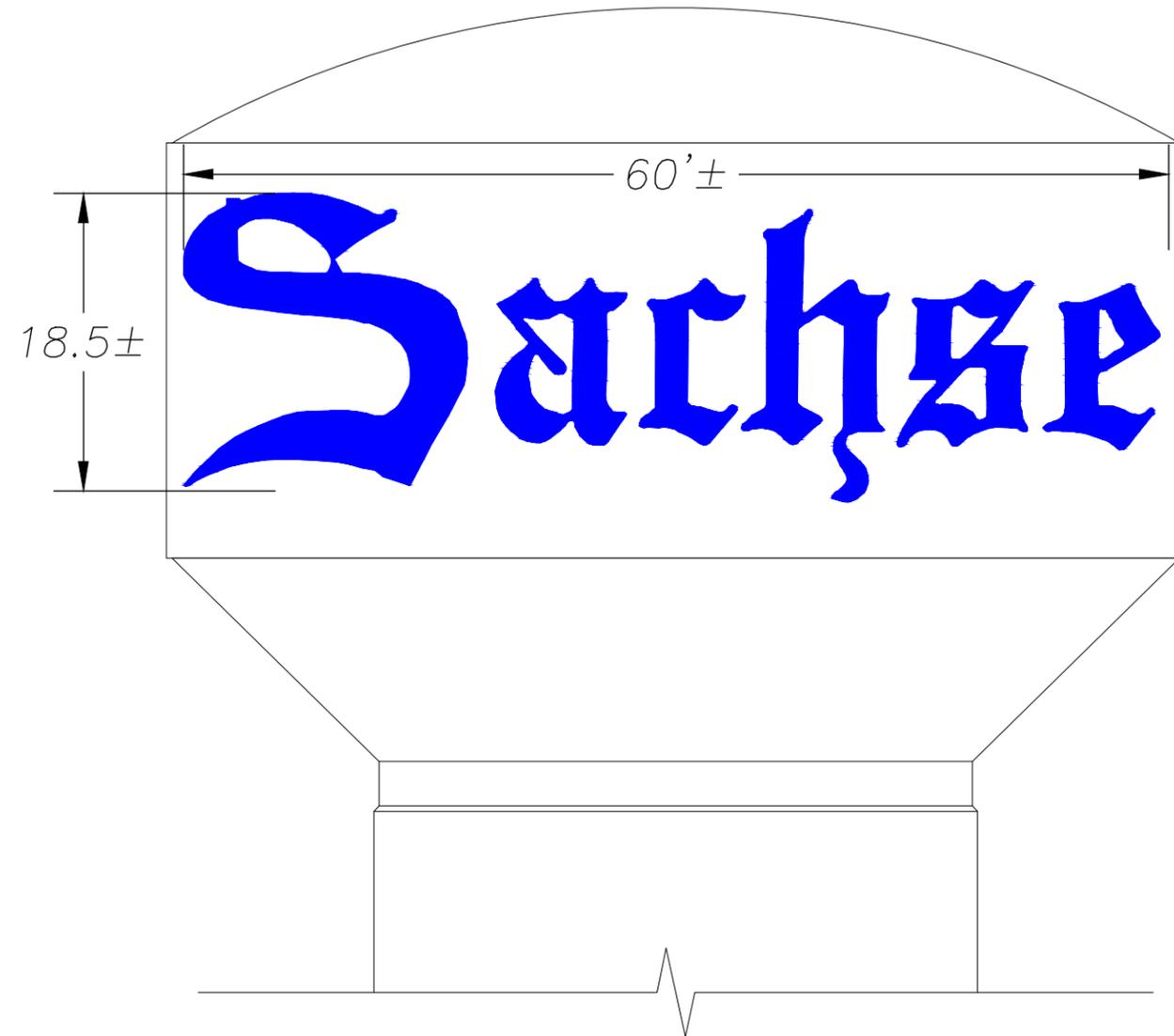
**Section 3:** This resolution shall become effective immediately upon its passage.

**RESOLVED** this 20<sup>th</sup> day of February, 2012. CITY OF SACHSE, TEXAS

\_\_\_\_\_  
Mike Felix, Mayor

ATTEST:

\_\_\_\_\_  
Terry Smith, City Secretary



**SACHSE ROAD 750,000 GALLON  
ELEVATED WATER TANK**

**NOTE: FINAL PLACEMENT OF THE LOGO  
MUST BE APPROVED BY THE CITY.**

INTERIM REVIEW  
"THIS DOCUMENT IS RELEASED FOR  
THE PURPOSE OF INTERIM REVIEW  
UNDER THE AUTHORITY OF  
MATTHEW D. LEE, P.E. 98451  
ON Feb 14, 2012. IT IS NOT TO BE  
USED FOR CONSTRUCTION, BIDDING,  
OR PERMIT PURPOSES."

NO.	DATE	COMMENT

REVISIONS

**CobbFendley**  
Texas Registration No. 274  
6801 Gaylord Parkway, Suite 302  
Frisco, Texas 75034  
972.335.3214 | fax 972.335.3202 | www.cobfen.com

CITY OF SACHSE  
TANK LOGOS  
ELEVATED WATER TANKS

DATE:	SCALE:
FEB 2012	1" = 10'
DESIGN BY:	DRAWN BY:
MDL	MDL
SHEET NO.:	JOB NUMBER:
5 of 7	1012501002
SHEET ID:	Logo from Blush TP.dwg



## Legislation Details (With Text)

**File #:** 12-0700      **Version:** 1      **Name:** Consider appointments to the Tax Increment Financing (TIF) Board of Directors.

**Type:** Regular Agenda Item      **Status:** Agenda Ready

**File created:** 2/8/2012      **In control:** City Council

**On agenda:** 2/20/2012      **Final action:**

**Title:** Consider appointments to the Tax Increment Financing (TIF) Board of Directors.

Executive Summary  
Council to consider appointments to the three expiring terms on the TIF Board.

**Sponsors:**

**Indexes:**

**Code sections:**

**Attachments:** [TIF Board.pdf](#)  
[TIF applications.pdf](#)

Date	Ver.	Action By	Action	Result
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**Title**  
Consider appointments to the Tax Increment Financing (TIF) Board of Directors.

*Executive Summary*  
*Council to consider appointments to the three expiring terms on the TIF Board.*

**Background**  
Three TIF board of Directors terms are expiring in March. They are Board Directors Troy Riner, Frank Millsap and Jeff Dowdle. Council conducted interviews during the workshop session. This agenda item is included for the Council to take action regarding the appointments. Please see attached information.

**Policy Considerations**  
The TIF Board consists of 5 members. Two terms were up last year and both were reappointed.

**Budgetary Considerations**  
None.

**Staff Recommendations**  
Council makes appointments to the TIF Board of Directors as appropriate.

# PGBT TIF (Tax Increment Financing) Board

<u>MEMBERS</u>	<u>TITLE</u>	<u>PLACE</u>	<u>Contact Info</u>	<u>TERM EXPIRES</u>
<b>Troy Riner</b> 7511 Keith Lane Sachse, TX 75048		<b>1</b>	908-910-6250 (H) 972-835-2065 (W)	<b>March 2012</b>
<b>Bobby Tillman</b> 6314 Ben Road Sachse, TX 75048	<b>Secretary</b>	<b>2</b>	972-272-3555 (W) 972-675-0037 (H)	<b>March 2013</b>
<b>Frank Millsap</b> 3904 Miles Rd. Sachse, TX 75048		<b>3</b>	972-860-7397 (W) 972-675-0988 (H)	<b>March 2012</b>
<b>Edward Brown</b> 3615 Sewell Drive Sachse, TX 75048	<b>Chairman</b>	<b>4</b>	214-747-6839 (W) 972-496-6577 (H)	<b>March 2013</b>
<b>Jeff Dowdle</b> 6615 Crestmoor Ln. Sachse, TX 75048		<b>5</b>	214-675-7751 (W) 972-442-5627 (H)	<b>March 2012</b>



# City of Sachse

## APPLICATION FOR BOARDS / COMMISSIONS AND OTHER POSITIONS

As an applicant for a Board or Commission, your name, address, and telephone number will be available to the press and the public. You will be contacted when action is taken on your appointment.

**Board or Commission of first, second and third choice:**

- |  |   |
|--|---|
| <input type="checkbox"/> Planning & Zoning Commission  | <input type="checkbox"/> Animal Shelter Board                   |
| <input type="checkbox"/> Parks & Recreation Commission | <input type="checkbox"/> Economic Development Corporation Board |
| <input type="checkbox"/> Zoning Board of Adjustments   | <input checked="" type="checkbox"/> Other (please specify):     |
| <input type="checkbox"/> Library Board                 | <u>TIF</u>  |

Name: FRANK MILLSAP

Address: 3904 MILES RD.

Business Phone: 972 495 1557 Home Phone: 972 675 0958

Occupation: COLLEGE PROF.

Education: AA - muskogee jr college  
AAS - EASTFIELD collage  
BS, ms OKLA - STATE UNIV.

Resident of Sachse for 35 Years \_\_\_\_\_ Months

Voter Registration Number: ??

List qualifications you feel make you a good candidate for this position:  
long time resident  
Business owner in Sachse

Professional and/or Community Activities:  
Board of Directors - Sachse COBC -  
co-sponsor - CAES under STARS -  
donated trees to Sachse Parks & Rec.

**Boards/ Commissions Previously Served on (Sachse or other city):**

<u>Board of Adjustments - 1 term</u>	From _____ to _____
<u>TIF Board - 1 term</u>	From _____ to <u>2012</u>
_____	From _____ to _____

Signature Frank Millsap

Date 2-6-2012

PLEASE RETURN COMPLETED FORM TO:

OFFICE OF THE CITY SECRETARY  
CITY OF SACHSE  
3815 SACHSE ROAD, BUILDING B  
SACHSE, TX 75048

469-429-4775 OR FAX 972-530-0426



# City of Sachse

## APPLICATION FOR BOARDS / COMMISSIONS AND OTHER POSITIONS

As an applicant for a Board or Commission, your name, address, and telephone number will be available to the press and the public. You will be contacted when action is taken on your appointment.

**Board or Commission of first, second and third choice:**

- |   |   |
|---|---|
| <input type="checkbox"/> Planning & Zoning Commission | <input type="checkbox"/> Animal Shelter Board                   |
| <input type="checkbox"/> Park & Recreation Commission | <input type="checkbox"/> Economic Development Corporation Board |
| <input type="checkbox"/> Board of Adjustments         | <input checked="" type="checkbox"/> Other (please specify):     |
| <input type="checkbox"/> Library Board                | <u>TIF Committee</u>  |

Name: Troy K. Riner II

Address: 7511 Keith Lane, Sachse TX 75048

Business Phone: 972-835-2065 Home Phone: 469-298-2938

Occupation: Project Manager - Business Owner

Education:

HS Diploma + 2 yrs College

Resident of Sachse for 13 Years 1 Months

**Voter Registration Number:**

**List qualifications you feel make you a good candidate for this position:**

As a Business Owner & Project Manager for New construction I believe that my experience in Commercial, Retail, Multifamily & Residential construction & Estimating will be useful in determining project & property values w/ new construction developments within the city.

**Professional and/or Community Activities:**

Served as a Board Member for the Wylie Lacrosse Association. Member of Lakepointe church, Rockwall & Firewheel locations. Participant in the Sachse Police Department e-watch program

**Boards/ Commissions Previously Served on (Sachse or other city):**

<u>TIF Committee Board member</u>	From <u>2/2011</u>	to <u>Present</u>
_____	From _____	to _____
_____	From _____	to _____

Signature Troy K. Riner II

Date 2/13/2012

PLEASE RETURN COMPLETED FORM TO:  
OFFICE OF THE CITY SECRETARY  
CITY OF SACHSE  
3815 SACHSE RD., BLDG. B  
SACHSE, TX 75048  
972-495-1212, EXT. 23 OR FAX 972-530-0426



# City of Sachse

## APPLICATION FOR BOARDS / COMMISSIONS AND OTHER POSITIONS

As an applicant for a Board or Commission, your name, address, and telephone number will be available to the press and the public. You will be contacted when action is taken on your appointment.

Board or Commission of first, second and third choice:

- |  |   |
|--|---|
| <input type="checkbox"/> Planning & Zoning Commission  | <input type="checkbox"/> Animal Shelter Board                   |
| <input type="checkbox"/> Parks & Recreation Commission | <input type="checkbox"/> Economic Development Corporation Board |
| <input type="checkbox"/> Zoning Board of Adjustments   | <input checked="" type="checkbox"/> Other (please specify):     |
| <input type="checkbox"/> Library Board                 | Tiff Board  |

Name: Jeff Dowdle

Address: 1615 Crestmoor Lane Sachse, TX

Business Phone: 214-675-7751 Home Phone: 972-442-5627

Occupation: Real Estate Consulting

Education: BS Sociology - Business mgmt

Resident of Sachse for 10 Years 5 Months

Voter Registration Number: 1075375588

List qualifications you feel make you a good candidate for this position:  
1. Ten years of commercial Real Estate Brokerage  
2. Currently consult with the DFW Metro's top Brokerage firms owners and Developers of Commercial Real Estate.  
3. Have extensive knowledge on the Economic Drivers of commercial development

Professional and/or Community Activities: member of NTCAR (North Texas Commercial Assoc of Realtors)  
Serve as Neighborhood Rep on Woodbridge HOA  
Current Chair of the Woodbridge Municipal Affairs Committee

Boards/ Commissions Previously Served on (Sachse or other city):  
Tiff Board From 2010 to 2012  
Board of Adjustments From 2009 to 2010

Signature Date 2-13-2012

PLEASE RETURN COMPLETED FORM TO:  
OFFICE OF THE CITY SECRETARY  
CITY OF SACHSE  
3815 SACHSE ROAD, BUILDING B  
SACHSE, TX 75048  
469-429-4775 OR FAX 972-530-0426