

## City Council Work Session Handouts

May 16, 2016

- I. Review and Discuss the Atmos Energy Rate Review Action
- II. Review and Discuss the Status of Richardson's Bicycle Program
- III. Review and Discuss the Recommended Concept for the Eastside Phase Two Public Art Piece
- IV. Review and Discuss the West Spring Valley Road Rehab Project

**EXECUTIVE SUMMARY**  
**Atmos Gas RRM Action**  
May 16, 2016

**Background**

- The City is an active participant in the Atmos Cities Steering Committee (ACSC), a coalition of 164 Cities Statewide, which work together to address gas rate issues, and share the costs of same.
- In 2007, and later renewed by Council in 2013, the ACSC and Atmos Mid-Tex agreed to implement an annual rate review mechanism for Atmos Mid-Tex, known as the Rate Review Mechanism (“RRM”), as a temporary replacement for the statutory mechanism known as GRIP (the “Gas Reliability Infrastructure Program”).
- On March 1, 2016, Atmos filed an RRM application requesting \$35.4 Million in additional revenue system-wide. The ACSC initiated a full review of the filing.

**2016 Rate Request**

- The City worked with ACSC to analyze the schedules and evidence offered by Atmos Mid-Tex to support its request to increase rates.
- The 2016 Atmos Mid-Tex RRM filing sought a \$35.4 million rate increase system-wide.
- Consultants working on behalf of ACSC Cities have investigated the Company’s requested rate increase. While the evidence does not support the \$35.4 million increase requested by the Company, ACSC’s consultants agree that the Company can justify an increase in revenues of a lesser amount—namely, an increase of \$29.9 million.

**Settlement**

- The tariffs attached to the Ordinance approve rates that will increase the Company’s revenues by \$29.9 million for the Mid-Tex Rate Division, effective for bills rendered on or after June 1, 2016.
  - The monthly residential customer charge will increase from \$18.60 to \$19.10.
  - The consumption charge will be \$0.11378 per Ccf.
  - The monthly bill impact for the typical residential customer consuming 46.8 Ccf will be an increase of \$1.26 monthly, or about 2.43%.
  - The typical commercial customer will see an increase of \$3.81, or 1.43%.

**Action**

- Staff recommends adoption of the attached ordinance approving the rates derived by the Atmos Cities Steering Committee.

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

**AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF RICHARDSON, TEXAS, APPROVING A NEGOTIATED SETTLEMENT BETWEEN THE ATMOS CITIES STEERING COMMITTEE (“ACSC”) AND ATMOS ENERGY CORP., MID-TEX DIVISION REGARDING THE COMPANY’S 2016 RATE REVIEW MECHANISM FILINGS; DECLARING EXISTING RATES TO BE UNREASONABLE; ADOPTING TARIFFS THAT REFLECT RATE ADJUSTMENTS CONSISTENT WITH THE NEGOTIATED SETTLEMENT; FINDING THE RATES TO BE SET BY THE SETTLEMENT TARIFFS TO BE JUST AND REASONABLE AND IN THE PUBLIC INTEREST; REQUIRING THE COMPANY TO REIMBURSE ACSC’S REASONABLE RATEMAKING EXPENSES; ; REQUIRING DELIVERY OF THIS ORDINANCE TO THE COMPANY AND THE ACSC’S LEGAL COUNSEL; PROVIDING A REPEALING CLAUSE; PROVIDING A SAVINGS CLAUSE; AND PROVIDING AN EFFECTIVE DATE.**

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

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

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

**WHEREAS**, on March 1, 2016, Atmos Mid-Tex filed its 2016 RRM rate request with ACSC Cities; and

**WHEREAS**, ACSC coordinated its review of the Atmos Mid-Tex 2016 RRM filing through its Executive Committee, assisted by ACSC’s attorneys and consultants, to resolve issues identified in the Company’s RRM filing; and

**WHEREAS**, the Executive Committee, as well as ACSC’s counsel and consultants, recommend that ACSC Cities approve an increase in base rates for Atmos Mid-Tex of \$29.9 million on a system-wide basis; and

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

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

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

**SECTION 1.** That the findings set forth in this Ordinance are hereby in all things approved.

**SECTION 2.** That the City Council finds that the settled amount of an increase in revenues of \$29.9 million on a system-wide basis represents a comprehensive settlement of gas utility rate issues affecting the rates, operations, and services offered by Atmos Mid-Tex within the municipal limits arising from Atmos Mid-Tex's 2016 RRM filing is in the public interest, and is consistent with the City's authority under Section 103.001 of the Texas Utilities Code.

**SECTION 3.** That the existing rates for natural gas service provided by Atmos Mid-Tex are unreasonable. The new tariffs attached hereto and incorporated herein as Attachment A, are just and reasonable, and are designed to allow Atmos Mid-Tex to recover annually an additional \$29.9 million in revenue over the amount allowed under currently approved rates, as shown in the Proof of Revenues attached hereto and incorporated herein as Attachment B; such tariffs are hereby adopted.

**SECTION 4.** That the ratemaking treatment for pensions and other post-employment benefits in Atmos Mid-Tex's next RRM filing shall be as set forth on Attachment C, attached hereto and incorporated herein.

**SECTION 5.** That Atmos Mid-Tex shall reimburse the reasonable ratemaking expenses of the ACSC in processing the Company's 2016 RRM filing.

**SECTION 6.** That a copy of this Ordinance shall be sent to Atmos Mid-Tex, care of Chris Felan, Vice President of Rates and Regulatory Affairs Mid-Tex Division, Atmos Energy

Corporation, 5420 LJB Freeway, Suite 1862, Dallas, Texas 75240, and to Geoffrey Gay, General Counsel to ACSC, at Lloyd Gosselink Rochelle & Townsend, P.C., 816 Congress Avenue, Suite 1900, Austin, Texas 78701.

**SECTION 7.** That all provisions of the ordinances of the City of Richardson in conflict with the provisions of this Ordinance be, and the same are hereby, repealed, and all other provisions of the ordinances of the City of Richardson not in conflict with the provisions of this Ordinance shall remain in full force and effect.

**SECTION 8.** That should any sentence, paragraph, subdivision, clause, phrase or section of this Ordinance be adjudged or held to be unconstitutional, illegal or invalid, the same shall not affect the validity of this Ordinance as a whole, or any part or provision thereof other than the part so decided to be invalid, illegal or unconstitutional, and shall not affect the validity of the Code of Ordinances as a whole.

**SECTION 9.** That this Ordinance shall become effective from and after its passage with rates authorized by attached tariffs to be effective for bills rendered on or after June 1, 2016.

**DULY PASSED** by the City Council of the City of Richardson, Texas, on this the 16th day of May, 2016.

APPROVED:

\_\_\_\_\_  
MAYOR

CORRECTLY ENROLLED:

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

APPROVED AS TO FORM:

\_\_\_\_\_  
CITY ATTORNEY

(PGS:5-5-16:TM 76796)

**MID-TEX DIVISION  
ATMOS ENERGY CORPORATION**

Attachment A  
RRC Tariff No:

<b>RATE SCHEDULE:</b>	<b>R – RESIDENTIAL SALES</b>	
<b>APPLICABLE TO:</b>	<b>ALL CUSTOMERS IN THE MID-TEX DIVISION EXCEPT THE CITY OF DALLAS AND UNINCORPORATED AREAS</b>	
<b>EFFECTIVE DATE:</b>	<b>Bills Rendered on or after 06/01/2016</b>	<b>PAGE: 12</b>

**Application**

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

**Type of Service**

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

**Monthly Rate**

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

<b>Charge</b>	<b>Amount</b>
Customer Charge per Bill	\$ 19.10 per month
Rider CEE Surcharge	\$ 0.02 per month <sup>1</sup>
<b>Total Customer Charge</b>	<b>\$ 19.12 per month</b>
Commodity Charge – All <u>Ccf</u>	\$0.11378 per Ccf

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

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

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

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

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

**Agreement**

An Agreement for Gas Service may be required.

**Notice**

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

<sup>1</sup>Reference Rider CEE - Conservation and Energy Efficiency as approved in GUD 10170. Surcharge billing effective July 1, 2015.

**MID-TEX DIVISION  
ATMOS ENERGY CORPORATION**

Attachment A  
RRC Tariff No:

<b>RATE SCHEDULE:</b>	<b>C – COMMERCIAL SALES</b>	
<b>APPLICABLE TO:</b>	<b>ALL CUSTOMERS IN THE MID-TEX DIVISION EXCEPT THE CITY OF DALLAS AND UNINCORPORATED AREAS</b>	
<b>EFFECTIVE DATE:</b>	<b>Bills Rendered on or after 06/01/2016</b>	<b>PAGE: 13</b>

**Application**

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

**Type of Service**

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

**Monthly Rate**

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

<b>Charge</b>	<b>Amount</b>
Customer Charge per Bill	\$ 41.75 per month
Rider CEE Surcharge	\$ 0.02 per month <sup>1</sup>
<b>Total Customer Charge</b>	<b>\$ 41.77 per month</b>
Commodity Charge – All Ccf	\$ 0.08494 per Ccf

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

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

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

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

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

**Agreement**

An Agreement for Gas Service may be required.

**Notice**

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

<sup>1</sup> Reference Rider CEE - Conservation and Energy Efficiency as approved in GUD 10170. Surcharge billing effective July 1, 2015.

**MID-TEX DIVISION  
ATMOS ENERGY CORPORATION**

Attachment A  
RRC Tariff No:

<b>RATE SCHEDULE:</b>	<b>I – INDUSTRIAL SALES</b>	
<b>APPLICABLE TO:</b>	<b>ALL CUSTOMERS IN THE MID-TEX DIVISION EXCEPT THE CITY OF DALLAS AND UNINCORPORATED AREAS</b>	
<b>EFFECTIVE DATE:</b>	<b>Bills Rendered on or after 06/01/2016</b>	<b>PAGE: 14</b>

**Application**

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

**Type of Service**

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

**Monthly Rate**

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

<b>Charge</b>	<b>Amount</b>
Customer Charge per Meter	\$ 738.00 per month
First 0 MMBtu to 1,500 MMBtu	\$ 0.3096 per MMBtu
Next 3,500 MMBtu	\$ 0.2267 per MMBtu
All MMBtu over 5,000 MMBtu	\$ 0.0486 per MMBtu

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

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

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

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

**Curtailement Overpull Fee**

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

**Replacement Index**

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

MID-TEX DIVISION  
ATMOS ENERGY CORPORATION

Attachment A  
RRC Tariff No:

<b>RATE SCHEDULE:</b>	<b>I – INDUSTRIAL SALES</b>	
<b>APPLICABLE TO:</b>	<b>ALL CUSTOMERS IN THE MID-TEX DIVISION EXCEPT THE CITY OF DALLAS AND UNINCORPORATED AREAS</b>	
<b>EFFECTIVE DATE:</b>	<b>Bills Rendered on or after 06/01/2016</b>	<b>PAGE: 15</b>

**Agreement**

An Agreement for Gas Service may be required.

**Notice**

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

**Special Conditions**

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

<b>RATE SCHEDULE:</b>	<b>T – TRANSPORTATION</b>	
<b>APPLICABLE TO:</b>	<b>ALL CUSTOMERS IN THE MID-TEX DIVISION EXCEPT THE CITY OF DALLAS AND UNINCORPORATED AREAS</b>	
<b>EFFECTIVE DATE:</b>	<b>Bills Rendered on or after 06/01/2016</b>	<b>PAGE: 16</b>

**Application**

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

**Type of Service**

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

**Monthly Rate**

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

<b>Charge</b>	<b>Amount</b>
Customer Charge per Meter	\$ 738.00 per month
First 0 MMBtu to 1,500 MMBtu	\$ 0.3096 per MMBtu
Next 3,500 MMBtu	\$ 0.2267 per MMBtu
All MMBtu over 5,000 MMBtu	\$ 0.0486 per MMBtu

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

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

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

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

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

**Imbalance Fees**

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

**Monthly Imbalance Fees**

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

MID-TEX DIVISION  
ATMOS ENERGY CORPORATION

Attachment A  
RRC Tariff No:

<b>RATE SCHEDULE:</b>	<b>T – TRANSPORTATION</b>	
<b>APPLICABLE TO:</b>	<b>ALL CUSTOMERS IN THE MID-TEX DIVISION EXCEPT THE CITY OF DALLAS AND UNINCORPORATED AREAS</b>	
<b>EFFECTIVE DATE:</b>	<b>Bills Rendered on or after 06/01/2016</b>	<b>PAGE: 17</b>

**Curtailement Overpull Fee**

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

**Replacement Index**

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

**Agreement**

A transportation agreement is required.

**Notice**

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

**Special Conditions**

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

**MID-TEX DIVISION  
ATMOS ENERGY CORPORATION**

<b>RIDER:</b>	<b>WNA – WEATHER NORMALIZATION ADJUSTMENT</b>	
<b>APPLICABLE TO:</b>	<b>ALL CUSTOMERS IN THE MID-TEX DIVISION EXCEPT THE CITY OF DALLAS AND UNINCORPORATED AREAS</b>	
<b>EFFECTIVE DATE:</b>	<b>Bills Rendered on or after 11/01/2016</b>	<b>PAGE: 41</b>

Provisions for Adjustment

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

Computation of Weather Normalization Adjustment

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

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

Where

$i$  = any particular Rate Schedule or billing classification within any such particular Rate Schedule that contains more than one billing classification

$WNAF_i$  = Weather Normalization Adjustment Factor for the  $i^{th}$  rate schedule or classification expressed in cents per Ccf

$R_i$  = Commodity Charge rate of temperature sensitive sales for the  $i^{th}$  schedule or classification.

$HSF_i$  = heat sensitive factor for the  $i^{th}$  schedule or classification divided by the average bill count in that class

$NDD$  = billing cycle normal heating degree days calculated as the simple ten-year average of actual heating degree days.

$ADD$  = billing cycle actual heating degree days.

$BL_i$  = base load sales for the  $i^{th}$  schedule or classification divided by the average bill count in that class

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

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

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

MID-TEX DIVISION  
ATMOS ENERGY CORPORATION

RIDER:	WNA – WEATHER NORMALIZATION ADJUSTMENT	
APPLICABLE TO:	ALL CUSTOMERS IN THE MID-TEX DIVISION EXCEPT THE CITY OF DALLAS AND UNINCORPORATED AREAS	
EFFECTIVE DATE:	Bills Rendered on or after 11/01/2016	PAGE: 42

Base Use/Heat Use Factors

Weather Station	<u>Residential</u>		<u>Commercial</u>	
	Base use <u>Ccf</u>	Heat use <u>Ccf/HDD</u>	Base use <u>Ccf</u>	Heat use <u>Ccf/HDD</u>
Abilene	10.09	0.1392	98.01	0.6440
Austin	11.21	0.1551	203.36	0.8564
Dallas	13.72	0.2048	189.83	0.9984
Waco	9.89	0.1411	129.75	0.6695
Wichita Falls	11.49	0.1506	122.35	0.5967

Weather Normalization Adjustment (WNA) Report

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

File Date: March 1, 2016

**ATMOS ENERGY CORP., MID-TEX DIVISION**  
**PROPOSED TARIFF STRUCTURE (BEFORE RATE CASE EXPENSE RECOVERY)**  
**TEST YEAR ENDING DECEMBER 31, 2015**

	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)
1 Proposed Change In Rates:			\$ 29,603,205		Schedule A						
2 Proposed Change In Rates without Revenue Related Taxes:			\$ 27,447,850		Ln 1 divided by factor on WP_F-5.1						
3											
4											
5											
6											
7 Residential		Revenue Requirements	Allocations								
8 Commercial		\$ 338,431,488	77.95%	Per GUD 10170 Final Order							
9 Industrial and Transportation		\$ 4,223,922	19.40%	Per GUD 10170 Final Order							
10 Net Revenue Requirements GUD No. 10170		\$ 11,490,316	2.85%	Per GUD 10170 Final Order							
		<u>\$ 434,145,424</u>									

16 With Proportional Increase all classes but Residential and a 40% residential base charge increase:

		Current	Prospective	Revenues
20 Residential Base Charge	\$	18.56	\$ 0.48	\$ 8,558,622
21 Residential Consumption Charge	\$	0.09931	\$ 0.01540	12,837,933
22 Commercial Base Charge	\$	39.87	\$ 1.81	2,862,423
23 Commercial Consumption Charge	\$	0.08020	\$ 0.00480	2,662,423
24 I&T Base Charge	\$	697.35	\$ 38.03	363,224
25 I&T Consumption Charge Tier 1 MMBTU	\$	0.2937	\$ 0.0166	172,167
26 I&T Consumption Charge Tier 2 MMBTU	\$	0.2151	\$ 0.0121	139,079
27 I&T Consumption Charge Tier 3 MMBTU	\$	0.0461	\$ 0.0026	51,988
				<u>\$ 27,447,850</u>

17 With Customer Charges Rounded Off and residential base charge increase for 2015 limited to \$0.50 per RRM tariff:

	Proposed Change	Proposed Change In Revenues	Proposed Rates	Proposed Revenues
Residential Base Charge	\$ 0.52	\$ 9,335,278	\$ 19.08	\$ 330,813,873
Residential Consumption Charge	\$ 0.01447	12,061,297	\$ 0.11378	94,839,970
Commercial Base Charge	\$ 1.83	2,697,162	\$ 41.70	61,390,268
Commercial Consumption Charge	\$ 0.00474	2,626,475	\$ 0.08464	47,065,984
I&T Base Charge	\$ 39.65	378,728	\$ 737.00	7,039,815
I&T Consumption Charge Tier 1 MMBTU	\$ 0.0159	165,150	\$ 0.3096	3,215,747
I&T Consumption Charge Tier 2 MMBTU	\$ 0.0118	132,888	\$ 0.2267	2,597,042
I&T Consumption Charge Tier 3 MMBTU	\$ 0.0025	48,955	\$ 0.0486	971,117
		<u>\$ 27,446,933</u>		<u>\$ 556,933,618</u>

File Date: March 1, 2016

ATMOS ENERGY CORP., MID-TEX DIVISION  
PENSIONS AND RETIREE MEDICAL BENEFITS ADJUSTMENT  
TEST YEAR ENDING DECEMBER 31, 2015

Line No.	Description	Shared Services		Mid-Tex Direct			Adjustment Total
		Pension Account Plan ("PAP")	Post-Retirement Medical Plan ("FAS 106")	Pension Account Plan ("PAP")	Supplemental Executive Benefit Plan ("SERP")	Post-Retirement Medical Plan ("FAS 106")	
	(a)	(b)	(c)	(d)	(e)	(f)	(g)
1	Fiscal Year 2016 Towers Watson Report as adjusted (1), (3)	\$ 5,101,680	\$ 2,896,450	\$ 7,840,683	\$ 150,433	\$ 4,466,430	
2	O&M Expense Factor (2)	96.41%	96.41%	37.42%	20.77%	37.42%	
3	Fiscal Year 2016 Actuarially Determined O&M Benefits (Ln 1 x Ln 2)	\$ 4,918,540	\$ 2,792,473	\$ 2,933,599	\$ 31,249	\$ 1,671,119	
4	Allocation to Mid-Tex (2)	40.56%	40.56%	71.52%	100.00%	71.52%	
5	Mid-Tex Benefits Expense Included in Rates - Proposed (Ln 3 x Ln 4)	\$ 1,995,016	\$ 1,132,659	\$ 2,098,222	\$ 31,249	\$ 1,195,248	\$ 6,452,393
6							
7	Mid-Tex Benefits Expense per GUD 10359 and RRM Test Year Ending December 31, 2014 Benchmark (4)	\$ 2,831,859	\$ 2,013,260	\$ 2,925,600	\$ 34,809	\$ 2,695,721	\$ 10,501,250
8							
9	Test Year Adjustment (Line 5 minus Line 7)	\$ (836,844)	\$ (880,601)	\$ (827,379)	\$ (3,561)	\$ (1,500,472)	\$ (4,048,856)
10							
11	Adjustment Summary:						
12	Account 922	\$ (836,844)	\$ (880,601)	\$ -	\$ -	\$ -	\$ (1,717,445)
13	Account 926	-	-	(827,379)	(3,561)	(1,500,472)	(2,331,412)
14	Total (Ln 12 plus Ln 13)	\$ (836,844)	\$ (880,601)	\$ (827,379)	\$ (3,561)	\$ (1,500,472)	\$ (4,048,856)
15							
16							
17	Notes:						
18	1. Studies not applicable to Mid-Tex or Shared Services are omitted.						
19	2. The factors on Lines 2 and 4 are based on the factors in 2016 RRM (Test Year Ending December 31,2015).						
20	3. SSU amounts exclude cost centers which do not allocate to Mid-Tex for rate making purposes.						
21	4. GUD No. 10359 is the benchmark for January-May which is the same benchmark as used in the RRM TYE December 31, 2014 for June-December.						

ATMOS ENERGY CORP., MID-TEX DIVISION  
PENSIONS AND RETIREE MEDICAL BENEFITS FOR CITIES APPROVAL  
TEST YEAR ENDING DECEMBER 31, 2015

Line No.	Description	Shared Services		Mid-Tex Direct			Adjustment Total
		Pension Account Plan ("PAP")	Post-Retirement Medical Plan ("FAS 106")	Pension Account Plan ("PAP")	Supplemental Executive Benefit Plan ("SERP")	Post-Retirement Medical Plan ("FAS 106")	
	(a)	(b)	(c)	(d)	(e)	(f)	(g)
1	Fiscal Year 2016 Towers Watson Report (excluding Removed Cost Centers)	\$ 5,101,680	\$ 2,896,450	\$ 7,840,683	\$ 150,433	\$ 4,466,430	
2	Allocation to Mid-Tex	40.56%	40.56%	71.52%	100.00%	71.52%	
3	FY16 Towers Watson Benefit Costs (excluding Removed Cost Centers) Allocated to MTX (Ln 1 x Ln 2)	\$ 2,069,299	\$ 1,174,833	\$ 5,607,955	\$ 150,433	\$ 3,194,561	
4	O&M and Capital Allocation Factor	100.00%	100.00%	100.00%	100.00%	100.00%	
5	FY16 Towers Watson Benefit Costs To Approve (excluding Removed Cost Centers) (Ln 3 x Ln 4)	\$ 2,069,299	\$ 1,174,833	\$ 5,607,955	\$ 150,433	\$ 3,194,561	\$ 12,197,081
6							
7							
8	<b>Summary of Costs to Approve:</b>						
9							
10	Total Pension Account Plan ("PAP")	\$ 2,069,299		\$ 5,607,955			\$ 7,677,254
11	Total Post-Retirement Medical Plan ("FAS 106")		\$ 1,174,833			\$ 3,194,561	4,369,394
12	Total Supplemental Executive Retirement Plan ("SERP")				\$ 150,433		150,433
13	Total (Ln 10 + Ln 11 + Ln 12)	\$ 2,069,299	\$ 1,174,833	\$ 5,607,955	\$ 150,433	\$ 3,194,561	\$ 12,197,081
14							
15							
16	O&M Expense Factor	96.41%	96.41%	37.42%	20.77%	37.42%	
17							
18	Expense Portion (Ln 13 x Ln 16)	\$ 1,995,016	\$ 1,132,659	\$ 2,098,222	\$ 31,249	\$ 1,195,248	\$ 6,452,393
19							
20	Capital Factor	3.59%	3.59%	62.58%	79.23%	62.58%	
21							
22	Capital Portion (Ln 13 x Ln 20)	\$ 74,283	\$ 42,174	\$ 3,509,733	\$ 119,184	\$ 1,999,313	\$ 5,744,687
23							
24	Total (Ln 18 + Ln 22)	\$ 2,069,299	\$ 1,174,833	\$ 5,607,955	\$ 150,433	\$ 3,194,561	\$ 12,197,081



# Richardson's Bicycle Program

## 2016 Status Update

City of Richardson  
Traffic & Transportation



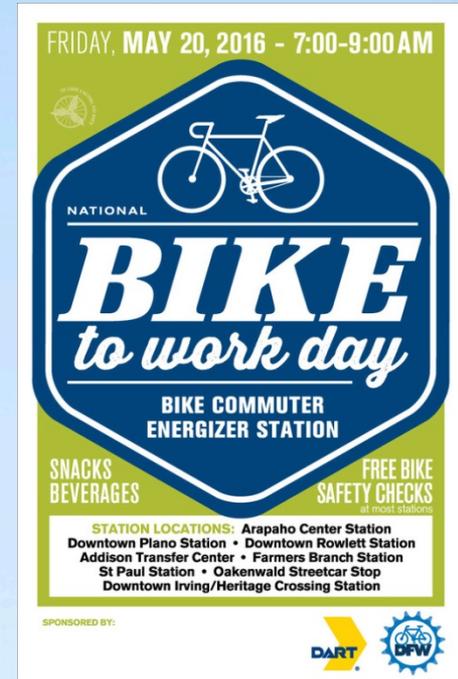
# Presentation Outline

- National Bike Month Activities
- Summary of Program Updates
- City Council Strategy and Tactics
- Next Steps



# National Bike Month

- DART is hosting Bike Commuter Energizer Stations at nine locations including Arapaho Center Station on May 20<sup>th</sup> 7:00 to 9:00 AM
- 5<sup>th</sup> year in a row that Bike DFW and Bike Friendly Richardson members will be staffing this encouragement and educational event



# Summary of Program Updates

- Established a Bicycle Advisory Committee in Fall 2015
  - Subcommittee to Parks & Recreation Commission
- Updated Bike Plan adding several new Routes and future Bike Lanes
- Traffic Skills 101 Classes held at both Rec Centers
- Coordinated with NCTCOG on Regional Veloweb and Bike Plan updates for Mobility 2040
- Coordinated with Garland, Plano and Dallas on Bike Plan connections
- Bike Friendly Community Award - Bronze



# Bicycle Friendly Community

- Bronze Award - League of American Bicyclists
- 1<sup>st</sup> in North Texas and now 1 of only 7 in Texas
- The Bicycle Advisory Committee and staff are working together to achieve enhancements to our Bike Friendly Community Initiatives.
- Program Elements include the 5Es
  - Evaluation, Engineering, Education, Encouragement, and Enforcement



# Council Strategy and Tactics

City Council Goals and Strategies include  
“Improving Access to the City”

Make Enhancements to “Bike Friendly Community Initiative”

- Evaluate Bicycle Parking Ordinance
- Evaluate Safe Passing Ordinance



# Bicycle Parking Considerations

- Growing interest in accommodating bicycle parking has been addressed on a case by case basis in conjunction with new PD zoning and Special Permit applications
- Richardson currently has no universal requirement to accommodate bicycles with new development, re-development or expansion of existing development
- Staff will be meeting with the Chamber of Commerce and a group of commercial and retail real estate stakeholders for input on potential approaches to bicycle parking



# Safe Passing Considerations

- To establish a safe passing distance between motor vehicles and “vulnerable road users”
- At least 23 Texas Cities and 25 other States have enacted Safe Passing Laws
- Draft provisions have been reviewed through the City’s Bicycle Advisory Committee and the Richardson Police Department



# Next Steps

- Further evaluate each Tactic
- Gain input from community stakeholders
- Address comments and feedback received
- Return to brief Council more in-depth on each Tactic for final consideration





# Eastside Phase Two Public Art Artist Recommendation

City Council Briefing  
May 16, 2016



# Eastside Phase Two Opportunity

- Eastside Phase Two is a 13-acre mixed use development near Central Expressway and Campbell Road. This project will be built in phases.
- Plans for the site include an office building, multi-family residential buildings, parking garage and mixed-use retail/office.
- The southern end is triangular in shape. The developer would like this area to be a focal point and is supportive of the City's efforts in regard to public art. This area is planned to be an open greenspace with a large-scale public art installation.
- The developer expressed interest in working with the City on the commissioning of a public art piece at Eastside Phase Two.





# Eastside Phase Two

- The site is visible by:
  - Vehicular traffic along Greenville, Alma and North Central Expressway. Vehicular traffic along Central Expressway is estimated to be 250,000 cars daily
  - DART passengers
  - Users of the Central Trail
  - Visitors to Eastside



# Eastside Phase Two Opportunity

- The developer's offer:
  - Deed a portion of the land to the City to allow access to the public art.
  - Contribute \$200,000 for a public art piece.
  - Participate in the public selection process for the art piece.
  - City would own and maintain the public art piece and maintain the area immediately surrounding the art piece.



# Unique Public Art Opportunity

- **An Example of a Private Developer Investing in the Community**
  - Encourages private entities to consider adding public art
- **Highly Visible Location**
  - Center of the community
  - Important business district
  - Visible to motorists on Central Expressway
- **Proximity to Central Trail**
  - Synergy of trails and public art
- **Furtheres the Public Art Master Plan and the Cultural Arts Master Plan**
  - Public Art Master Plan – iconic artwork, trails and public art
  - Cultural Arts Master Plan – public art as an identifier of a cultural cluster



# Goals for Public Art at Eastside Phase Two

- Contribute to the **overall look, feel and image of Richardson** as perceived by residents and visitors.
- Serve as a **gateway to the Telecom Corridor** and the Eastside development.
- Reflect the forward-thinking, **high-tech nature** of the Telecom Corridor.
- Be a **visible icon**, both day and night.
- Be **visible by motorists, DART passengers, cyclists and pedestrians**.
- Create a **focal point** for the public green space.



# Estimated Project Budget

Sources	Cost
Developer Contribution*	\$200,000
Hotel/Motel Fund Contribution* **	\$250,000
TIF#1 Contribution***	\$200,000
TOTAL	\$650,000

## Sources

\* This includes all costs of creating the artwork, including but not limited to artist fees, travel, insurance, design, fabrication, site-work, shipping, installation costs and contingency.

\*\* FY14-15 Budget: \$50,000 and FY15-16 Budget: \$200,000

\*\*\* Available to help with site improvements, if needed



# Public Art Commissioning Process as defined in the Public Art Master Plan

1. Define the art opportunity
2. Select the artist
  - City issues a Request for Qualifications to artists – 22 artists respond
  - Art Selection Committee identifies three finalists
  - Finalists develop a site specific concept proposal
  - ***Art Selection Committee interviews/reviews and makes recommendation to the City Council for approval***
3. Execution of artist agreement
4. Monitor final design and fabrication
5. Oversee installation
6. Oversee maintenance and conservation of the piece



# Artist Selection Committee

## Voting Members:

- A representative from Fobare Properties – Terence Johnson
- A representative from the Cultural Arts Commission – Betty Peck
- A representative from the Parks and Recreation Commission – Kevin Williams
- A representative from the TIF Board – Hank Mulvihill
- A member of the local arts community – UTD Arts and Humanities professor Dr. Andrew Scott

## Support:

- Meridith McKinley, Public Art Consultant
- Shanna Sims-Bradish, Assistant City Manager
- Lori Smeby, Director of Parks and Recreation
- Michael Spicer, Director of Development Services



# Artist Overview – Ed Carpenter

- Artist specializing in large scale public art installations for 40 years
- Based in Portland, Oregon – works in the U.S. and internationally
- Has worked on interior and exterior sculptures, bridges, towers and gateways
- Personally oversees each step of the commission and installs art pieces himself
- Texas projects include: Dallas Convention Center light sculpture (2003), Houston Bush International Airport sculpture (2001), University Hospital in San Antonio lobby sculpture and terrazzo flooring (2014)



# Proposed Concept

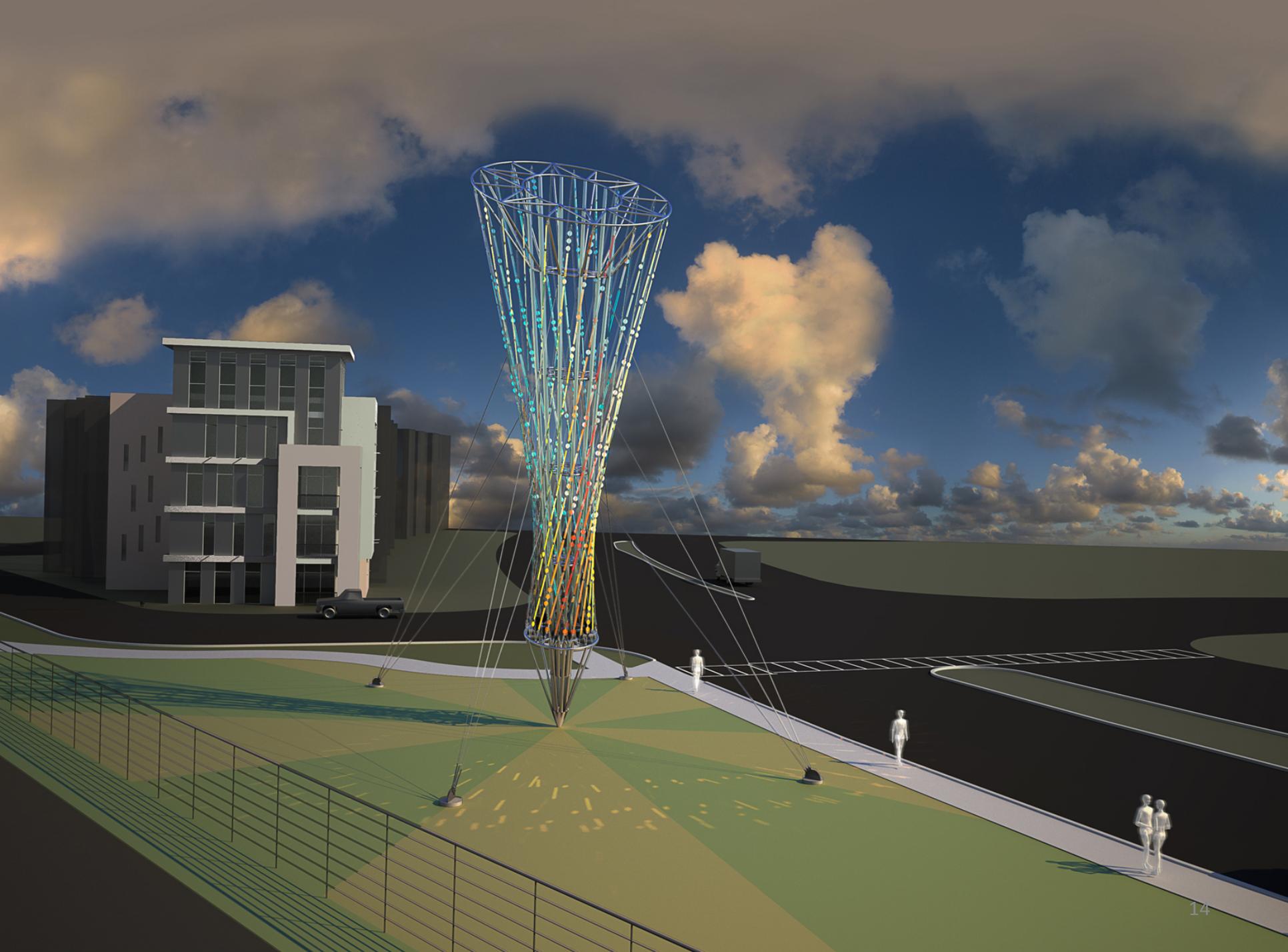
- “This proposal suggests a torch or lantern. Its upward, reaching gesture is optimistic and expansive, its materials are refined and contemporary.”
- “The glass elements suggest abstract ones and zeros, the basic building blocks of all things digital, and fitting for a city with such a distinctly high-tech identity.”



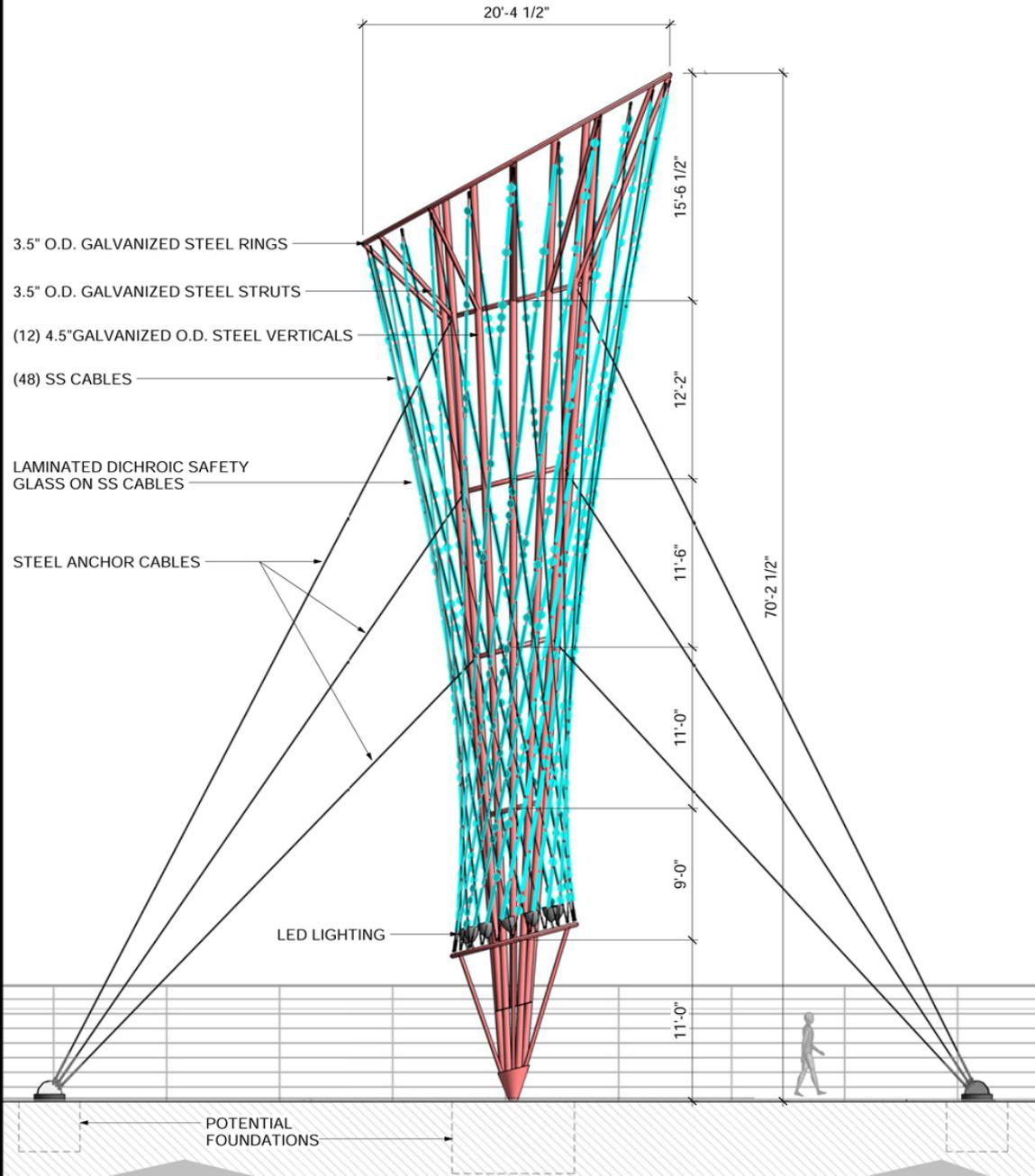
# Materials

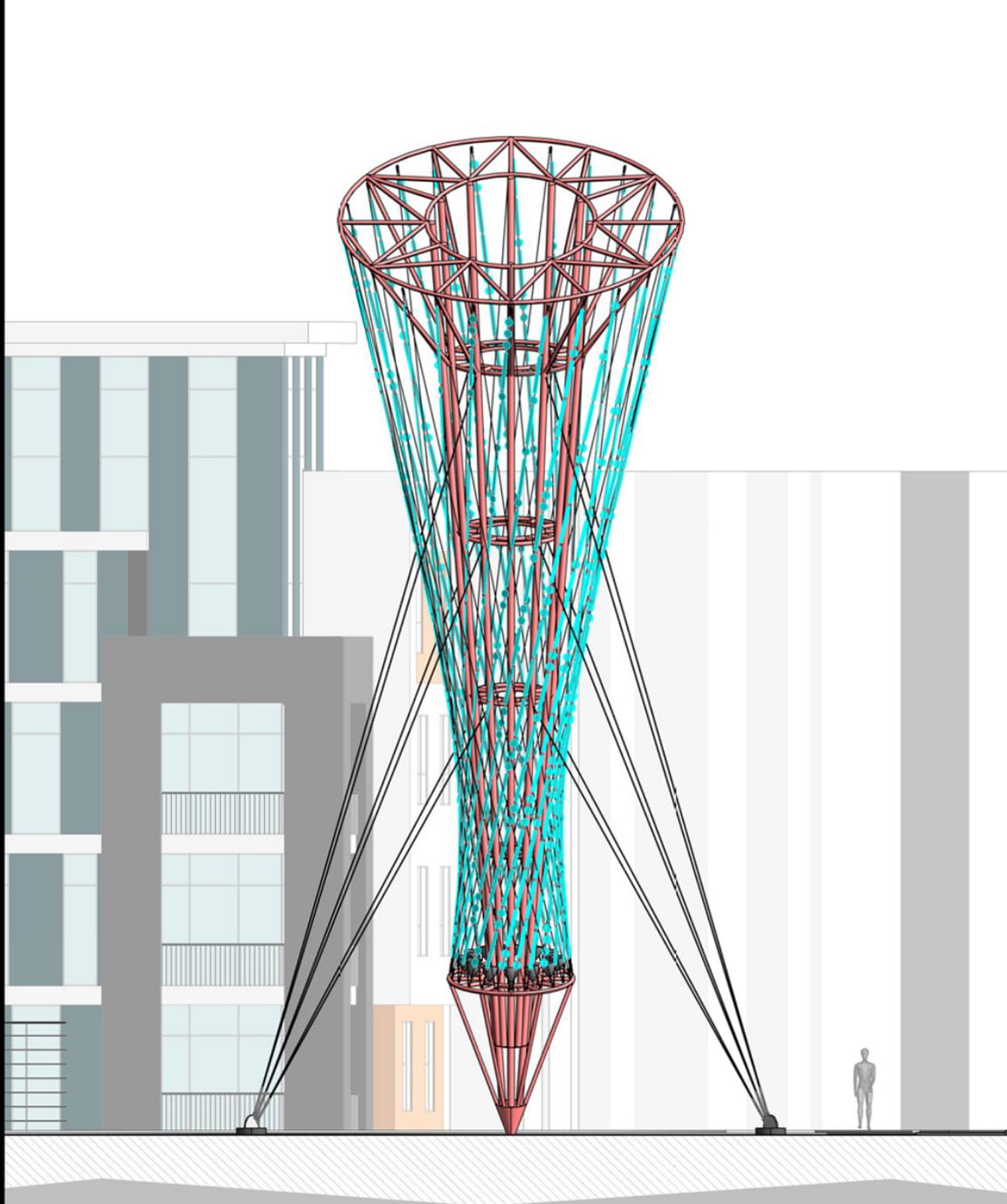
- A 70 foot sculpture with an outer lattice of crossing diagonal stainless steel cables on a galvanized carbon steel main structure
- This network supports myriad laminated dichroic glass elements that form light-interactive surfaces. The dichroic glass responds to slight changes of light or angle of viewing
- The piece is supported by galvanized steel structural cables and anchors
- There is proposed to be 12 LED clear up-lights at the 10' level

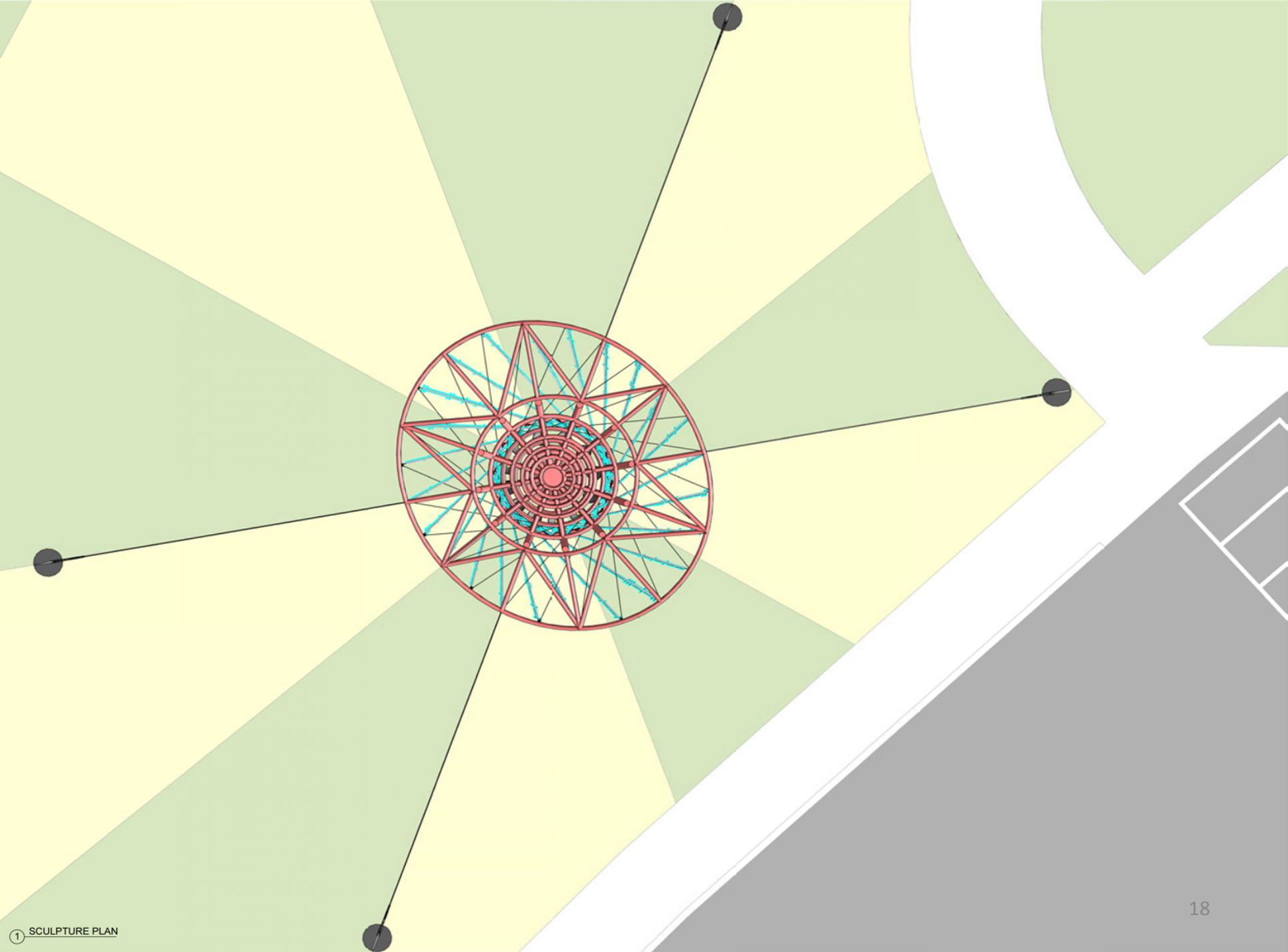


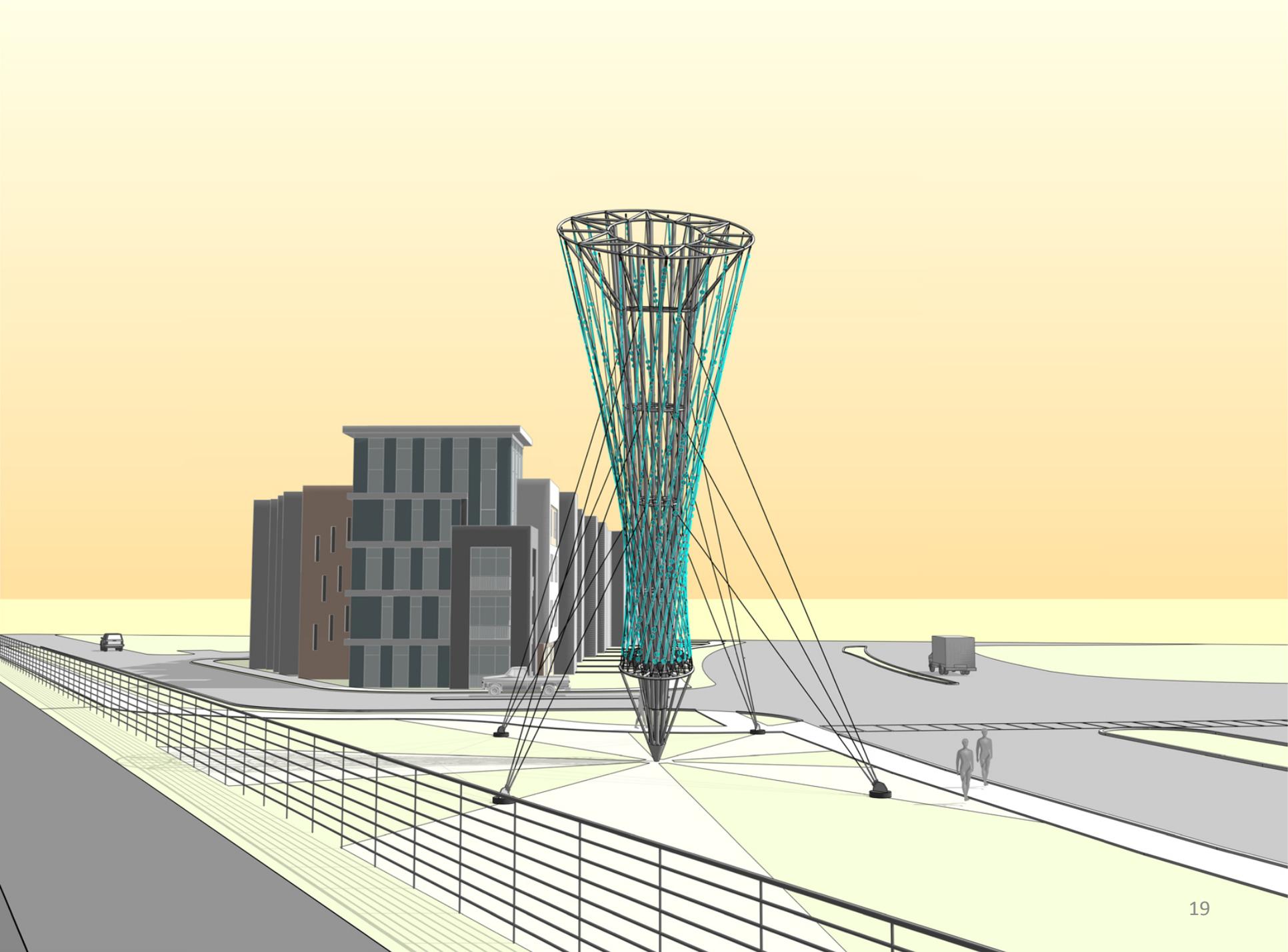


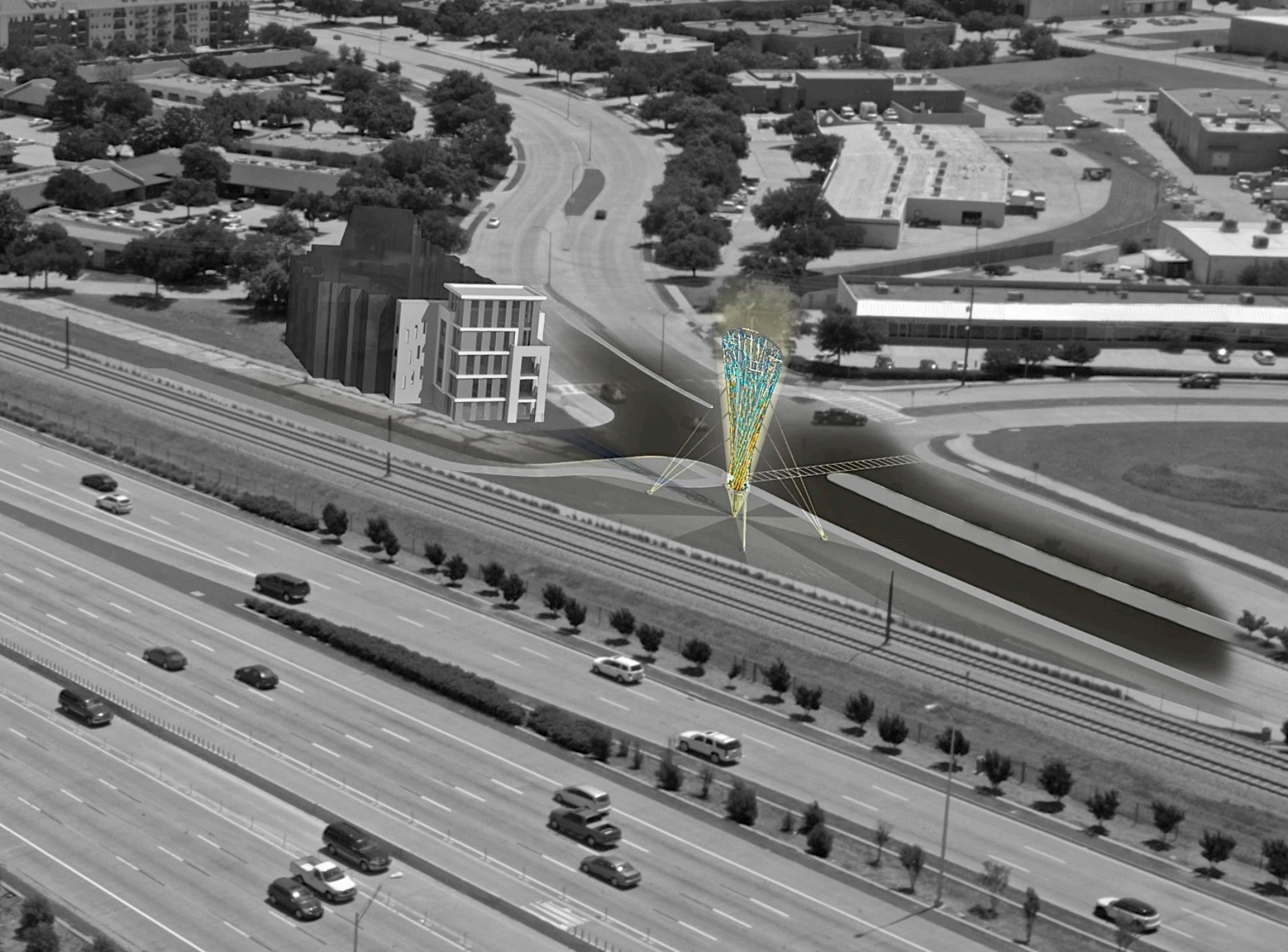
















# Feedback from Artist Selection Committee

- “An iconic piece that can be seen from all perspectives.”
- “A dynamic design that works for both day and night.”
- “An ever changing artwork similar to our ever changing community.”
- “A piece reflective of Richardson’s engineering background and technology focus.”



# Project Budget

## Sources:

- Developer Contribution: \$200,000
- Hotel/Motel Contribution: \$250,000
- TIF Fund: \$100,000
- **TOTAL:** **\$550,000**

## Uses:

- Art Piece: \$450,000
- Site Work (estimate) \$100,000
- **TOTAL** **\$550,000**



# Cultural Arts Commission Review

- The Public Art Master Plan recommends that the Cultural Arts Commission reviews and recommends Concept Proposals recommended by the artist selection committee.
- The Cultural Arts Commission met on Wednesday, May 11<sup>th</sup> and unanimously recommended to the City Council the proposed concept.
- The City Council has final approval of all Concept Proposals.



# Next Steps and Timeline

- Receive feedback from the City Council on the proposed concept - Tonight
- If approved, finalize timeline and agreement with the developer – May/June
- Negotiate and execute an artist agreement – May/June
- Finalize site work details with the developer and artist – June
- City will review and approve final design and engineering plans - July
- Fabricate and install the art piece – June 2016 – May 2017

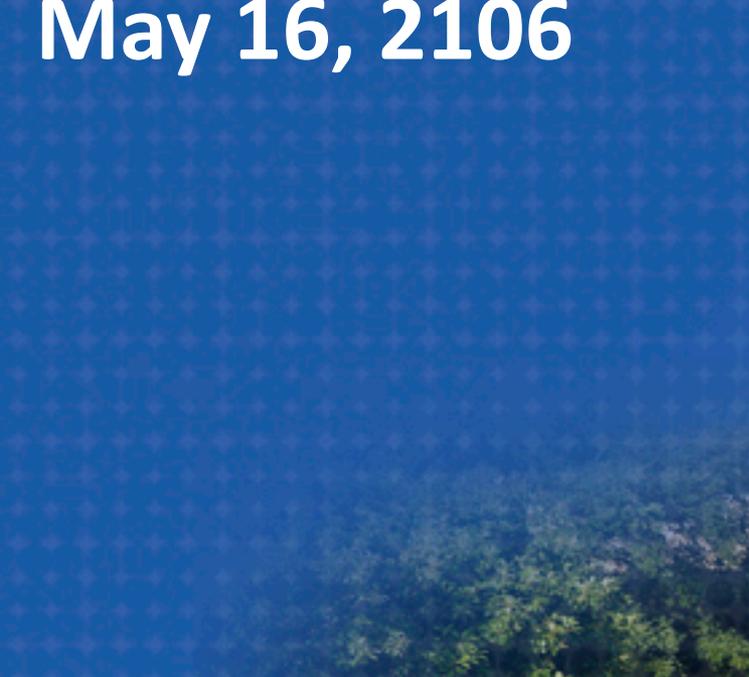


# Questions, Comments or Suggestions?



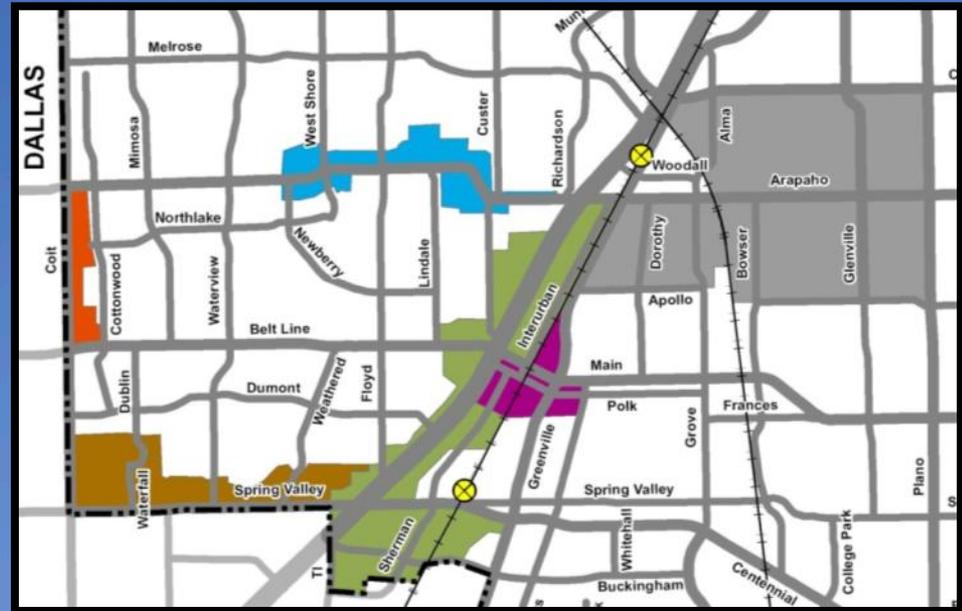


# W. Spring Valley Road Rehab Project Status Report May 16, 2106



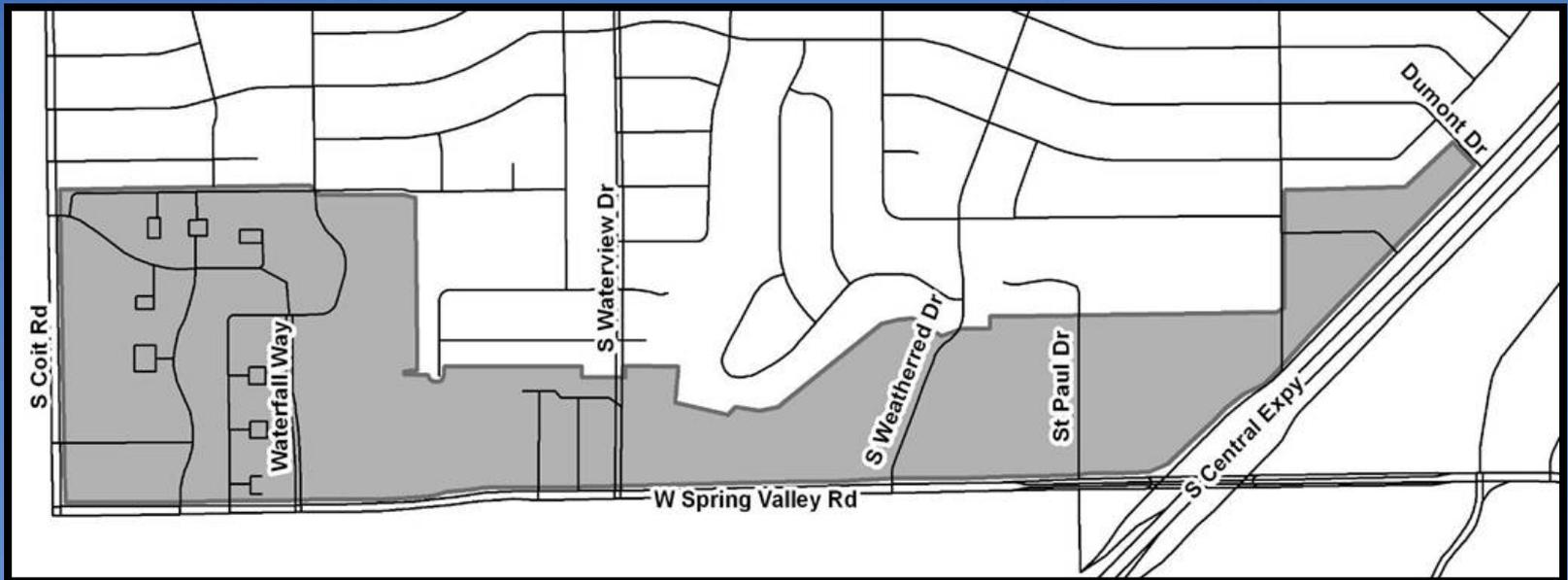
# Introduction

- In January 2009, the Richardson City Council adopted a new Comprehensive Plan.
- The updated plan included six enhancement areas in which further study would be necessary to understand the full potential for redevelopment.



# Introduction

- Given the history of concerns shared by the entire community over conditions in the W. Spring Valley Corridor, it was chosen as the first area for analysis.



# Introduction

- For more than a year, the City and key stakeholders worked to develop a comprehensive strategy through a process which involved:
  - educating stakeholders,
  - soliciting their input,
  - identifying barriers, and
  - designing a program of actions to move the Corridor towards revitalization.
- In November 2010, City Council adopted the Reinvestment Strategy – the vision, concept and plan for the future use and redevelopment of the Corridor.

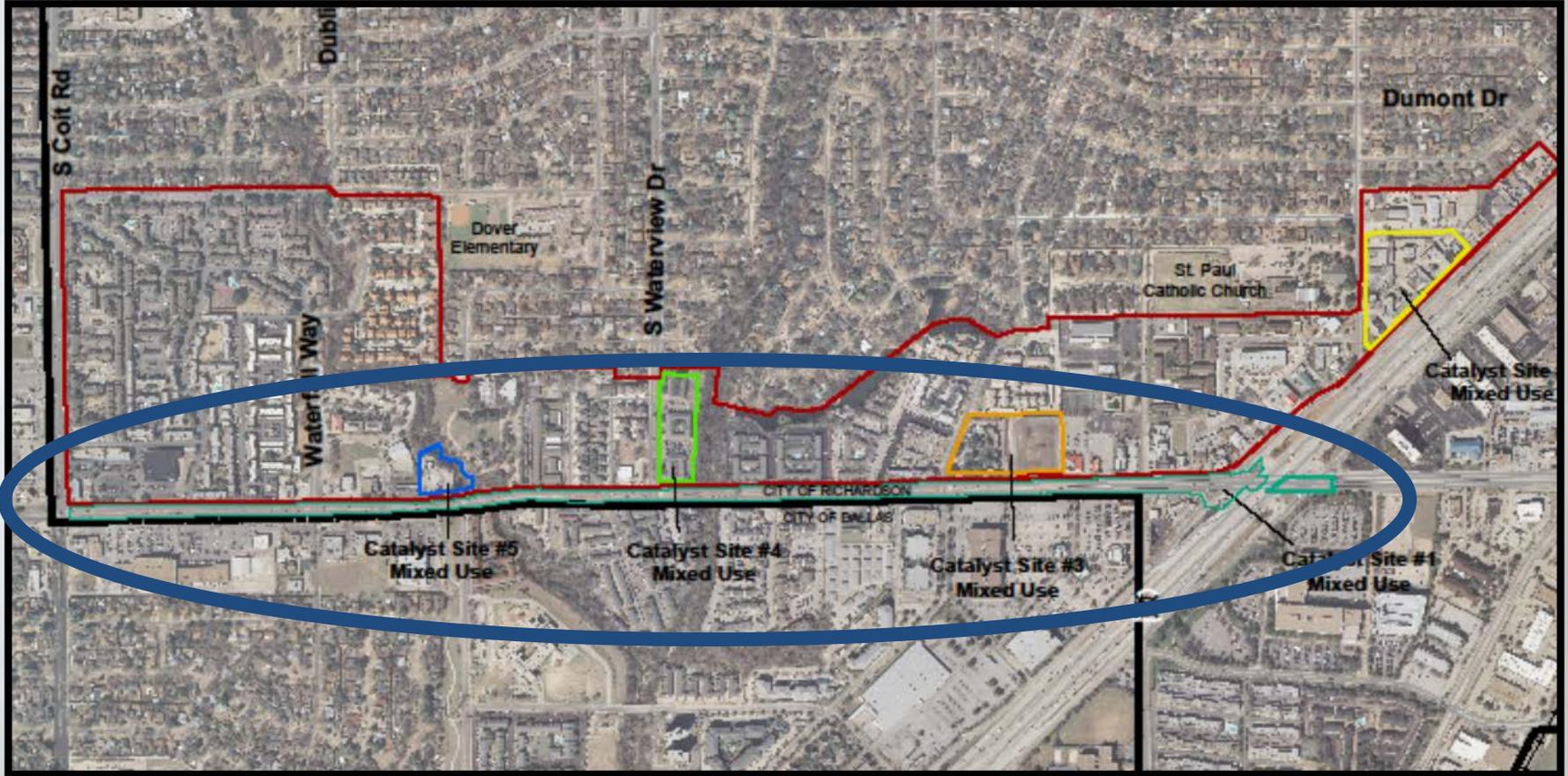


# Catalyst Projects

- Encouraging strategic investment on key properties was identified as the central approach for the renewal of the W. Spring Valley Corridor.
- The premise behind the selection of catalyst investment concepts assumes that concentrating resources in select areas will have a positive economic ripple effect throughout the Corridor and in surrounding neighborhoods.
- In this way, the City and its partners can effectively leverage investment efforts to overcome barriers and achieve desired outcomes.



# Catalyst Projects



# W. Spring Valley Corridor Reinvestment Strategy

- **Catalyst Project 1: West Spring Valley Road Improvements**
  - **Make enhancements to public realm that will increase surrounding property values by changing the overall perception of the Corridor.**
    - **Transportation & Pedestrian Improvements**
    - **Median Improvements**
    - **Crosswalk Improvements**



# Rehab Project Background

- **W. Spring Valley Rehabilitation Project**
  - Dallas County, Cities of Richardson & Dallas (Dallas Water Utilities), North Central Texas Council of Governments project
  - Dallas County lead agency for design and construction
  - Design for project is 100% complete
  - Coit Rd. to just east of Weathered Rd.
  - Dallas County funded in 2005 Major Capital Improvement Program
  - COR funded in 2006 & 2010 Bond Program

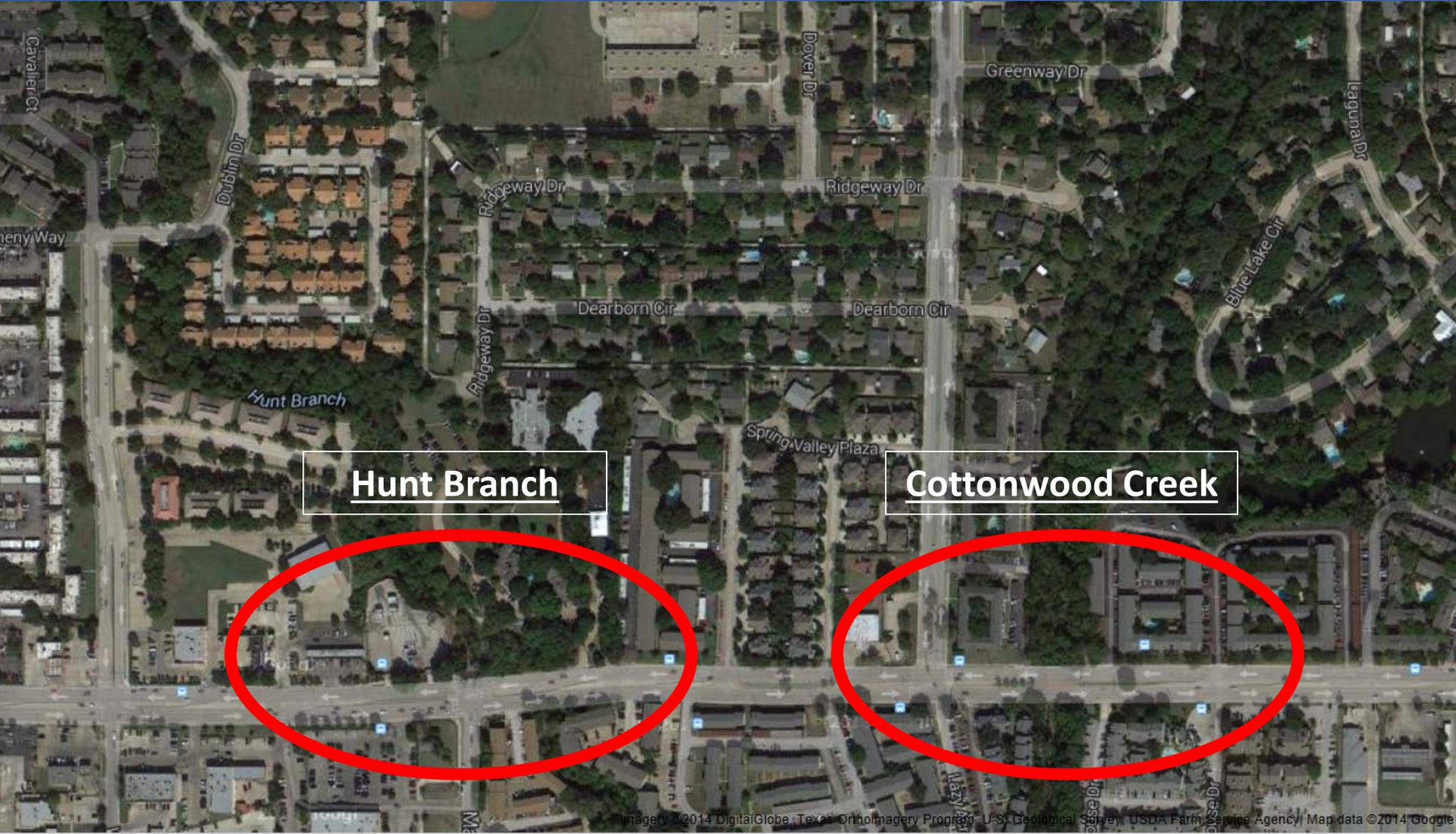


# Project Scope

- **Pavement Repair: Street, Curbs, Approaches, Sidewalks**
- **Cottonwood Creek & Hunt Branch Culvert Design and Construction**
- **Z pedestrian crossings (5)**
- **Median closures (3)**
- **Street Light Upgrade (44)**
- **Weathered Intersection Improvements**
  - **Signal Upgrade & Left and Right Turn Lanes**
- **Traffic Signal Improvements (3) at Waterfall Way, Maham, Waterview Drive**
- **Asphalt Overlay, Pavement Markings, Buttons, Select Signage**



# Bridge Enhancement Projects



Hunt Branch

Cottonwood Creek

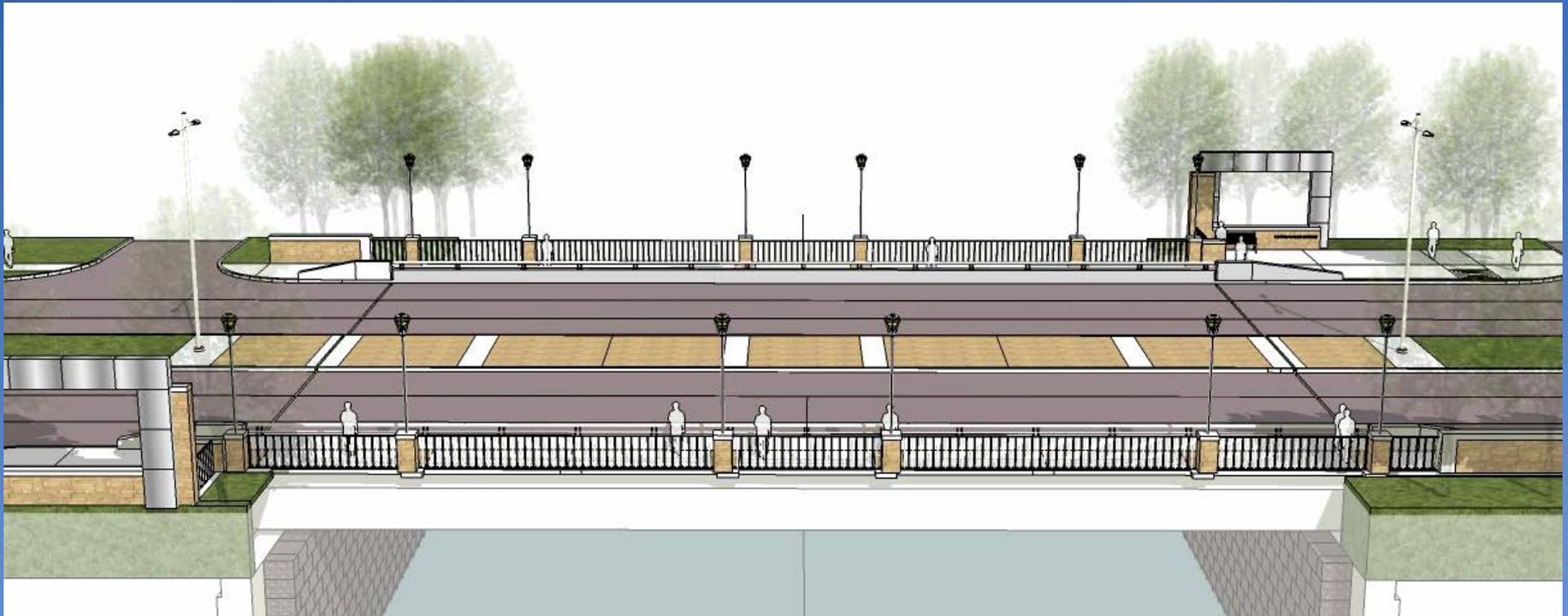
# Existing Hunt Branch Bridge



# Existing Cottonwood Creek Bridge



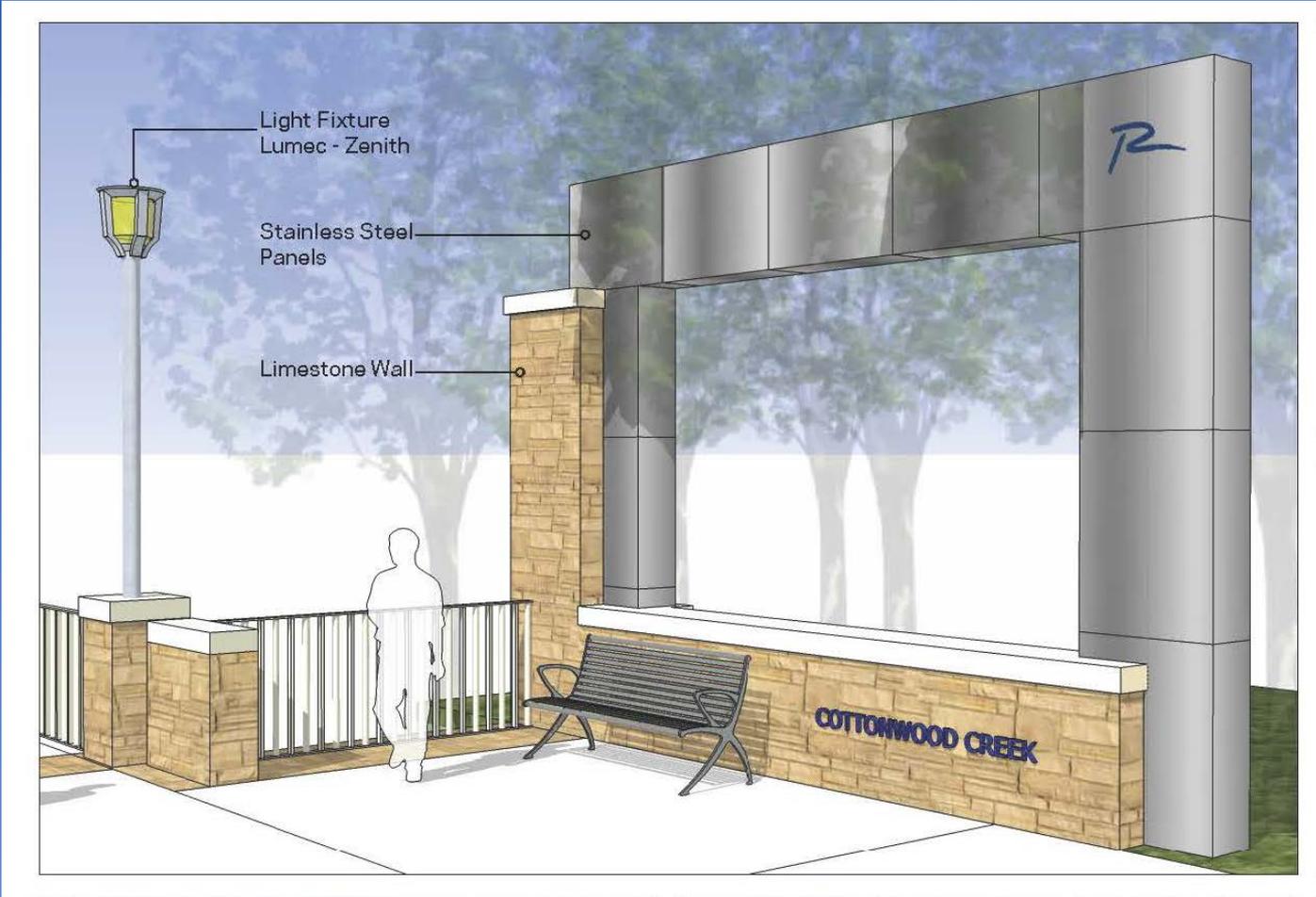
# Enhanced Bridges



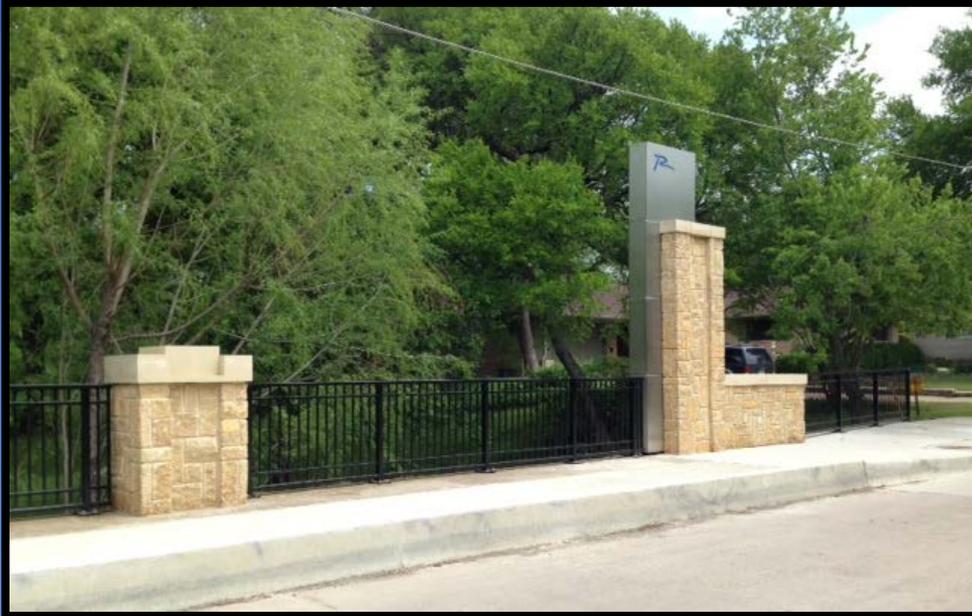
# Enhanced Bridges



# Enhanced Bridges



# Neighborhood Bridges



# Selected Stone



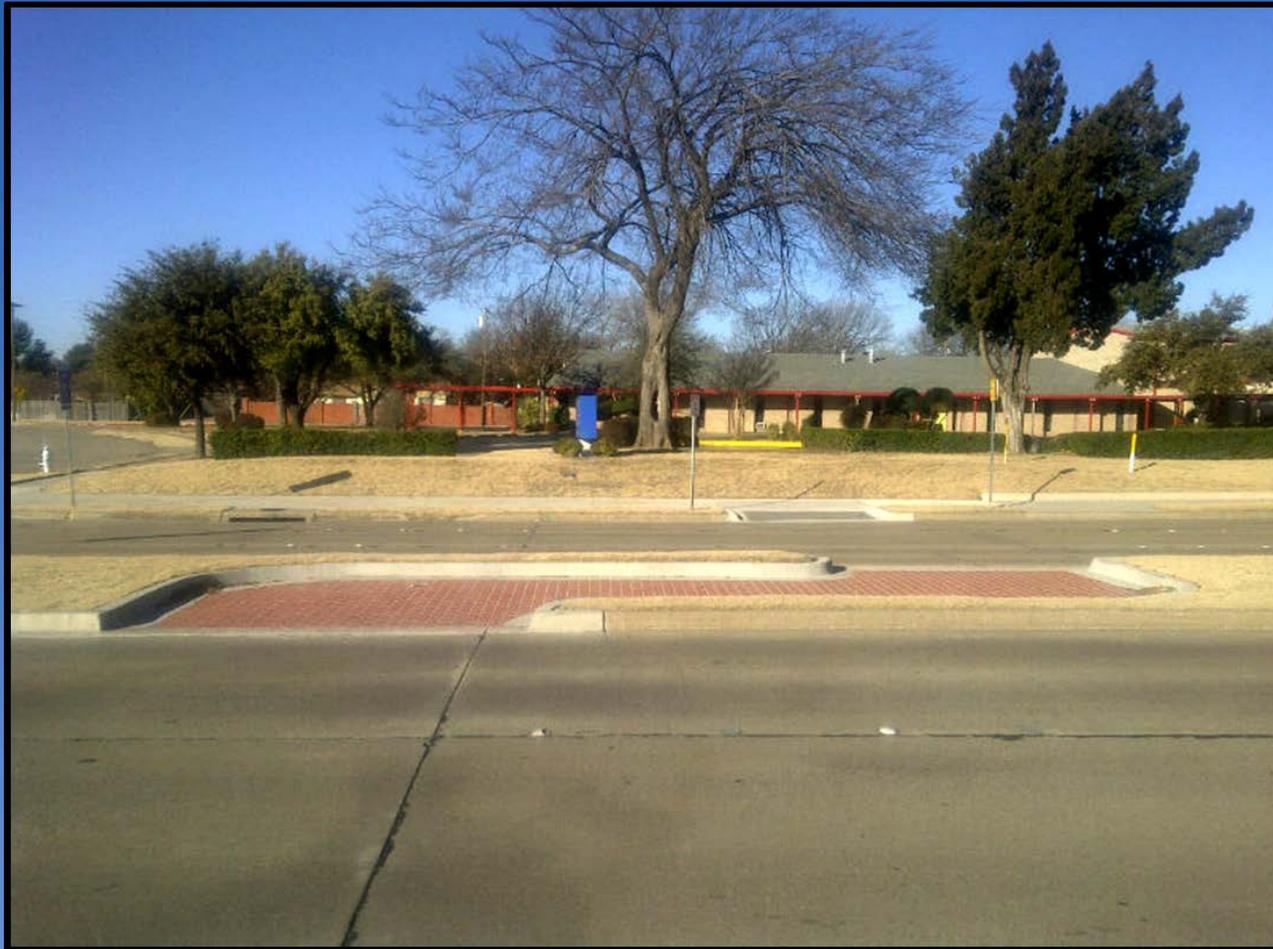
# Median Closures



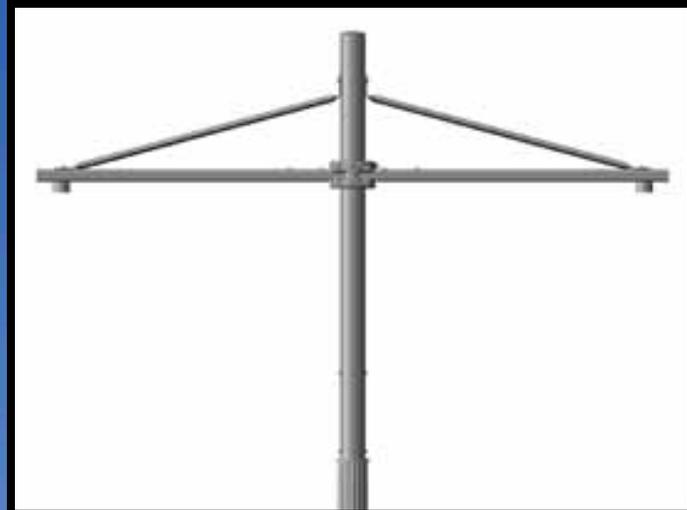
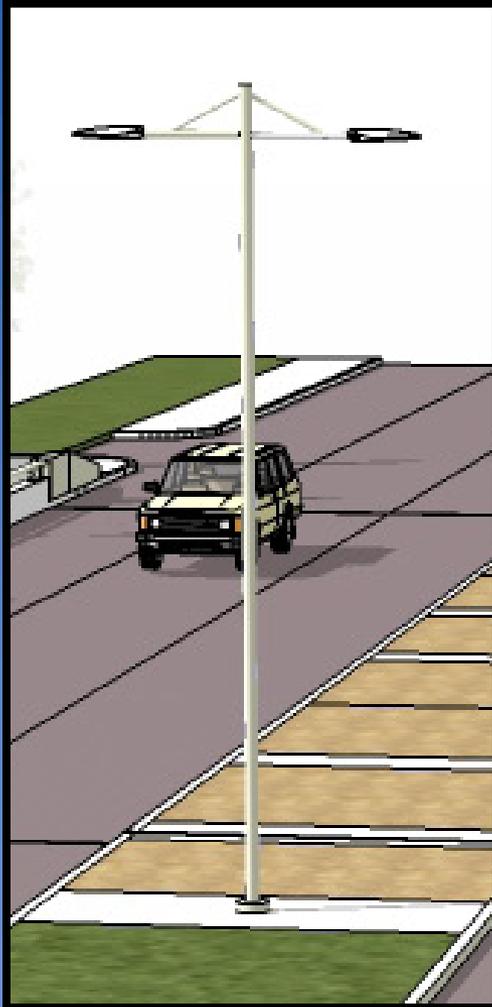
- Legend**
- Existing Medians
  - Revised Medians
  - Impacted Properties
  - Existing Driveway Locations
  - Existing Cross Access
  - Proposed Prohibited Movement
  - Recommended All. Movement



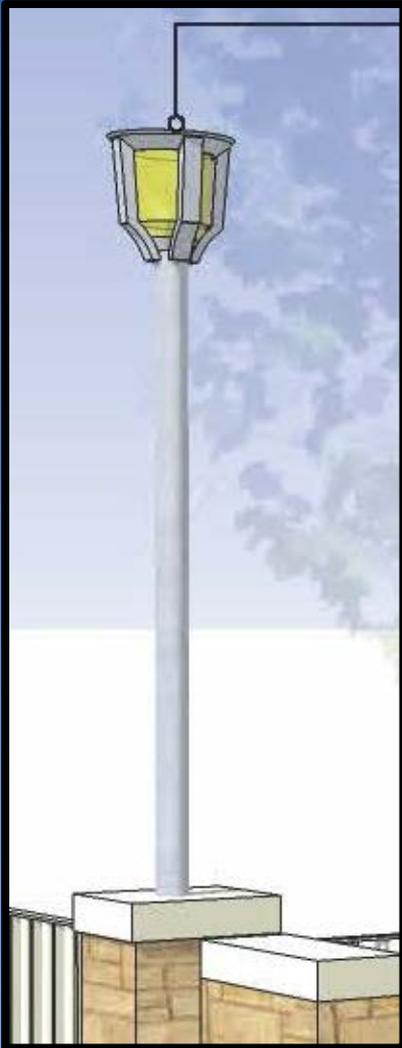
# Z Pedestrian Crossings



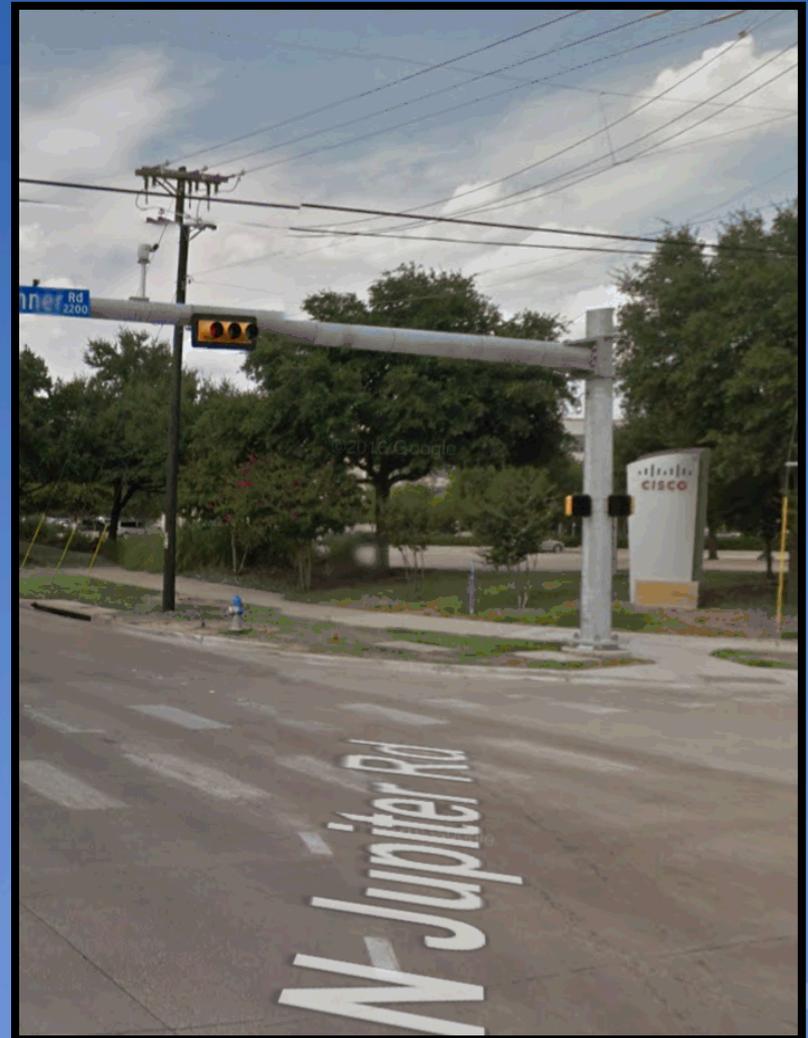
# Street Lights



# Pedestrian Lights



# Traffic Signal Poles



# Evolution of Project Scope and Budget

Funding Source	April 2012	April 2014	May 2016
Dallas County	\$2,727,000	\$3,302,000	\$3,855,500
City of Richardson	\$1,895,000	\$1,895,000	\$2,953,000*
City of Dallas	\$236,000	\$236,000	\$1,841,000
COG	\$2,700,000	3,555,000	\$4,314,500
<b>Total Funding</b>	<b>\$7,558,000</b>	<b>\$8,983,000</b>	<b>\$12,900,000</b>
<b>Total Cost</b>	<b>\$7,558,000</b>	<b>\$8,983,000</b>	<b>\$12,900,000</b>

\*Additional funding required for bridge aesthetics and asphalt overlay.



# Project Schedule

Stage	Month/Season	Year
ROW Acquisition Completed	December	2015
Final Design Plans Completed	May	2016
Utility Relocation Complete	July	2016
Construction Bidding Commence	July	2016
COR/Dallas County Project Specific Agreement to be Amended to specify final scope, budget, funding	August	2016
Construction Commence	Fall	2016
Construction Complete	Winter	2017

# QUESTIONS & DISCUSSION

