



CITY COUNCIL AGENDA

Tuesday, March 11, 2014

Notice is hereby given that the City Council of the City of Big Spring, Texas will meet in Regular Session on Tuesday, March 11, 2014, at 5:30 p.m. in the City Council Chambers located at 307 East 4th Street, Big Spring, Texas.

The City Council may discuss and/or take action on each of the following items before it and may go into Executive Session on any item listed on the agenda in accordance with Chapter 551 of the Texas Government Code.

**As a courtesy to those in attendance, please place your cell phone on “Silent” or “Vibrate”
Thank You!**

Presentations & Public Hearings

- | | | | |
|----|--|------|----------|
| 1. | Invocation & Pledge of Allegiance to the United States Flag and to the Texas State Flag
“Honor the Texas flag; I pledge allegiance to thee, Texas, one state under God, one and indivisible.” | | McLellan |
| 2. | Proclamation “American Red Cross Month” | 5 | McLellan |
| 3. | Public Hearing – Application from Powell Professional Services of West Texas, LLC dba Guardian EMS for Non-Emergency Ambulance Operator’s Permit | 6-10 | Ferguson |

Disposition of Minutes

- | | | | |
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| 4. | Approval of Minutes of the Regular Meeting of February 25, 2014 | 11-14 | Davis |
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Consent Items

- | | | | |
|----|---|-------|----------|
| 5. | Final Reading of an Ordinance Amending Chapter Thirteen of the Code of Ordinances, by Adding a New Article Fourteen Entitled “Fire and Rescue Service Fees;” Establishing Fees for Services Rendered at Vehicle Fires, Vehicle Accidents, Hazardous Waste Spills and Rescue Incidents; Providing for Severability, Providing for Publication, and Providing an Effective Date | 15-18 | Ferguson |
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Routine Business

- 6. Vouchers for 02/27/14 \$ 281,268.95 Boyd
Vouchers for 03/06/14 \$ 1,107,196.04

New Business

- 7. Consideration and Approval of a Non-Emergency Ambulance Operator’s Permit to Powell Professional Services of West Texas, LLC dba Guardian EMS and Finding that Approval of the Permit Will Serve the Public Convenience and necessity Ferguson
- 8. Presentation and Acceptance of Big Spring Economic Development Corporation’s Annual Audit for Year Ended September 30, 2013 Dale Newberry
- 9. Presentation and Approval of Comprehensive Annual Financial Report for Year Ended September 30, 2013 David Copeland
- 10. First Reading of an Ordinance Approving a Negotiated Settlement Agreement Between the Steering Committee of Cities Served by ATMOS West Texas Division Regarding the Company’s 2013 Statement of Intent to Increase Rates in All Cities Exercising Rates to be Unreasonable; Adopting Tariffs That Reflect Rate Adjustments Consistent with the Negotiated Settlement and Finding the Rates to be Set by the Tariffs Attached to the Settlement Agreement to be Just and Reasonable; Approving a New Rate Review Mechanism; Requiring the Company to Reimburse Cities’ Reasonable Ratemaking Expenses; Repealing Conflicting Resolutions or Ordinances; Determining that This Ordinance was Passed in Accordance with the Requirements of the Texas Open Meeting Act; Adopting a Savings Clause; Declaring an Effective Date; and Requiring Delivery of this Ordinance to the Company and the Cities’ Legal Counsel 19-56 Darden
- 11. First Reading of a Resolution in Support of the Texas Department of Transportation Reducing the Amount of Parking at the Southeast Corner of 3rd Street and Main Street and Providing an Effective Date 57 Womack
- 12. First Reading of an Ordinance Amending Appendix A to the Big Spring Code of Ordinances Entitled “Fee Schedule” by Adding a New Article 2 Entitled “Collection Fees” in Order to Assess a Collection Fee of \$240.00 on Past Due Ambulance Service Accounts and to Assess a Collection Fee of Thirty Percent of the Amount Owned on Other Past Due Accounts Receivable That Are to Be Referred to the Contracted Collection Service, Providing for Severability, Providing for Publication and Providing an Effective Date 58-59 Medina
- 13. Consideration and Approval of a Collection Agreement and a Page 2 of 140 60-68 Medina

Business Associate Agreement with American Municipal Services and Authorizing the City Manager or His Designee to Execute Any Necessary Documents

- | | | | |
|-----|---|---------|--------|
| 14. | Consideration and Approval of a Professional Services Agreement with Parkhill, Smith & Cooper, Inc. for the Big Spring Municipal Auditorium 2014 Upgrades and Authorizing the Mayor to Execute Any Necessary Documents | 69-78 | Womack |
| 15. | Approval of an Interlocal Agreement with Permian Basin Regional Planning Commission for the Regional Solid Waste Grant and Authorizing the Mayor to Execute Any Necessary Documents | 79-105 | Womack |
| 16. | Consideration and Approval of a Change Order to the Agreement for Professional Services with Freese and Nichols, Inc. for Preparation of an Airport Layout Plan and Authorizing the City Manager to Execute Any Necessary Documents | 106-107 | Little |
| 17. | Discussion and Consideration of Naming the Pavilion at the Bert Andries Park | | Darden |
| 18. | Approval of Investment Report for the Quarter Ending December 31, 2013 | 108-110 | Moore |

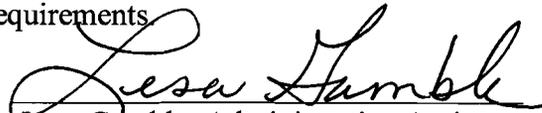
City Manager's Report

- | | | | |
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| 19. | National Weather Service – March 20, 2014 at 7:00pm – Skywarn Weather Class | | Darden |
| 20. | 2014 Schedule for the Russ McEwen Family Aquatic Center | | Darden |
| 21. | Condrey and Associates - Compensation Survey | | Darden |

Council Input

- | | | | |
|-----|---------|--|----------|
| 22. | Input | | McLellan |
| 23. | Adjourn | | |

I hereby certify that this agenda was posted on the official bulletin boards at the Big Spring City Hall Building, 310 Nolan Street, Big Spring, Texas on Friday, March 7, 2014 at 6:00 p.m. In addition this agenda and supporting documents are posted on the City of Big Spring's website, www.mybigspring.com in accordance with legal requirements.


Lesa Gamble, Administrative Assistant

THE MEETING FACILITY IS ACCESSIBLE TO DISABLED PERSONS. ANY DISABLED PERSON NEEDING SPECIAL ACCOMMODATIONS OR HEARING-IMPAIRED PERSONS WISHING TO HAVE AN INTERPRETER SHOULD CONTACT LESA GAMBLE AT 264-2401. REQUESTS FOR AN INTERPRETER SHOULD BE MADE AT LEAST 48 HOURS IN ADVANCE OF THE MEETING TIME.

Agenda Removal Notice - This public notice was removed from the official posting board at the Big Spring City Hall Building, 310 Nolan Street, Big Spring, Texas on

March _____, 2014 at _____ a.m./p.m.

By: _____
City Secretary's Office



AMERICAN RED CROSS PROCLAMATION

WHEREAS, March is American Red Cross Month, a special time to recognize and thank our men and women, Everyday Heroes, who reach out to help their neighbors when they are in need; and

WHEREAS American Red Cross Heroes are on the front lines every day. They volunteer their time, give blood, take life saving courses, and provide financial donations to help in time of need; and

WHEREAS, We would like to remember our heroes here in Big Spring, who give and help people in need. They work tirelessly to help in time of disaster, when a life needs blood, or the comfort of a helping hand. They provide round-the-clock support to members of the military, veterans and their families, and they teach lifesaving classes in CPR, aquatics safety, and first aid; and

WHEREAS, When an injured service member ends up in a hospital far from home, the American Red Cross is there to offer comfort. When a hospital patient needs blood, American Red Cross Blood donors help them. When a lifeguard jumps to save a drowning child or someone steps up to help a heart attack victim, the American Red Cross is there; and

WHEREAS, We dedicate the month of March to all those who support the American Red Cross's mission to prevent and alleviate human suffering in the face of emergencies. Our community depends on the American Red Cross, which relies on donations of time, money, and blood to fulfill its humanitarian mission.

THEREFORE, I, Larry McLellan, Mayor City of Big Spring, Texas, do hereby proclaim March 2014 as:

“AMERICAN RED CROSS MONTH”

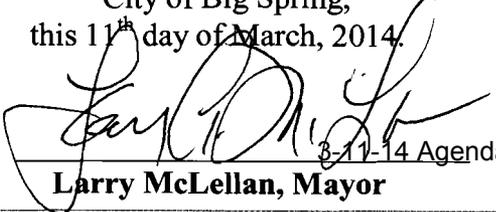
in Big Spring, Texas, and urge all citizens of Big Spring and surrounding communities to give full support to the American Red Cross all throughout the year.

GIVEN UNDER MY HAND

and seal of the

City of Big Spring,

this 11th day of March, 2014.



Larry McLellan, Mayor



**APPLICATION FOR NON-EMERGENCY
AMBULANCE OPERATOR'S PERMIT**

COMPLETE ALL INFORMATION

NAME OF COMPANY: Powell Professional Services of West Texas, LLC dba Guardian EMS

COMPANY ADDRESS: 1239 Bowie Street, Columbus Texas, 78934

EMAIL ADDRESS: rbradley@guardian-ems.com

TELEPHONE NUMBER: (979) 733 0010 ext 111 CELL PHONE: (325) 200 8721

NAME OF OWNER/MANAGER: Ricky Powell, CEO Owner, Ross D. Bradley COO/VP

NAME AND TITLE OF APPLICANT (IF DIFFERENT FROM ABOVE): Ross D. Bradley COO/VP

TEXAS DEPT OF STATE HEALTH SERVICES PROVIDER LICENSE NO.: (ATTACH COPY OF LICENSE): TX 1000469

INSURANCE CARRIER (ATTACH CERTIFICATE OF INSURANCE): Acord

POLICY NUMBER: MAPK08379300, OR

"I will obtain insurance as required by state and local law upon issuance of the permit and will submit a copy of the certificate of insurance prior to operating ambulance services." _____ (Applicant initials)

LIST OF ALL AMBULANCES TO BE PERMITTED FOR NON-EMERGENCY SERVICE*:

YEAR	MAKE	MODEL	VEHICLE IDENTIFICATION NUMBER	LICENSE PLATE
2009	Chevy	E3500	1GBHG396591141472	BMK 5178
1998	Ford	F350	1FDXE4071WHB85760	95X TH8
2003	FORD	F350	1FDWF36P73EB67537	BF6 L735
1999	FORD	F350	1FDWF36FXXEE12229	BL4 G229
2003	FORD	F350	1FDWF36P73EB50267	BL4 G174
2005	FORD	F350	1FDWF36P35ED03377	BZ2 G350
2005	FORD	F350	1FDWF36P35EC89594	CB7 K670

*Attach additional sheets if necessary

"I hereby affirm that I have not been convicted of a felony or of a misdemeanor involving moral turpitude within the last ten (10) years and that I will not hire or allow a driver for any ambulance operated under this

YEAR	MAKE	MODEL	VEHICLE IDENTIFICATION NUMBER	LICENSE PLATE
1998	Freightliner	AMB	1FV3GFBC1WH925372	AY3 2189
2004	Ford	F450	1FDXF46P34EB46017	DLS J817
2012	Ford	E350	1FDSS3ELXCDA45124	DX5 S930
2012	Ford	E350	1FDSS3EL2CDA59969	DX5 T075
2012	Ford	E350	1FDSS3EL9CDA59970	DX5 S949

permit who has been so convicted. I understand that violation of this provision shall be grounds for suspension or revocation of the permit."

"I SWEAR THAT THE INFORMATION PROVIDED IN THIS APPLICATION IS TRUE AND CORRECT."

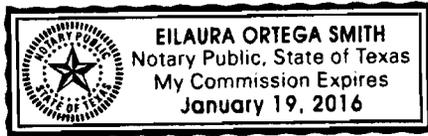
[Signature]
Signature

3-5-14
Date

Ross D. Bradley, VP / COO
Printed Name & Title

STATE OF TEXAS §
COUNTY OF Brown §

Before me, Eilaura Ortega Smith, on this 5 day of March personally appeared ROSS D. Bradley, proved to me through Pilot Licence to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he/she is authorized to act on behalf of Guardian EMS in the capacity stated and that he/she executed the same for the purposes and consideration therein expressed.



Eilaura Ortega Smith
Notary Public, State of Texas

FOR OFFICE USE ONLY

Application Received _____ Date of Public Hearing _____ Application **Approved/Denied** on _____
Permit Number _____



CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)
03/05/2014

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER TWFG-Terry Cauthen 8700 9th Avenue Suite 102 Port Arthur TX 77642	CONTACT NAME: Terry Cauthen
	PHONE (A/C, No, Ext): (409) 729-2000 FAX (A/C, No): (409) 332-4381 E-MAIL ADDRESS: tcauthen@twfg.com
INSURED Powell Professional of West Texas dba Guardian EMS 1239 Bowie Street Columbus TX 78934	INSURER(S) AFFORDING COVERAGE
	INSURER A: McNeil & Company-Arch Insurance Company
	INSURER B:
	INSURER C:
	INSURER D:
	INSURER E:

COVERAGES **CERTIFICATE NUMBER:** **REVISION NUMBER:**

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL SUBR INSR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
	GENERAL LIABILITY <input type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input type="checkbox"/> OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input type="checkbox"/> PROJECT <input type="checkbox"/> LOC		MAPK08379300	01/01/2014	01/01/2015	EACH OCCURRENCE \$ 1,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 100,000 MED EXP (Any one person) \$ 5,000 PERSONAL & ADV INJURY \$ 1,000,000 GENERAL AGGREGATE \$ 3,000,000 PRODUCTS - COMP/OP AGG \$ 3,000,000
	AUTOMOBILE LIABILITY <input type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input type="checkbox"/> HIRED AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> NON-OWNED AUTOS		MAPK08379300	01/01/2014	01/01/2015	COMBINED SINGLE LIMIT (Ea accident) \$ 1,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$
	UMBRELLA LIAB <input type="checkbox"/> OCCUR EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE DED RETENTION \$					EACH OCCURRENCE \$ AGGREGATE \$
	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below	<input type="checkbox"/> Y <input checked="" type="checkbox"/> N	N/A			WC STATUTORY LIMITS OTH-ER E.L. EACH ACCIDENT \$ E.L. DISEASE - EA EMPLOYEE \$ E.L. DISEASE - POLICY LIMIT \$
	PROFESSIONAL LIABILITY		MAPK08379300	01/01/2014	01/01/2015	1,000,000/3,000,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (Attach ACORD 101, Additional Remarks Schedule, if more space is required)

CERTIFICATE HOLDER City of Big Spring 310 Nolan Street Big Spring TX 79720	CANCELLATION SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS. AUTHORIZED REPRESENTATIVE
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TEXAS DEPARTMENT OF STATE HEALTH SERVICES

This certifies that

**POWELL PROFESSIONAL OF WEST TEXAS LLC DBA
GUARDIAN EMS**

License Number: 1000469

has submitted acceptable evidence of compliance with the Texas Health and Safety Code, Chapter 773, the Texas EMS Act, and is hereby granted a License as a **TEXAS EMERGENCY MEDICAL SERVICES PROVIDER**.

This License is not transferable and is valid only for use by the provider named above.

Expiration Date: 6/30/2014



**David L. Lakey, M.D.
Commissioner**

If you have a complaint about the services you have received from this EMS Provider or if you have a reason to believe that a violation of Texas EMS regulations has occurred, please report your concerns to the Texas Department of State Health Services at:

1-800-452-6086 or by email to EMS_Complaint@dshs.state.tx.us

Document Number: 3688

STATE OF TEXAS :
COUNTY OF HOWARD :
CITY OF BIG SPRING :

The City Council of the City of Big Spring, Texas, met in a regular meeting in the City Council Chambers located at 307 E. 4th, Big Spring, Texas, at 5:30 p.m., February 25, 2014, with the following members present:

LARRY McLELLAN	Mayor
MARCUS FERNANDEZ	Mayor Pro Tem
CARMEN HARBOUR	Councilmember
GLEN CARRIGAN	Councilmember
BOBBY McDONALD	Councilmember
RAUL BENAVIDES	Councilmember
MARVIN BOYD	Councilmember

Same and constituting a quorum; and

TODD DARDEN	City Manager
LINDA SJOGREN	City Attorney
JOHN MEDINA	Human Resources Director
CRAIG FERGUSON	Fire Chief
JIM LITTLE	Airpark Director
TIM GREEN	Municipal Court Judge
DON MOORE	Finance Director/ City Secretary
JOHNNY WOMACK	Public Works Director

PRESENTATIONS & PUBLIC HEARINGS

INVOCATION & PLEDGE OF ALLEGIANCE

Pastor Calvary Callender, First Church of the Nazarene, gave the invocation and Mayor McLellan led the Pledge of Allegiance to the American and Texas Flags.

DISPOSITION OF MINUTES

APPROVAL OF MINUTES OF THE REGULAR MEETING OF FEBRUARY 11, 2014

Motion was made by Councilmember Carrigan, seconded by Councilmember Boyd, with all members of the Council voting "aye" approving the minutes of the regular meeting of February 11, 2014.

CONSENT ITEMS

FINAL READING OF AN ORDINANCE APPROVING A REPLAT OF KENTWOOD (UNIT 2), BLOCK 20, LOTS 23-41, BLOCK 21, LOTS 1-19 AND 24-43 AND BLOCK 24, LOTS 1-20, BEING APPROXIMATELY 22.5 ACRES LOCATED WEST OF MORGAN RANCH ROAD AND SOUTH OF EAST 25TH STREET

FINAL READING OF A RESOLUTION APPROVING THE SUBMISSION OF A GRANT APPLICATION TO THE MULTI-JURISDICTIONAL TRUANCY PREVENTION ALTERNATIVE DISPUTE RESOLUTION PROGRAM TO THE OFFICE OF THE GOVERNOR, CRIMINAL JUSTICE DIVISION FOR FUNDS TO AID IN DEVELOPING PROGRAMS THAT PROMOTE GREATER ACCOUNTABILITY IN THE JUVENILE JUSTICE SYSTEM; AND PROVIDING AN EFFECTIVE DATE

ACCEPTANCE OF THE MCMAHON-WRINKLE AIRPORT AND INDUSTRIAL PARK DEVELOPMENT BOARD MINUTES FOR THE MEETING OF JANUARY 16, 2014

ACCEPTANCE OF THE HOWARD COUNTY APPRAISAL DISTRICT'S BOARD OF DIRECTORS MINUTES FOR THE REGULAR MEETING OF JANUARY 8, 2014

Motion was made by Councilmember Benavides, seconded by Councilmember McDonald, with all members of the Council voting "aye" approving the second and final reading of the above listed ordinance, resolution and minutes and removing the following ordinance from the consent agenda.

FINAL READING OF AN ORDINANCE AMENDING CHAPTER EIGHTEEN, ENTITLED "TRAFFIC," ARTICLE 5 ENTITLED, "STOPPING, STANDING AND PARKING," BY AMENDING SECTION 18-128 ENTITLED, "DEFINITIONS"; RENAMING SECTION 18-145 "PARKING ON FRONT OR STREET YARDS," AND AMENDING THE SECTION IN ORDER TO MORE EFFECTIVELY REGULATE THE FRONT AND STREET YARD PARKING OF MOTOR VEHICLES, RECREATIONAL VEHICLES, BOATS AND TRAILERS; PROVIDING FOR PUBLICATION; PROVIDING FOR SEVERABILITY AND PROVIDING AN EFFECTIVE DATE

After a discussion, motion was made with one change to the final ordinance by Councilmember Harbour, seconded by Councilmember Carrigan, with Councilmembers Harbour, Carrigan, McLellan, McDonald, Benavides and Boyd voting "aye" approving second and final reading of the above captioned ordinance. Mayor Pro Tem Fernandez, being opposed, voting "nay" for passage of same. Motion passed six to one.

ROUTINE BUSINESS

Councilmember Benavides reviewed the vouchers. Motion was made by Councilmember Benavides, seconded by Councilmember McDonald, with all members of the Council voting “aye” approving vouchers in the amount of \$221,578.11 (02/13/14) and \$1,071,140.68 (02/20/14).

NEW BUSINESS

FIRST READING OF AN ORDINANCE AMENDING CHAPTER THIRTEEN OF THE CODE OF ORDINANCES, BY ADDING A NEW ARTICLE FOURTEEN ENTITLED “FIRE AND RESCUE SERVICE FEES;” ESTABLISHING FEES FOR SERVICES RENDERED AT VEHICLE FIRES, VEHICLE ACCIDENTS, HAZARDOUS WASTE SPILLS AND RESCUE INCIDENTS; PROVIDING FOR SEVERABILITY, PROVIDING FOR PUBLICATION AND PROVIDING AN EFFECTIVE DATE

Motion was made by Councilmember McDonald, seconded by Mayor Pro Tem Fernandez, with all members of the Council voting “aye” approving a first reading of the above captioned ordinance.

CONSIDERATION AND APPROVAL OF AN AGREEMENT WITH TERRACON CONSULTANTS, INC. FOR ASBESTOS CONSULTING SERVICES FOR THE PARACHUTE BUILDING AT MCMAHON-WRINKLE AIRPORT AND INDUSTRIAL PARK AND AUTHORIZING THE CITY MANAGER OR HIS DESIGNEE TO EXECUTE ANY NECESSARY DOCUMENTS

Motion was made by Councilmember Carrigan, seconded by Councilmember Harbour, with all members of the Council voting “aye” approving the above captioned agreement.

ACCEPTANCE OF THE BIG SPRING ECONOMIC DEVELOPMENT CORPORATION BOARD OF DIRECTORS MINUTES FOR THE REGULAR MEETING OF JANUARY 21, 2014

Motion was made by Councilmember Carrigan, seconded by Councilmember Harbour, with all members of the Council voting “aye” approving the above listed minutes.

CITY MANAGER’S REPORT

Todd Darden, City Manager, reported :

- Staff changes in the Public Works Department.
- Announced that Don Moore was promoted to Finance Director/City Secretary.
- That he and a few staff will be in Austin the rest of the week.

COUNCIL INPUT

All Councilmembers congratulated Don Moore for his new position.

Mayor McLellan reported:

- Read an appreciation letter from the City of Big Spring to Peggy Hopper, President of Keep Big Spring Beautiful.
- That Mike Tarpley is the new Director of the Big Spring V.A. Hospital and is actively working to regain some local services that had been discontinued.
- Reminded everyone to go vote.

Councilmember Boyd thanked Gordon and Johnny for answering some concerns he had about the Kentwood replat.

EXECUTIVE SESSION

QUARTERLY UPDATE – ADJOURN INTO EXECUTIVE SESSION IN ACCORDANCE WITH TEXAS GOVERNMENT CODES SECTION 551.071(1)(A) TO CONSULT WITH THE CITY ATTORNEY CONCERNING PENDING OR CONTEMPLATED LITIGATION AT 7:20 P.M.

RECONVENE IN OPEN SESSION AT 7:28 P.M.

No action taken.

ADJOURN

Motion was made by Councilmember Benavides, seconded by Councilmember Boyd, with all members of the Council voting “aye” to adjourn at 7:29 p.m.

CITY OF BIG SPRING, TEXAS

Larry McLellan, Mayor

ATTEST:

Tami L. Davis, Assistant City Secretary

ORDINANCE NO. _____

AN ORDINANCE OF THE CITY OF BIG SPRING, TEXAS AMENDING CHAPTER THIRTEEN OF THE BIG SPRING CODE OF ORDINANCES, BY ADDING A NEW ARTICLE FOURTEEN ENTITLED "FIRE AND RESCUE SERVICE FEES;" ESTABLISHING FEES FOR SERVICES RENDERED AT VEHICLE FIRES, VEHICLE ACCIDENTS, HAZARDOUS WASTE SPILLS AND RESCUE INCIDENTS; PROVIDING FOR SEVERABILITY, PROVIDING FOR PUBLICATION, AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the City Council finds it necessary to recover costs of equipment and supplies used in certain rescue events;

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF BIG SPRING, TEXAS, THAT:

SECTION 1: The City of Big Spring Code of Ordinances, Chapter 13 entitled "Health and Safety" is hereby amended by adding a new Article 14 entitled "Fire and Rescue Service Fees" to read entirely as follows:

ARTICLE 14 – FIRE AND RESCUE SERVICE FEES

Sec. 14-1. Assessment of Fees for Services.

The City of Big Spring shall assess and collect fees for certain services rendered by the Fire Department. The fees for use of equipment and supplies set out in Section 14-2 shall be assessed and collected when such equipment and/or supplies are used in connection with the following events or incidents:

- (A) Vehicle fires;
- (B) Vehicle accidents;
- (C) Hazardous material spills or releases, and
- (D) Rescues or rescue attempts at low water crossings or other rescues performed by the fire department.

Sec. 14-2. Fee Schedule.

The following fees shall be assessed and collected for the use of equipment and supplies as specified in Section 14-1 above. Fees listed are charged per incident unless otherwise noted.

(A) VEHICLES

VEHICLE TYPE	APARATUS	FEE PER HOUR
	Battalion Chief (Unit-11)	\$200.00
1	Rescue (Heavy)	\$600.00
1	Brush Truck (Unit-10)	\$400.00

4	Command Car/Truck	\$200.00
1	Engines 1 - 5 (E-1 – E5)	\$500.00

(B) HAND TOOLS

TOOL	FEE
Flathead Axe	\$17.00
Pickhead Axe	\$17.00
Long Pike Pole	\$17.00
Sheetrock Pike Pole	\$17.00
Short Pike Pole	\$17.00
Pry Axe	\$17.00
Haligan Tool	\$17.00
Bolt Cutters	\$17.00
Pry Bar	\$17.00
Fire Rake	\$17.00
Shovel	\$17.00
Scoop	\$17.00
Broom	\$12.00
Misc. Hand Tool	\$12.00

(C) FIRE EQUIPMENT

TOOL	FEE
Foam Nozzle	\$55.00
Foam Eductor	\$50.00
AFFF Foam	\$40.00 per/Gal.
Class A Foam	\$25.00 per/Gal.
Piercing Nozzle	\$40.00
M/S Fog Nozzle	\$55.00
M/S Straight Bore Nozzle	\$30.00
Salvage Cover	\$28.00
SCBA Pack	\$85.00 ea.
Hall Runner	\$18.00
SAWZALL	\$55.00
PPV Fan – Per Hour	\$55.00 per Hr.
Generator, Portable	\$55.00 per Hr.
Heat Detection Gun	\$75.00
Chain Saw	\$45.00 per Hr.
Water Extinguisher	\$22.00
Dry Chemical Extinguisher	\$45.00
Scene Lights	\$22.00
Water Vests	\$30.00
Thermal Imaging Camera	\$75.00

(D) HAZARDOUS MATERIAL EQUIPMENT

SUPPLIES/SERVICE	FEE
Absorbent	\$17.00 per Bag
Gas Multi Meter	\$65.00
CO ₂ Meter	\$65.00
Disposable Coveralls	\$30.00
Barricade Tape	\$22.00
Latex Gloves	\$ 6.00
Disposable Goggles	\$15.00
Gas Plug Kit	\$50.00

(E) RESCUE EQUIPMENT

TOOL	FEE
Spreaders	\$ 250.00
Cutters	\$ 250.00
Rams	\$ 250.00
Air Bag	\$ 250.00
K-12 Saw	\$ 55.00
Rope	\$ 25.00
Ajax Tool	\$ 25.00
K-Tool	\$ 25.00
Windshield Tool	\$ 15.00
Rescue Blanket	\$ 32.00

SECTION 2: The following severability clause is adopted with this ordinance. SEVERABILITY: That the terms and provisions of this Ordinance shall be deemed to be severable in that if any portion of this Ordinance shall be declared to be invalid, the same shall not affect the validity of the other provisions of this Ordinance.

SECTION 3: The City Secretary is hereby ordered and directed to cause the descriptive caption, as well as the penalties for violation of this ordinance to be published as provided by law.

SECTION 4: This ordinance shall be effective on, from and after its adoption and publication in accordance with the City Charter.

PASSED AND APPROVED on first reading at a regular meeting of the City Council on the **25th** day of **February, 2014,** with all members present voting "aye" for passage of the same.

PASSED AND APPROVED on second reading at a regular meeting of the City Council on the **11th** day of **March, 2014**, with all members present voting "aye" for passage of the same.

Larry McLellan, Mayor

ATTEST:

Tami Davis, Assistant City Secretary

MEMORANDUM

TO: Steering Committee of Cities Served by Atmos West Texas

FROM: Geoffrey Gay
Georgia Crump
Eileen McPhee

DATE: February 28, 2014

RE: Atmos West Texas Settlement – **ACTION NEEDED BY MARCH 31, 2014**

The Steering Committee of Cities Served by Atmos West Texas (“Cities” or “Steering Committee”), with advice and input of designated consultants and lawyers, has worked to resolve Atmos West Texas’ pending \$12 million rate increase request without the necessity of a protracted and costly contested case before the Railroad Commission. Attached please find an Ordinance that approves the recommendation of the Executive Committee of the Cities Steering Committee to settle with Atmos West Texas on a system-wide cost of service that increases test year revenues by \$8.3 million and implements a new Rate Review Mechanism (“RRM”) process for 2015.

The negotiated result reduces Atmos West Texas’ requested rate increase by more than 30%. The monthly bill impact for an average residential customer will be \$0.77. In addition, and most importantly, the negotiated result reflects a cost of service for the Company based on its entire system, which means that the West Texas Cities will no longer be subsidizing lower rates of the other cities. The establishment of system-wide rates was a non-negotiable demand of the Steering Committee. The negotiated settlement also includes a new RRM tariff to be used to govern the Company’s ratesetting beginning in 2015. West Texas Cities have benefitted from the implementation of the RRM tariff in the past, as opposed to the statutory GRIP filings in which Cities had no right to participate or influence the outcome. The recommended RRM tariff preserves the ceiling on residential customer charge increases of \$0.50 per month in any annual filing, and requires the Company to forego any increase in the residential customer charge in the first filing under the tariff.

The Executive Committee of the Cities Steering Committee recommends approval of the negotiated resolution because it establishes system-wide rates, eliminates rate subsidization of cities that do not participate with the Steering Committee, maintains cities’ role as regulators of natural gas rates, implements the preferred RRM process, and represents an outcome that is equal to or better than the outcome expected from a lengthy contested case proceeding before the Railroad Commission.

Please schedule consideration of the Ordinance at your next available council meeting. Final council action to approve the Ordinance should take place by March 31, 2014. To assist you, several documents are attached:

- An Ordinance approving a Settlement Agreement and setting new rates.
- A Model Staff Report.
- The Settlement Agreement attached to the Ordinance includes a number of Exhibits including:
 - Exhibit A – New rate tariffs and a new RRM tariff
 - Exhibit B – Proof of Revenues
 - Exhibit C – Factors required by Section 104.301 of the Gas Utility Regulatory Act (GURA)
 - Exhibit D – Pensions and Retiree Medical Benefits Benchmark
 - Exhibit E – West Texas Cities covered by the Settlement Agreement
 - Exhibit F – Baseload and Heat Sensitivity Factors for WNA Billing

Please contact Geoffrey (512/322-5875, ggay@lglawfirm.com), Georgia (512/322-5832, gcrump@lglawfirm.com) or Eileen (512/322-5817, emcphoe@lglawfirm.com) immediately if your city is unable to meet the March 31, 2014 deadline for final action. Once final action has been taken by your city, please forward a copy of the Ordinance to Atmos West Texas and to our paralegal, Holly Whitehurst (fax number: 512/472-0532, hwhitehurst@lglawfirm.com).

ORDINANCE NO. _____

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF BIG SPRING, TEXAS, APPROVING A NEGOTIATED SETTLEMENT AGREEMENT BETWEEN THE STEERING COMMITTEE OF CITIES SERVED BY ATMOS WEST TEXAS (“CITIES”) AND ATMOS ENERGY CORP., WEST TEXAS DIVISION REGARDING THE COMPANY’S 2013 STATEMENT OF INTENT TO INCREASE RATES IN ALL CITIES EXERCISING ORIGINAL JURISDICTION; DECLARING EXISTING RATES TO BE UNREASONABLE; ADOPTING TARIFFS THAT REFLECT RATE ADJUSTMENTS CONSISTENT WITH THE NEGOTIATED SETTLEMENT AND FINDING THE RATES TO BE SET BY THE TARIFFS ATTACHED TO THE SETTLEMENT AGREEMENT TO BE JUST AND REASONABLE; APPROVING A NEW RATE REVIEW MECHANISM; REQUIRING THE COMPANY TO REIMBURSE CITIES’ REASONABLE RATEMAKING EXPENSES; REPEALING CONFLICTING RESOLUTIONS OR ORDINANCES; DETERMINING THAT THIS ORDINANCE WAS PASSED IN ACCORDANCE WITH THE REQUIREMENTS OF THE TEXAS OPEN MEETINGS ACT; ADOPTING A SAVINGS CLAUSE; DECLARING AN EFFECTIVE DATE; AND REQUIRING DELIVERY OF THIS ORDINANCE TO THE COMPANY AND THE CITIES’ LEGAL COUNSEL.

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

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

WHEREAS, on or about October 18, 2013, the Company filed with the City its Statement of Intent to change rates in all municipalities exercising original jurisdiction within its West Texas Division service area; and

WHEREAS, Cities coordinated a review of Atmos West Texas' Statement of Intent filing through its designated attorneys and consultants, to resolve issues identified by Cities in the Company's filing; and

WHEREAS, Cities have successfully relied upon an annual Rate Review Mechanism ("RRM") as a substitute for the statutory GRIP process prior to the filing of the Company's previous two Statement of Intent rate cases and desire to implement a new RRM process; and

WHEREAS, Cities and Atmos West Texas have negotiated a new RRM process to govern ratesetting in 2015 and beyond; and

WHEREAS, Cities' Executive Committee, legal counsel and consultants recommend that Cities approve the rate tariffs and RRM tariff ("Exhibit A" to the attached Settlement Agreement), which will increase the Company's revenues by \$8.3 million on a system-wide cost of service basis; and

WHEREAS, the Exhibit A rate tariffs implementing the new rates are consistent with the negotiated resolution reached by Cities and are just, reasonable, and in the public interest, and will lead to rates throughout the Company's service territory that are economically equivalent to rates based on a system-wide cost of service; and

WHEREAS, the effective date of new rates is **April 1, 2014**.

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

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

Section 2. That the City Council approves the attached Settlement Agreement as a fair resolution to the Company's 2013 Statement of Intent rate filing.

Section 3. That the City Council finds the existing rates for natural gas service provided by Atmos West Texas are unreasonable and new tariffs which are attached to the Settlement Agreement as Exhibit A and incorporated herein, are just and reasonable, the rates therein established are based on a system-wide cost of service, and are hereby adopted. The new RRM process reflected in the tariff included in Exhibit A is hereby approved.

Section 4. That Atmos West Texas shall reimburse the reasonable ratemaking expenses of the Cities in processing the Company's Statement of Intent filing and negotiating a new RRM process.

Section 5. That to the extent any resolution or ordinance previously adopted by the Council is inconsistent with this Ordinance, it is hereby repealed.

Section 6. That the meeting at which this Ordinance was approved was in all things conducted in strict compliance with the Texas Open Meetings Act, Texas Government Code, Chapter 551.

Section 7. That if any one or more sections or clauses of this Ordinance is adjudged to be unconstitutional or invalid, such judgment shall not affect, impair or invalidate the remaining provisions of this Ordinance and the remaining provisions of the Ordinance shall be interpreted as if the offending section or clause never existed.

Section 8. 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 April 1, 2014.

Section 9. That a copy of this Ordinance shall be sent to Atmos West Texas, care of Mr. Jeffrey Foley, Vice President, Rates and Regulatory Affairs, 5110 80th Street, P.O. Box

1121, Lubbock, Texas 79408-1121, and to Geoffrey Gay, General Counsel to Cities, at Lloyd Gosselink Rochelle & Townsend, P.C., 816 Congress Avenue, Suite 1900, Austin, Texas 78701.

PASSED AND APPROVED on first reading at a regular scheduled meeting of the City Council on the 11th day of March, 2014, will all members present voting “aye” for the passage of same.

PASSED AND APPROVED on second and final reading at a regular scheduled meeting of the City Council on the 25th day of March, 2014, will all members present voting “aye” for the passage of same.

Larry McLellan, Mayor

ATTEST:

Tami Davis, Assistant City Secretary

APPROVED AS TO FORM:

Linda Sjogren, City Attorney

SETTLEMENT AGREEMENT BETWEEN ATMOS ENERGY CORPORATION, WEST TEXAS DIVISION AND THE WEST TEXAS CITIES STEERING COMMITTEE

WHEREAS, this settlement agreement (the "Settlement Agreement") is entered into by Atmos Energy Corporation's West Texas Division ("Atmos Energy" or the "Company") and the West Texas Cities Steering Committee ("WTX Cities"), which consists of the cities on Exhibit E (collectively "Signatories");

WHEREAS, Atmos Energy currently has pending before the WTX Cities a Statement of Intent to change rates within the incorporated areas of its West Texas Division ("2013 Rate Filing"); and

WHEREAS, the WTX Cities have hired experts and lawyers to analyze the rates proposed by Atmos Energy in its Rate Filing; and

WHEREAS, the Signatories agree that resolution of this matter by settlement agreement will significantly reduce the amount of reimbursable rate case expenses associated with this matter; and

WHEREAS, the Settlement Agreement resolves all issues between the Signatories regarding the Company's 2013 Rate Filing, which is currently pending before the WTX Cities, in a manner that the Signatories believe is consistent with the public interest, and the Signatories represent diverse interests; and

WHEREAS, the Signatories believe that the resolution of the issues raised in the 2013 Rate Filing can best be accomplished by each WTX City approving this Settlement Agreement and the rates, terms and conditions reflected in the tariffs attached to this Settlement Agreement as Exhibit A;

NOW, THEREFORE, in consideration of the mutual agreements and covenants established herein, the Signatories, through their undersigned representatives, agree to the following Settlement Terms as a means of fully resolving all issues between the Atmos Energy and the WTX Cities involving the 2013 Rate Filing:

Settlement Terms

1. The Signatories agree to the rates, terms and conditions reflected in the tariffs attached to this Settlement Agreement as Exhibit A. These tariffs should allow Atmos Energy's West Texas Division an additional, system-wide \$8.3 million in annual revenues as illustrated in the proof of revenues attached as part of Exhibit B to this Settlement Agreement. The Signatories agree that the \$8.3 million revenue increase is a "black box" amount and is not tied to any specific expense in Atmos Energy's West Texas Division's underlying cost of service. Signatories further agree that the rates, terms and conditions reflected in Exhibit A to this Settlement Agreement comply with the rate-setting requirements of Chapter 104 of the Gas Utility Regulatory Act ("GURA"). The gas rates, terms and conditions established by this Settlement Agreement shall, subject to municipal approval, be effective for bills rendered on and after April 1, 2014, and should a

municipality not approve this Settlement Agreement in time for Atmos Energy to implement rates on April 1, 2014, the Signatories agree that on April 1, 2014, Atmos Energy's existing rates will be established as temporary rates for service on and after that date and such temporary rates will be subject to reconciliation back to April 1, 2014, through a surcharge to give effect to the rates agreed to in this Settlement Agreement; provided that the surcharge period be no longer than a period of sixty days.

2. The Signatories agree that rates within Atmos Energy's West Texas Division have, under this Settlement Agreement, been established consistent with implementing a system-wide cost of service methodology.
3. The Signatories agree that it is reasonable to include State Institution customers within the Public Authority customer class. The Signatories further agree to the following customer charges and consumption charges for customers residing in the WTX Cities. These rates are reflected in the rate schedules attached as Exhibit A.

West Texas Cities Rate Jurisdiction (Incorporated Areas)

Customer Class	Customer Charge	Consumption Charge per Ccf
Residential	\$15.50	\$0.101624
Commercial	\$35.00	\$0.10094
Industrial/Transportation	\$300.00	\$0.07388
Public Authority	\$100.00	\$0.09023

4. Signatories agree that the September 30, 2013 balance of \$2,881,345.41 related to the Company's regulatory asset under 16 TEX. ADMIN. CODE § 8.209 is reasonable and prudently incurred and shall be included in the Company's rate base.
5. To give effect to Section 104.059 of GURA, Signatories agree that the base year level of pension-related and other post-employment benefits expenses, as shown on the attached Exhibit D and summarized below, shall be as follows:

Description	Total
Shared Services Unit - Pension Account Plan ("PAP")	\$546,158
Shared Services Unit - Post-Retirement Medical Plan ("FAS 106")	\$388,281
West Texas Division – PAP	\$1,843,850
West Texas Division – FAS 106	\$2,732,959
West Texas Supplemental Executive Retirement Plan ("SERP")	\$77,628

6. Signatories agree that the Rider Tax, Rider FF, Rider WNA and Rider GCA, which are attached as Exhibit A, are reasonable and should be approved.

7. Signatories agree that the base load and heat sensitivity factors referenced in the WNA tariff shall be updated to correspond to those identified in Exhibit F to this Settlement Agreement.
8. Signatories agree that in an effort to streamline the regulatory review process a new Rate Review Mechanism ("Rider RRM") should be adopted. The Rider RRM provides for an annual rate adjustment to reflect changes in billing determinants, operating and maintenance expense, depreciation expense, other taxes expense, and revenues as well as changes in capital investment and associated changes in gross revenue related taxes. The revised RRM tariff is included in Exhibit A. Rider RRM will establish rates for the WTX Cities based on the system-wide cost of serving the West Texas Division, which includes the Amarillo, Lubbock and WTX Cities rate jurisdictions.
9. The Signatories agree that the Company's annual RRM filing will reflect an actual capital structure comprised of equity and long-term debt as of the test period end, adjusted for any known and measurable changes that have occurred prior to the file date. Signatories further agree that the equity portion of the capital structure utilized in an annual RRM filing shall not exceed 55% equity. Notwithstanding the preceding sentence, in the event that the Railroad Commission of Texas ("Commission") issues a final rate order adopting a capital structure for Atmos Energy that exceeds 55% equity, the Signatories agree that the annual RRM filing will reflect that Commission-approved capital structure.
10. The Signatories agree that for purposes of interim rate adjustments filed pursuant to Section 104.301 of GURA, Atmos Energy shall use the net plant amount of \$402,630,670 as the beginning plant balance for the first interim rate adjustment ("IRA") filing made pursuant to Section § 104.301. The Signatories agree that any filing made pursuant to Section 104.301 of GURA shall be based on the cost of changes in the investment in the West Texas Division, which includes the Amarillo, Lubbock and WTX Cities rate jurisdictions. The Signatories further agree that Atmos Energy shall use the capital structure and cost of debt and equity established in the Commission's final order in GUD No. 10170 and the additional factors identified on the attached Exhibit C for future IRA filings.
11. The Signatories agree that Atmos Energy shall not create a regulatory asset associated with the over-and-under collection of franchise fees unless specifically authorized to do so by either a municipal authority having original jurisdiction over the Company's gas utility rates or the Railroad Commission of Texas.
12. With regard to rate case expenses, Signatories agree that: (1) WTX Cities' rate case expenses shall be recovered from customers within the incorporated areas of the WTX Cities rate jurisdiction and; (2) Company expenses shall be recovered from customers within the entire incorporated areas of the West Texas Division, which includes the WTX Cities, Amarillo and Lubbock rate jurisdictions. Signatories further agree that the parties' reasonable rate case expenses should be recovered by surcharge over a twelve-month period as shown in the Rider SUR, attached as Exhibit A.
13. The Signatories agree to support and seek municipal approval of this Settlement Agreement.

14. The Signatories agree that neither this Settlement Agreement nor any oral or written statements made during the course of settlement negotiations may be used for any purpose other than as necessary to support the entry by a City of an ordinance or resolution approving this Settlement Agreement. Signatories further expressly agree that this Settlement Agreement and any oral or written statements made during the course of settlement negotiations are privileged, inadmissible, and not relevant to prove any issues associated with Atmos Energy's 2013 Rate Filing.
15. The Signatories agree that the terms of the Settlement Agreement are interdependent and indivisible, and that if a City enters an order that is inconsistent with this Settlement Agreement, then any Signatory may withdraw without being deemed to have waived any procedural right or to have taken any substantive position on any fact or issue by virtue of that Signatory's entry into the Settlement Agreement or its subsequent withdrawal.
16. The Signatories agree that this Settlement Agreement is binding on each Signatory only for the purpose of settling the issues set forth herein and for no other purposes, and except to the extent the Settlement Agreement governs a Signatory's rights and obligations for future periods, this Settlement Agreement shall not be binding or precedential upon a Signatory outside this proceeding.
17. The Signatories agree that this Settlement Agreement may be executed in multiple counterparts and may be filed with facsimile signatures.

Agreed to this ____ day of February, 2014.

ATMOS ENERGY CORP, WEST TEXAS DIVISION

By: _____
David J. Park

STEERING COMMITTEE OF CITIES SERVED BY ATMOS WEST TEXAS

By: _____
Geoffrey M. Gay

RATE SCHEDULE:	RESIDENTIAL GAS SERVICE	
APPLICABLE TO:	WEST TEXAS CITIES SERVICE AREA – Inside City Limits (ICL)	
EFFECTIVE DATE:	Bills Rendered on and after 4/01/2014	PAGE:

Availability

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

Monthly Rate

Charge	Amount
Customer Charge	\$ 15.50
Consumption Charge	\$ 0.10162 per Ccf

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

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

The West Texas Division Rider TAX applies to this schedule.

The West Texas Division Rider FF applies to this schedule.

The West Texas Division Rider RRM applies to this schedule.

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

**WEST TEXAS DIVISION
ATMOS ENERGY CORPORATION**

EXHIBIT A

RATE SCHEDULE:	COMMERCIAL GAS SERVICE	
APPLICABLE TO:	WEST TEXAS CITIES SERVICE AREA – Inside City Limits (ICL)	
EFFECTIVE DATE:	Bills Rendered on and after 4/01/2014	PAGE:

Availability

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

Monthly Rate

Charge	Amount
Customer Charge	\$ 35.00
Consumption Charge	\$ 0.10094 per Ccf

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

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

The West Texas Division Rider TAX applies to this schedule.

The West Texas Division Rider FF applies to this schedule.

The West Texas Division Rider RRM applies to this schedule.

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

RATE SCHEDULE:	INDUSTRIAL GAS SERVICE	
APPLICABLE TO:	WEST TEXAS CITIES SERVICE AREA – Inside City Limits (ICL)	
EFFECTIVE DATE:	Bills Rendered on and after 4/01/2014	PAGE:

Availability

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

Monthly Rate

Charge	Amount
Customer Charge	\$ 300.00
Consumption Charge	\$ 0.07388 per Ccf

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

The West Texas Division Rider TAX applies to this schedule.

The West Texas Division Rider FF applies to this schedule.

The West Texas Division Rider RRM applies to this schedule.

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

**WEST TEXAS DIVISION
ATMOS ENERGY CORPORATION**

EXHIBIT A

RATE SCHEDULE:	PUBLIC AUTHORITY GAS SERVICE	
APPLICABLE TO:	WEST TEXAS CITIES SERVICE AREA – Inside City Limits (ICL)	
EFFECTIVE DATE:	Bills Rendered on and after 4/01/2014	

Availability

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

Monthly Rate

Charge	Amount
Customer Charge	\$ 100.00
Consumption Charge	\$ 0.09023 per Ccf

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

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

The West Texas Division Rider TAX applies to this schedule.

The West Texas Division Rider FF applies to this schedule.

The West Texas Division Rider RRM applies to this schedule.

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

RATE SCHEDULE:	TRANSPORTATION SERVICE	
APPLICABLE TO:	WEST TEXAS CITIES SERVICE AREA – Inside City Limits (ICL)	
EFFECTIVE DATE:	Bills Rendered on or after 4/01/2014	PAGE:

Application

Applicable, in the event that Company has entered into a Transportation Agreement, to a customer directly connected to the Atmos Energy Corp., West Texas Division Distribution System for the transportation of all natural gas supplied by Customer or Customer's agent at one Point of Delivery for use in Customer's facility with an estimated annual usage greater than 100,000 Ccf per meter.

Type of Service

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

Monthly Rate

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

Charge	Amount
Customer Charge per Meter	\$ 300.00 per month
Consumption Charge	\$ 0.07388 per Ccf

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

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

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

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

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

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

The West Texas Division Rider RRM applies to this schedule.

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

RATE SCHEDULE:	TRANSPORTATION SERVICE	
APPLICABLE TO:	WEST TEXAS CITIES SERVICE AREA – Inside City Limits (ICL)	
EFFECTIVE DATE:	Bills Rendered on or after 4/01/2014	PAGE:

Imbalance Fees

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

Monthly Imbalance Fees

Customer shall pay Company a monthly imbalance fee at the end of each month as defined in the applicable Transportation Agreement,

Curtailment Overpull Fee

Upon notification by Company of an event of curtailment or interruption of Customer's deliveries, Customer will, for each MMBtu delivered in excess of the stated level of curtailment or interruption, pay Company 200% of the "Index" price reported for the month of delivery in Inside FERC's Gas Market Report under the heading "West Texas Waha".

Replacement Index

In the event the "Index" price reported for the month of delivery in Inside FERC's Gas Market Report under the heading "West Texas Waha" is no longer published, Company will calculate the applicable imbalance fees utilizing a daily price index recognized as authoritative by the natural gas industry and most closely approximating the applicable index.

Agreement

A transportation agreement is required.

Notice

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

Special Conditions

In order to receive transportation service under this tariff, customer must have the type of meter, instrumentation, and communication required by Company. Customer must pay Company all costs associated with the acquisition and installation of the required equipment.

**WEST TEXAS DIVISION
ATMOS ENERGY CORPORATION**

EXHIBIT A

RATE SCHEDULE:	WEST TEXAS DIVISION GAS COST ADJUSTMENT (GCA) RIDER	
APPLICABLE TO:	ALL SERVICE AREAS IN THE WEST TEXAS DIVISION	
EFFECTIVE DATE:	Bills Rendered on and after 10/01/2012	PAGE:

Application

Gas bills issued under rate schedules to which this Rider applies will include adjustments to reflect decreases or increases in purchased gas costs or taxes. Accumulated Deferred Gas Costs shall also be adjusted for gas cost amounts which are uncollectible. Any such adjustments shall be filed with the appropriate regulatory authority before the beginning of the month in which the adjustment will be applied to bills. The amount of each adjustment shall be computed as follows:

Gas Cost Adjustment (GCA)

The GCA to be applied to each Ccf billed shall be computed as follows and rounded to the nearest \$0.01:

$$GCA = (G/S + CF)$$

Where:

1. "G", in dollars, is the expected cost of gas for the expected sales billing units.
2. "S", in Ccf as measured at local atmospheric pressure, is the expected sales billing units to be billed to customers in the respective section of the Company's West Texas Division.
3. "CF", in \$/Ccf as measured at local atmospheric pressure, is a correction factor charge per Ccf to adjust for the cumulative monthly differences between the cost of gas purchased by the Company and the amount of gas cost billed the customer plus any gas cost which is uncollectible.

More specifically, CF shall be calculated as follows:

$$CF = (a/b) + (c/b)$$

a = over (under) collection dollar amount for the 12 month period ending September.

b = expected estimated sales volumes for the future 12 month period ending November.

c = net uncollectible gas cost, that is:

(uncollectible gas cost for the previous 12 months ended September) – (subsequently collected gas cost for the previous 12 months ended September)

Once a year, on a 12 months ended September basis, the Company shall review the percentage of lost and unaccounted for gas. If this percentage exceeds 5% of the amount metered in, the correcting account balance will be reduced so that the customer will effectively be charged a maximum of 5% for lost and unaccounted for gas and the Company will absorb the excess.

**ATMOS ENERGY CORPORATION
WEST TEXAS DISTRIBUTION SYSTEM**

EXHIBIT A

RATE SCHEDULE:	WEST TEXAS DIVISION WEATHER NORMALIZATION ADJUSTMENT (WNA) RIDER	
APPLICABLE TO:	ALL AREAS IN THE WEST TEXAS DIVISION	
EFFECTIVE DATE:	Bills Rendered on and after 10/01/2012	PAGE:

Provisions for Adjustment

The base rate per Ccf (100,000 Btu) for gas service set forth in any Rate Schedules utilized in all cities in the West Texas Division or their environs 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, commercial, public authority, and state institution bills based on meters read during the revenue months of October through May.

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	$= \frac{R_i (HSF_i (NDD-ADD))}{(BL_i + (HSF_i \times ADD))}$
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	= base rate of temperature sensitive sales for the i^{th} schedule or classification utilized
HSF i	= heat sensitive factor for the i^{th} schedule or classification divided by the average bill count in that class
NDD i	= billing cycle normal heating degree days
ADD i	= 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 i	WNAF i x q_{ij} Where q_{ij} is the relevant sales quantity for the j^{th} Customer in i^{th} rate schedule
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RIDER:	FF – FRANCHISE FEE ADJUSTMENT	
APPLICABLE TO:	ALL AREAS IN THE WEST TEXAS DIVISION	
EFFECTIVE DATE:	Bills Rendered on and after 10/01/2012	PAGE:

Application

Applicable to Customers inside the corporate limits of an incorporated municipality that imposes a municipal franchise fee upon Company for the Gas Service provided to Customer. Franchise Fees to be assessed solely to customers within the municipal limits. This does not apply to Environs customers.

Monthly Adjustment

Company will adjust Customer's bill each month in an amount equal to the municipal franchise fees payable for the Gas Service provided to Customer by Company. Municipal franchise fees are determined by each municipality's franchise ordinance. Each municipality's franchise ordinance will specify the percentage and applicability of franchise fees.

From time to time, Company will make further adjustments to Customer's bill to account for any over- or under-recovery of municipal franchise fees by Company.

RIDER:	TAX – TAX ADJUSTMENT	
APPLICABLE TO:	ALL AREAS IN THE WEST TEXAS DIVISION	
EFFECTIVE DATE:	Bills Rendered on and after 10/01/2012	PAGE:

Application

Applicable to Customers taking service under Residential, Commercial, Industrial, Public Authority, and State Institution customers to the extent of state gross receipts taxes only.

Each monthly bill shall be adjusted for state gross receipts taxes imposed by Sections 182-021 - 182-025 of the Texas Tax Code.

Each monthly bill shall also be adjusted by an amount equivalent to the amount of all applicable taxes and any other governmental impositions, rentals, fees, or charges (except state, county, city, and special district ad valorem taxes and taxes on net income) levied, assessed, or imposed upon or allocated to Company with respect to the Gas Service provided to Customer by Company, and any associated facilities involved in the performance of such Gas Service. Each monthly bill shall also be adjusted by an amount equivalent to the proportionate part of any increase or decrease of any tax and any other governmental imposition, rental, fee, or charge (except state, county, city, and special district ad valorem taxes and taxes on net income) levied, assessed, or imposed subsequent to the effective date of this tariff, upon or allocated to Company's operations, by any new or amended law, ordinance, or contract.

**ATMOS ENERGY CORPORATION
WEST TEXAS DIVISION**

EXHIBIT A

RATE SCHEDULE:	OTHER SERVICE CHARGES	
APPLICABLE TO:	ALL AREAS IN THE WEST TEXAS DIVISION	
EFFECTIVE DATE:	Bills Rendered on and after 10/01/2012	

The service charges on this tariff will be applied in accordance with Atmos Energy's Quality of Service rules and Commission rule 7.45.

DURING BUSINESS HOURS:

These charges apply to services initiated between 8am and 5pm, Monday through Friday.

Charge	Amount
Turn On New Service With Meter Set	\$ 45.00
Turn On Service (shut-in test required)	\$ 37.00
Turn On Service (meter read only required)	\$ 21.00
Miscellaneous Service Charge Calls	\$ 10.00
Reconnect Delinquent Service or Service Temporarily Off at Customer's Request	\$ 47.00
Return Check Fee	\$ 25.00
Tampering Fee	\$ 150.00

AFTER BUSINESS HOURS:

These charges apply to services initiated between 5pm and 8am, Monday through Friday, and all day Saturday and Sunday.

Charge	Amount
Turn On New Service With Meter Set	\$ 67.50
Turn On Service (shut-in test required)	\$ 55.50
Turn On Service (meter read only required)	\$ 31.50
Miscellaneous Service Charge Calls	\$ 15.00
Reconnect Delinquent Service or Service Temporarily Off at Customer's Request	\$ 70.50
Tampering Fee	\$ 150.00

RATE SCHEDULE:	RRM – Rate Review Mechanism	
APPLICABLE TO:	ALL INCORPORATED CUSTOMERS IN THE WEST TEXAS DIVISION EXCEPT CUSTOMERS IN THE CITIES OF AMARILLO, LUBBOCK, DALHART AND CHANNING.	
EFFECTIVE DATE:	Bills Rendered on and after March 15, 2015	PAGE 1 OF 6

I. Applicability

Applicable to Residential, Commercial, Industrial, Public Authority, and Transportation tariff incorporated areas customers in the West Texas Division of Atmos Energy Corporation (“Company”) with the exception of those customers within the Cities of Amarillo, Lubbock, Dalhart, and Channing. This Rate Review Mechanism (“RRM”) provides for an annual adjustment to the Company’s Residential, Commercial, Industrial, Public Authority, and Transportation Rate Schedules (“Applicable Rate Schedules”). Rate calculations and adjustments required by this tariff shall be determined on a System-Wide cost basis.

II. Definitions

“Test Period” is defined as the twelve months ending September 30th of each preceding calendar year.

The “Effective Date” is the date that adjustments required by this tariff are applied to customer bills. The annual Effective Date is March 15.

Unless otherwise noted in this tariff, the term “Final Order” refers the final order issued by the Railroad Commission of Texas in GUD 10170.

The term “System-Wide” means all incorporated and unincorporated areas served by the Company within the West Texas Division.

“Review Period” is defined as the period from the Filing Date until the Effective Date.

The “Filing Date” is as early as practicable, but no later than December 1 of each year.

III. Calculation

The RRM shall calculate an annual, System-Wide cost of service (“COS”) that will be used to adjust applicable rate schedules prospectively as of the Effective Date. The annual cost of service will be calculated according to the following formula:

$$\text{COS} = \text{OM} + \text{DEP} + \text{RI} + \text{TAX} + \text{CD} - \text{ADJ}$$

Where:

OM = all reasonable and necessary operation and maintenance expenses from the Test Period adjusted for known and measurable items and prepared

RATE SCHEDULE:	RRM – Rate Review Mechanism	
APPLICABLE TO:	ALL INCORPORATED CUSTOMERS IN THE WEST TEXAS DIVISION EXCEPT CUSTOMERS IN THE CITIES OF AMARILLO, LUBBOCK, DALHART AND CHANNING.	
EFFECTIVE DATE:	Bills Rendered on and after March 15, 2015	PAGE 2 OF 6

consistent with the rate making treatments approved in the Final Order. Known and measurable adjustments shall be limited to those changes that have occurred prior to the Filing Date. OM may be adjusted for atypical and non-recurring items. Shared Services allocation factors shall be recalculated each year based on the latest component factors used during the Test Period, but the methodology used will be that approved in the Final Order.

DEP = depreciation expense calculated at depreciation rates approved by the Final Order from GUD 10041 for the West Texas Division direct depreciation rates and the Final Order from GUD 10170 for Shared Services depreciation rates

RI = return on investment calculated as the Company's pretax return multiplied by rate base at Test Period end. Rate base is prepared consistent with the rate making treatments approved in the Final Order, except that no post Test Period adjustments will be permitted. Pretax return is the Company's weighted average cost of capital before income taxes. The Company's weighted average cost of capital is calculated using the methodology from the Final Order including the Company's actual capital structure and long term cost of debt as of the Test Period end (adjusted for any known and measurable changes that have occurred prior to the filing date) and the return on equity from the Final Order. However, in no event will the percentage of equity exceed 55%. Notwithstanding the preceding sentence, in the event that the Commission issues a final rate order adopting a capital structure for Atmos Energy that exceeds 55% equity, the Signatories agree that the annual RRM filing will reflect the Commission-approved capital structure. Regulatory adjustments due to prior regulatory rate base adjustment disallowances will be maintained. Cash working capital will be calculated using the lead/lag days approved in the Final Order. With respect to pension and other postemployment benefits, the Company will record a regulatory asset or liability for these costs until the amounts are included in the next annual rate adjustment implemented under this tariff. Each year, the Company's filing under this Rider RRM will clearly state the level of pension and other postemployment benefits recovered in rates.

TAX = income tax and taxes other than income tax from the Test Period adjusted for known and measurable changes occurring after the Test Period and before the Filing Date, and prepared consistent with the rate making treatments approved in the Final Order.

CD = interest on customer deposits.

RATE SCHEDULE:	RRM – Rate Review Mechanism	
APPLICABLE TO:	ALL INCORPORATED CUSTOMERS IN THE WEST TEXAS DIVISION EXCEPT CUSTOMERS IN THE CITIES OF AMARILLO, LUBBOCK, DALHART AND CHANNING.	
EFFECTIVE DATE:	Bills Rendered on and after March 15, 2015	PAGE 3 OF 6

ADJ = Downward adjustment to the overall, System-Wide test year cost of service in the amount of \$300,000.00, adjusted by a percentage equal to the total percentage increase in base-rate revenue sought pursuant to this tariff.

IV. Annual Rate Adjustment

The Company shall provide schedules and work papers supporting the Filing's revenue deficiency/sufficiency calculations using the methodology accepted in the Final Order. The result shall be reflected in the proposed new rates to be established for the effective period. The Revenue Requirement will be apportioned to customer classes consistent with class revenue distribution resulting from the settlement of the statement of intent filed October 18, 2013. For the Residential Class, 50% of the increase may be recovered in the customer charge. The increase to the Residential customer charge shall not exceed \$0.50 per month in any given year. The remainder of the Residential Class increase not collected in the customer charge will be recovered in the usage charge. The Company will forgo any change in the Residential customer charge with the first proposed rate adjustment pursuant to this tariff. For all other classes, the change in rates will be apportioned between the customer charge and the usage charge, consistent with the Final Order. Test Period billing determinants shall be adjusted and normalized according to the methodology utilized in the Final Order.

V. Filing

The Company shall file schedules annually with the regulatory authority having original jurisdiction over the Company's rates on or before the Filing Date that support the proposed rate adjustments. The schedules shall be in the same general format as the cost of service model and relied-upon files upon which the Final Order was based. A proof of rates and a copy of current and proposed tariffs shall also be included with the filing. The filing shall be made in electronic form where practical. The Company's filing shall conform to Minimum Filing Requirements (to be agreed upon by the parties), which will contain a minimum amount of information that will assist the regulatory authority in its review and analysis of the filing. The Company and regulatory authority will endeavor to hold a technical conference regarding the filing within ten (10) calendar days after the Filing Date.

The 2014 Filing Date will be December 1, 2014.

A sworn statement shall be filed by an Officer of the Company affirming that the filed schedules are in compliance with the provisions of this Rate Review Mechanism and are true and correct to the best of his/her knowledge, information, and belief. No

RATE SCHEDULE:	RRM – Rate Review Mechanism	
APPLICABLE TO:	ALL INCORPORATED CUSTOMERS IN THE WEST TEXAS DIVISION EXCEPT CUSTOMERS IN THE CITIES OF AMARILLO, LUBBOCK, DALHART AND CHANNING.	
EFFECTIVE DATE:	Bills Rendered on and after March 15, 2015	PAGE 4 OF 6

testimony shall be filed, but a brief narrative explanation shall be provided of any changes to corporate structure, accounting methodologies, allocation of common costs, or atypical or non- recurring items included in the filing.

VI. Evaluation Procedures

The regulatory authority having original jurisdiction over the Company's rates shall review and render a decision on the Company's proposed rate adjustment prior to the Effective Date. The Company shall provide all supplemental information requested to ensure an opportunity for adequate review by the relevant regulatory authority. The Company shall not unilaterally impose any limits upon the provision of supplemental information and such information shall be provided within seven (7) working days of the original request. The regulatory authority may propose any adjustments it determines to be required to bring the proposed rate adjustment into compliance with the provisions of this tariff.

The regulatory authority may disallow any net plant investment that is not shown to be prudently incurred. Approval by the regulatory authority of net plant investment pursuant to the provisions of this tariff shall constitute a finding that such net plant investment was prudently incurred. Such finding of prudence shall not be subject to further review in a subsequent RRM or Statement of Intent filing.

During the Review Period, the Company and the regulatory authority will work collaboratively and seek agreement on the level of rate adjustments. If, at the end of the Review Period, the Company and the regulatory authority have not reached agreement, the regulatory authority shall take action to modify or deny the proposed rate adjustments. The Company shall have the right to appeal the regulatory authority's action to the Railroad Commission of Texas. Upon the filing of an appeal of the regulatory authority's order relating to an annual RRM filing with the Railroad Commission of Texas, the regulatory authority having original jurisdiction over the Company's rates shall not oppose the implementation of the Company's proposed rates subject to refund, nor will the regulatory authority advocate for the imposition of a third party surety bond by the Company. Any refund shall be limited to and determined based on the resolution of the disputed adjustment(s) in a final, non-appealable order issued in the appeal filed by the Company at the Railroad Commission of Texas.

In the event that the regulatory authority and Company agree to a rate adjustment(s) that is different from the adjustment(s) requested in the Company's filing, the Company shall file compliance tariffs consistent with the agreement. No action on the part of the regulatory authority shall be required to allow the rate adjustment(s) to become effective on March 15. To the extent that the regulatory authority does not take action on the Company's RRM filing by March 14, the rates proposed in the Company's filing shall be

RATE SCHEDULE:	RRM – Rate Review Mechanism	
APPLICABLE TO:	ALL INCORPORATED CUSTOMERS IN THE WEST TEXAS DIVISION EXCEPT CUSTOMERS IN THE CITIES OF AMARILLO, LUBBOCK, DALHART AND CHANNING.	
EFFECTIVE DATE:	Bills Rendered on and after March 15, 2015	PAGE 5 OF 6

deemed approved effective March 15. (2014 filing RRM rate will be effective March 15, 2015 if no action is taken). Notwithstanding the preceding sentence, a regulatory authority may choose to take affirmative action to approve a rate adjustment under this tariff. In those instances where such approval cannot reasonably occur by March 14, the rates finally approved by the regulatory authority shall be deemed effective as of March 15.

To defray the cost, if any, of regulatory authorities conducting a review of the Company's annual RRM filing, the Company shall reimburse the regulatory authorities on a monthly basis for their reasonable expenses incurred upon submission of invoices for such review. Any reimbursement contemplated hereunder shall be deemed a reasonable and necessary operating expense of the Company in the year in which the reimbursement is made. A regulatory authority seeking reimbursement under this provision shall submit its request for reimbursement to the Company no later than May 15 of the year in which the RRM filing is made and the Company shall reimburse regulatory authorities in accordance with this provision on or before June 15 of the year the RRM filing is made.

To the extent possible, the provisions of the Final Order shall be applied by the regulatory authority in determining whether to approve or disapprove of Company's proposed rate adjustment.

This Rider RRM does not limit the legal rights and duties of a regulatory authority. Nothing herein shall abrogate the jurisdiction of the regulatory authority to initiate a rate proceeding at any time to review whether rates charged are just and reasonable. Similarly, the Company retains its right to utilize the provisions of Texas Utilities Code, Chapter 104, Subchapter C to request a change in rates. The provisions of this Rider RRM are implemented in harmony with the Gas Utility Regulatory Act (Texas Utilities Code, Chapters 101-105).

The annual rate adjustment process set forth in this tariff shall remain in effect during the pendency of any Statement of Intent rate filing.

VII. Reconsideration, Appeal and Unresolved Items

Orders issued pursuant to this mechanism are ratemaking orders and shall be subject to appeal under Sections 102.001(b) and 103.021, et seq., of the Texas Utilities Code (Vernon 2007).

RATE SCHEDULE:	RRM – Rate Review Mechanism	
APPLICABLE TO:	ALL INCORPORATED CUSTOMERS IN THE WEST TEXAS DIVISION EXCEPT CUSTOMERS IN THE CITIES OF AMARILLO, LUBBOCK, DALHART AND CHANNING.	
EFFECTIVE DATE:	Bills Rendered on and after March 15, 2015	PAGE 6 OF 6

VIII. Notice

Notice of each annual RRM filing shall be provided by including the notice, in conspicuous form, in the bill of each directly affected customer no later than forty-five (45) days after the Company makes its annual filing pursuant to this tariff. The notice to customers shall include the following information:

- a) a description of the proposed revision of rates and schedules;
- b) the effect the proposed revision of rates is expected to have on the rates applicable to each customer class and on an average bill for each affected customer;
- c) the service area or areas in which the proposed rates would apply;
- d) the date the annual RRM filing was made with the regulatory authority; and
- e) the Company's address, telephone number and website where information concerning the proposed rate adjustment be obtained.

RIDER:	SURCHARGE 2013 WTX SOI	
APPLICABLE TO:	ALL INCORPORATED AREAS IN THE WEST TEXAS CITIES SERVICE AREA	
EFFECTIVE DATE:	Bills Rendered on and after 4/01/2014	PAGE:

Applicability

The Rate Case Expense Surcharge (RCE) rate as set forth below is pursuant to Settlement Agreement to the Statement of Intent filed with the municipalities in Atmos Energy's West Texas Division on October 18, 2013. This monthly rate shall apply to the residential, commercial, industrial, and public authority / state institution rate schedules of Atmos Energy Corporation's West Texas Division in the rate areas and amounts noted below. The rate will be in effect for approximately 12 months until all approved and expended rate case expenses are recovered from the applicable customer classes. This rider is subject to all applicable laws and orders, and the Company's rules and regulations on file with the regulatory authority.

Rate Schedule: Residential

Rate Area	Monthly Surcharge
WTX Cities Incorporated	\$ 0.00228 per Ccf

Rate Schedule: Commercial

Rate Area	Monthly Surcharge
WTX Cities Incorporated	\$ 0.00154 per Ccf

Rate Schedule: Industrial

Rate Area	Monthly Surcharge
WTX Cities Incorporated	\$ 0.00175 per Ccf

Rate Schedule: Public Authority / State Institution

Rate Area	Monthly Surcharge
WTX Cities Incorporated	\$ 0.00081 per Ccf

OTHER ADJUSTMENTS

The above rate schedules shall be adjusted for all applicable taxes (including franchise fees for incorporated customers) related to the above.

**ATMOS ENERGY CORPORATION
WEST TEXAS SYSTEM STATEMENT OF INTENT
SUMMARY PROOF OF REVENUE AT CURRENT RATES
TEST YEAR ENDING JUNE 30, 2013**

EXHIBIT B

Line No.	Description (a)	West Texas						Total (h)	Reference (i)	
		West Texas ICL (b)	OCL (c)	Amarillo ICL (d)	Amarillo OCL (e)	Lubbock ICL (f)	Lubbock OCL (g)			
Residential										
1	<u>Rate Characteristics:</u>									
2	Customer Charge	\$ 13.50	\$ 13.50	\$ 13.50	\$ 13.50	\$ 13.50	\$ 13.50		Tariff- Rates	
3										
4	Consumption Charge (\$/Ccf)									
5	All Consumption	\$ 0.12614	\$ 0.17055	\$ 0.07550	\$ 0.07550	\$ 0.09175	\$ 0.09175		Tariff- Rates	
6										
7	<u>Billing Units:</u>									
8	Bills	1,491,886	151,445	786,743	30,450	751,234	54,930	3,266,688	Billing Determinants Study	
9	Total Ccf	73,084,407	8,611,518	50,915,223	2,218,827	35,968,592	3,487,952	174,286,519	Billing Determinants Study	
10										
11	<u>Present Revenue:</u>									
12	Customer Charge	\$ 20,140,482	\$ 2,044,511	\$ 10,621,035	\$ 411,070	\$ 10,141,656	\$ 741,555	\$ 44,100,288	Ln. 2 times Ln. 8	
13	Consumption Charge	9,218,867	1,468,694	3,844,099	167,521	3,300,118	320,020	18,319,320	Ln. 5 times Ln. 9	
14	Total Present Base Revenue - Residential	\$ 29,359,329	\$ 3,513,205	\$ 14,465,134	\$ 578,592	\$ 13,441,774	\$ 1,061,575	\$ 62,419,608	Sum of Ln. 12 through Ln. 13	
15										
16										
17	Commercial									
18	<u>Rate Characteristics:</u>									
19	Customer Charge	\$ 30.00	\$ 30.00	\$ 30.00	\$ 30.00	\$ 30.00	\$ 30.00		Tariff- Rates	
20										
21	Consumption Charge (\$/Ccf)									
22	All Consumption	\$ 0.09317	\$ 0.11330	\$ 0.09794	\$ 0.09794	\$ 0.09045	\$ 0.09045		Tariff- Rates	
23										
24	<u>Billing Units:</u>									
25	Bills	125,043	21,215	70,734	2,225	68,374	3,918	291,508	Billing Determinants Study	
26	Total Ccf	26,461,500	6,902,348	21,853,008	762,343	15,580,246	597,554	72,156,999	Billing Determinants Study	
27										
28	<u>Present Revenue:</u>									
29	Customer Charge	\$ 3,751,300	\$ 636,445	\$ 2,122,015	\$ 68,736	\$ 2,051,212	\$ 117,533	\$ 8,745,240	Ln. 19 times Ln. 25	
30	Consumption Charge	2,465,418	782,036	2,140,284	74,664	1,409,233	54,049	6,925,683	Ln. 22 times Ln. 26	
31	Total Present Base Revenue - Commercial	\$ 6,216,718	\$ 1,418,481	\$ 4,262,298	\$ 141,400	\$ 3,460,445	\$ 171,582	\$ 15,870,923	Sum of Ln. 29 through Ln. 30	
32										
33										
34	Industrial and Transportation (1)									
35	<u>Rate Characteristics:</u>									
36	Customer Charge	\$ 275.00	\$ 275.00	\$ 275.00	\$ 275.00	\$ 275.00	\$ 275.00		Tariff- Rates	
37										
38	Consumption Charge (\$/Ccf)									
39	All Consumption	\$ 0.05288	\$ 0.06091	\$ 0.11273	\$ 0.11273	\$ 0.07402	\$ 0.07402		Tariff- Rates	
40										
41	<u>Billing Units:</u>									
42	Bills	894	1,317	243	20	530	48	3,052	Billing Determinants Study	
43	Total Ccf	2,747,921	5,004,668	2,316,068	78,684	2,988,538	151,292	13,267,170	Billing Determinants Study	
44										
45	<u>Present Revenue:</u>									
46	Customer Charge	\$ 245,850	\$ 382,175	\$ 66,825	\$ 5,500	\$ 145,750	\$ 13,200	\$ 839,300	Ln. 36 times Ln. 42	

**ATMOS ENERGY CORPORATION
WEST TEXAS SYSTEM STATEMENT OF INTENT
SUMMARY PROOF OF REVENUE AT CURRENT RATES
TEST YEAR ENDING JUNE 30, 2013**

EXHIBIT B

Line No.	Description	West Texas						Total	Reference
		West Texas ICL	OCL	Amarillo ICL	Amarillo OCL	Lubbock ICL	Lubbock OCL		
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)
47	Consumption Charge	145,255	304,834	261,090	8,870	219,731	11,199	950,980	Ln. 39 times Ln. 43
48	Total Present Base Revenue - Industrial & Transportation	\$ 391,105	\$ 667,009	\$ 327,915	\$ 14,370	\$ 385,481	\$ 24,399	\$ 1,790,280	Sum of Ln. 46 through Ln. 47
49									
50									
51	Public Authority								
52	<u>Rate Characteristics:</u>								
53	Customer Charge	\$ 75.00	\$ 75.00	\$ 75.00	\$ 75.00	\$ 75.00	\$ 75.00		Tariff- Rates
54									
55	Consumption Charge (\$/Ccf)								
56	All Consumption	\$ 0.08431	\$ 0.10076	\$ 0.10638	\$ 0.10638	\$ 0.12981	\$ 0.12981		Tariff- Rates
57									
58	<u>Billing Units:</u>								
59	Bills	15,391	1,049	2,148	253	545	152	19,538	Billing Determinants Study
60	Total Ccf	11,017,111	696,969	3,145,163	1,578,428	493,692	345,146	17,276,508	Billing Determinants Study
61									
62	<u>Present Revenue:</u>								
63	Customer Charge	\$ 1,154,336	\$ 78,690	\$ 161,128	\$ 18,948	\$ 40,865	\$ 11,383	\$ 1,465,350	Ln. 53 times Ln. 59
64	Consumption Charge	928,853	70,227	334,582	187,913	64,086	44,803	1,610,464	Ln. 56 times Ln. 60
65	Total Present Base Revenue - Public Authority	\$ 2,083,189	\$ 148,917	\$ 495,710	\$ 186,861	\$ 104,951	\$ 56,186	\$ 3,075,814	Sum of Ln. 63 through Ln. 64
66									
67									
68	State Institution								
69	<u>Rate Characteristics:</u>								
70	Customer Charge	\$ 75.00	\$ 75.00			\$ 75.00	\$ 75.00		Tariff- Rates
71									
72	Consumption Charge (\$/Ccf)								
73	All Consumption	\$ 0.10146	\$ 0.13551			\$ 0.11115	\$ 0.11115		Tariff- Rates
74									
75	<u>Billing Units:</u>								
76	Bills	913	152			513	183	1,762	Billing Determinants Study
77	Total Ccf	808,032	46,249			463,326	312,214	1,629,821	Billing Determinants Study
78									
79	<u>Present Revenue:</u>								
80	Customer Charge	\$ 68,508	\$ 11,405			\$ 38,474	\$ 13,762	\$ 132,150	Ln. 70 times Ln. 76
81	Consumption Charge	81,883	6,267			51,499	34,703	174,451	Ln. 73 times Ln. 77
82	Total Present Base Revenue - State Institution	\$ 150,491	\$ 17,673			\$ 89,973	\$ 48,465	\$ 306,601	Sum of Ln. 80 through Ln. 81
83									
84	Note:								
85	1. The Industrial class includes two tariff Transportation customers with equivalent base rates.								
	present revenues nongas	\$ 38,200,832	\$ 5,785,285	\$ 19,551,058	\$ 921,222	\$ 17,462,624	\$ 1,362,207	\$ 83,283,227	

Data Sources:
West Texas 6_2013 Rates.xlsx
WTX BDS TY Ending 6.30.2013.xism

**ATMOS ENERGY CORPORATION
WEST TEXAS SYSTEM STATEMENT OF INTENT
SUMMARY PROOF OF REVENUE - PROSPECTIVE RATES
TEST YEAR ENDING JUNE 30, 2013**

EXHIBIT B

Line No.	Description (a)	West Texas						Total (h)	Reference (i)
		West Texas ICL (b)	OCL (c)	Amarillo ICL (d)	Amarillo OCL (e)	Lubbock ICL (f)	Lubbock OCL (g)		
Residential									
1	<u>Rate Characteristics:</u>								
2	Customer Charge	15.50	13.50	14.75	13.50	14.75	13.50		Rate Design
3									
4	Consumption Charge (\$/Ccf)								
5	All Consumption	0.10182	0.17055	0.09760	0.07550	0.12449	0.09175		Rate Design
6									
7	<u>Billing Units:</u>								
8	Bills	1,491,886	151,445	786,743	30,450	751,234	54,930	3,266,688	WP_J-1
9	Total Ccf	73,084,407	8,611,518	50,915,223	2,218,827	35,968,592	3,487,952	174,286,519	WP_J-1
10									
11	<u>Proposed Revenue:</u>								
12	Customer Charge	\$ 23,124,234	\$ 2,044,511	\$ 11,604,464	\$ 411,070	\$ 11,080,698	\$ 741,555	\$ 49,006,531	Ln. 2 times Ln. 8
13	Consumption Charge	7,427,165	1,468,694	4,969,326	167,521	4,477,730	320,020	18,830,456	Ln. 5 times Ln. 9
14	Total Proposed Base Revenue - Residential	\$ 30,551,399	\$ 3,513,205	\$ 16,573,789	\$ 578,592	\$ 15,558,428	\$ 1,061,575	\$ 67,836,988	Sum of Ln. 12 through Ln. 13
15									
16									
17	Commercial								
18	<u>Rate Characteristics:</u>								
19	Customer Charge	35.00	30.00	33.00	30.00	33.00	30.00		Rate Design
20									
21	Consumption Charge (\$/Ccf)								
22	All Consumption	0.10094	0.11330	0.11666	0.09794	0.11226	0.09045		Rate Design
23									
24	<u>Billing Units:</u>								
25	Bills	125,043	21,215	70,734	2,225	68,374	3,918	291,508	WP_J-1
26	Total Ccf	26,461,500	6,902,348	21,853,008	762,343	15,560,246	597,554	72,158,999	WP_J-1
27									
28	<u>Proposed Revenue:</u>								
29	Customer Charge	\$ 4,376,517	\$ 636,445	\$ 2,334,216	\$ 66,736	\$ 2,256,333	\$ 117,533	\$ 9,787,779	Ln. 19 times Ln. 25
30	Consumption Charge	2,670,992	782,036	2,549,372	74,664	1,749,038	54,049	7,880,151	Ln. 22 times Ln. 26
31	Total Proposed Base Revenue - Commercial	\$ 7,047,508	\$ 1,418,481	\$ 4,883,588	\$ 141,400	\$ 4,005,371	\$ 171,582	\$ 17,667,930	Sum of Ln. 29 through Ln. 30
32									
33									
34	Industrial / Transportation								
35	<u>Rate Characteristics:</u>								
36	Customer Charge	300.00	275.00	300.00	275.00	300.00	275.00		Rate Design
37									
38	Consumption Charge (\$/Ccf)								
39	All Consumption	0.07388	0.06091	0.13075	0.11273	0.08895	0.07402		Rate Design
40									
41	<u>Billing Units:</u>								
42	Bills	894	1,317	243	20	530	48	3,052	WP_J-1
43	Total Ccf	2,747,921	5,004,668	2,316,068	78,664	2,968,536	151,292	13,267,170	WP_J-1
44									
45	<u>Proposed Revenue:</u>								

**ATMOS ENERGY CORPORATION
WEST TEXAS SYSTEM STATEMENT OF INTENT
SUMMARY PROOF OF REVENUE - PROSPECTIVE RATES
TEST YEAR ENDING JUNE 30, 2013**

EXHIBIT B

Line No.	Description	West Texas						Total	Reference
		West Texas ICL	OCL	Amarillo ICL	Amarillo OCL	Lubbock ICL	Lubbock OCL		
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)
46	Customer Charge	\$ 268,200	\$ 362,175	\$ 72,900	\$ 5,500	\$ 159,000	\$ 13,200	\$ 880,975	Ln. 36 times Ln. 42
47	Consumption Charge	203,003	304,834	302,826	8,870	284,051	11,199	1,094,784	Ln. 39 times Ln. 43
48	Total Proposed Base Revenue - Industrial	\$ 471,203	\$ 667,009	\$ 375,726	\$ 14,370	\$ 423,051	\$ 24,399	\$ 1,975,759	Sum of Ln. 46 through Ln. 47
49									
50									
51	Public Authority								
52	<u>Rate Characteristics:</u>								
53	Customer Charge	100.00	75.00	82.00	75.00	82.00	75.00		Rate Design
54									
55	Consumption Charge (\$/Ccf)								
56	All Consumption	0.09023	0.10076	0.12457	0.10638	0.14512	0.12981		Rate Design
57									
58	<u>Billing Units:</u>								
59	Bills	16,305	1,201	2,148	253	1,058	335	21,300	WP_J-1
60	Total Ccf	11,825,144	743,217	3,145,163	1,578,428	957,017	657,360	18,906,329	WP_J-1
61									
62	<u>Proposed Revenue:</u>								
63	Customer Charge	\$ 1,630,459	\$ 90,096	\$ 176,166	\$ 18,948	\$ 86,744	\$ 25,145	\$ 2,027,558	Ln. 53 times Ln. 59
64	Consumption Charge	\$ 1,066,940	\$ 74,887	\$ 391,793	\$ 167,913	\$ 138,882	\$ 85,332	\$ 1,925,747	Ln. 56 times Ln. 60
65	Total Proposed Base Revenue - Public Authority	\$ 2,697,399	\$ 166,589	\$ 567,959	\$ 186,861	\$ 225,627	\$ 104,651	\$ 3,953,305	Sum of Ln. 63 through Ln. 64
	proposed revenues nongas	\$ 40,767,510	\$ 5,765,284	\$ 22,401,063	\$ 921,222	\$ 20,212,477	\$ 1,362,207	\$ 91,433,982	
	present revenues nongas	\$ 38,200,832	\$ 5,765,285	\$ 19,551,058	\$ 921,222	\$ 17,462,624	\$ 1,362,207	\$ 83,263,227	
		\$ 2,566,678	(0)	\$ 2,850,005	\$ -	\$ 2,749,853	(0)	\$ 8,170,755	

EXHIBIT C

Factors Required by Section 104.301 of the Gas Utility Regulatory Act

- The net invested capital amount of \$402,630,670 shall be used as the baseline investment for use in calculating the first interim rate adjustment (“IRA”) adjustment following the issuance of an Ordinance approving new rates pursuant to the Settlement Agreement referencing this Exhibit C.
- The overall depreciation rate shall be calculated based on the West Texas Division direct depreciation rates approved in GUD 10041 and the SSU Depreciation rates approved in GUD 10170.
- A federal income tax factor of 35%;
- Ad Valorem Tax of \$4,133,461 divided by the net invested capital of \$402,630,670 for an Ad Valorem tax rate of 1.03%.
- The average use per month per customer class in order to determine the current and proposed bill information in future IRA filings is as follows: Residential at 52.69 Ccf, Commercial at 239.72 Ccf, Industrial at 3,950.03 Ccf, and Public Authority at 809.72 Ccf; and
- The base rate revenue allocation factors to be used to calculate the cost of changes in investment to be recovered from the appropriate customer classes are as follows: Residential at 75.13%, Commercial at 18.39%, Industrial at 2.16%, and Public Authority at 4.32%.
- The overall return shall be the same as approved by the Railroad Commission of Texas in the Final Order for GUD 10170.

**ATMOS ENERGY CORPORATION
WEST TEXAS SYSTEM STATEMENT OF INTENT
PENSIONS AND RETIREE MEDICAL BENEFITS BENCHMARK
TEST YEAR ENDING JUNE 30, 2013**

Exhibit D

Line No.	Description	Shared Services		WTX			Total
		Pension Account Plan ("PAP")	Post-Retirement Medical Plan ("FAS 106")	Pension Account Plan ("PAP")	Post-Retirement Medical Plan ("FAS 106")	Supplemental Executive Retirement Plan ("SERP")	
	(a)	(b)	(c)	(d)	(e)	(f)	(g)
1	FY 2014 Towers Watson Amounts (Excluding Removed Cost Centers)	\$ 6,343,572	\$ 4,509,850	\$ 1,954,888	\$ 2,897,539	\$ 82,303	
2	Texas Division Allocation Factor	8.82%	8.82%	100.00%	100.00%	100.00%	
3	West Texas Allocation Factor	97.62%	97.62%	94.32%	94.32%	94.32%	
4	FY 2014 Towers Watson Benefit Costs (Excluding Removed Cost Centers)						
4	Allocated to WTX (Ln 1 x Ln 2 x Ln 3)	\$ 546,158	\$ 388,281	\$ 1,843,850	\$ 2,732,959	\$ 77,628	
5	O&M and Capital Allocation Factor	100.00%	100.00%	100.00%	100.00%	100.00%	
6	FY 2014 Towers Watson Benefit Costs To Approve (Excluding Removed Cost Centers) (Ln 4 x Ln 5)	\$ 546,158	\$ 388,281	\$ 1,843,850	\$ 2,732,959	\$ 77,628	
7							
8							
9	Summary of Costs to Approve:						
10							
11							
12	Total Pension Account Plan ("PAP")	\$ 546,158		\$ 1,843,850			\$ 2,390,009
13	Total Post-Retirement Medical Plan ("FAS 106")		\$ 388,281		\$ 2,732,959		3,121,240
14	Total Supplemental Executive Retirement Plan ("SERP")					\$ 77,628	77,628
15	Total (Ln 12 + Ln 13 + Ln 14)	\$ 546,158	\$ 388,281	\$ 1,843,850	\$ 2,732,959	\$ 77,628	\$ 5,588,877
16							
17							
18	O&M Expense Factor (WP_F-2.3, Ln 2)	87.56%	87.56%	57.87%	57.87%	100.00%	
19							
20	Expense Portion (Ln 15 x Ln 18)	\$ 478,237	\$ 339,994	\$ 1,067,017	\$ 1,581,535	\$ 77,628	\$ 3,544,412
21							
22	Capital Factor (1 - Ln 18)	12.44%	12.44%	42.13%	42.13%	0.00%	
23							
24	Capital Portion (Ln 15 x Ln 22)	\$ 67,921	\$ 48,287	\$ 776,833	\$ 1,151,424	\$ -	\$ 2,044,465
25							
26	Total (Ln 20 + Ln 24)	\$ 546,158	\$ 388,281	\$ 1,843,850	\$ 2,732,959	\$ 77,628	\$ 5,588,877

ATMOS ENERGY CORPORATION
WEST TEXAS SYSTEM STATEMENT OF INTENT
PENSION AND OTHER POST EMPLOYMENT BENEFITS REGULATORY ASSET
AMORTIZATION SCHEDULE *
TEST YEAR ENDING JUNE 30, 2013

Exhibit D

Line No.	Year Ended June 30	Beginning of Year Rate Base Adjustment Amount	Annual Amortization	End of Year Rate Base Adjustment Amount	Balance as of June 30, 2013
	(a)	(b)	(c)	(d)	(e)
1	2013			\$ 1,183,707	\$ 1,183,707
2	2014	\$ 1,183,707	\$ 118,371	1,065,337	
3	2015	1,065,337	118,371	946,966	
4	2016	946,966	118,371	828,595	
5	2017	828,595	118,371	710,224	
6	2018	710,224	118,371	591,854	
7	2019	591,854	118,371	473,483	
8	2020	473,483	118,371	355,112	
9	2021	355,112	118,371	236,741	
10	2022	236,741	118,371	118,371	
11	2023	118,371	118,371	-	

12
 13 Notes:

- 14 1. The annual amortization of the Pension and Other Postemployment Benefits Regulatory Asset
 15 cost has been included in O&M expense on WP_F-2.8. The annual amortization is based
 16 on a ten year amortization period.
 17
- 18 2. The Company has included in rate base, as a regulatory asset, the Company's calculated
 19 Pension and Other Postemployment Benefits cost in accordance with
 20 TEX. UTILITIES CODE, SECTION 104.059.
 21
- 22 3. The calculation of the asset on this workpaper represents the fiscal year 2013 Towers Watson report
 23 versus the cost level approved in GUD No. 10174 for the period October 1, 2012 to June 30, 2013.
 24 Please see the Relied Files for the documentation supporting this calculation.
 25
- 26 4. The amortization of this asset will begin when the rates approved in this filing go into effect.
 27
- 28 * Totals may vary due to rounding.

Exhibit E

Incorporated Cities Served by the WTX-Cities Rate Division

1. Abernathy
2. Amherst
3. Anton
4. Big Spring
5. Bovina
6. Brownfield
7. Buffalo Springs Lake
8. Canyon
9. Coahoma
10. Crosbyton
11. Dimmitt
12. Earth
13. Edmonson
14. Floydada
15. Forsan
16. Friona
17. Fritch
18. Hale Center
19. Happy
20. Hart
21. Hereford
22. Idalou
23. Kress
24. Lake Tanglewood
25. Lamesa
26. Levelland
27. Littlefield
28. Lockney
29. Lorenzo
30. Los Ybanez
31. Meadow

Exhibit E

Incorporated Cities Served by the WTX-Cities Rate Division

32. Midland
33. Muleshoe
34. Nazareth
35. New Deal
36. New Home
37. Odessa
38. O'Donnell
39. Olton
40. Opdyke
41. Palisades
42. Pampa
43. Panhandle
44. Petersburg
45. Plainview
46. Post
47. Quitaque
48. Ralls
49. Ransom Canyon
50. Ropesville
51. Sanford
52. Seagraves
53. Seminole
54. Shallowater
55. Silverton
56. Slaton
57. Smyer
58. Springlake
59. Stanton
60. Sudan
61. Tahoka
62. Timbercreek Canyon
63. Tulia
64. Turkey
65. Vega
66. Wellman
67. Wilson
68. Wolfforth

Weather Zone	Baseload	Annual Baseload per Customer	Monthly Baseload per Customer for WNA	Normalized Volumes Ccf	Normalized Volumes per Customer	Average Customers	Normal HDD	HSF
Residential								
Amarillo	20,155,155	216.64	18.05	72,120,563	775.19	93,036	3,897	0.1433
Lubbock	19,701,788	188.75	15.73	62,103,916	594.98	104,379	3,132	0.1297
Midland	12,821,859	173.76	14.48	40,062,040	542.90	73,793	2,503	0.1475
Commercial								
Amarillo	9,917,438	1,211.03	100.92	28,022,844	3,421.91	8,189	3,897	0.5673
Lubbock	10,633,279	1,142.43	95.20	23,318,552	2,505.33	9,308	3,132	0.4352
Midland	10,597,749	1,583.76	131.98	20,815,603	3,110.75	6,692	2,503	0.6101
Public Authority / State Agency								
Amarillo	1,876,066	3,561	297	6,755,200	12,822.27	527	3,897	2.3765
Lubbock	1,140,453	1,530	128	4,645,834	6,233.93	745	3,132	1.5018
Midland	2,926,097	4,878	406	7,505,295	12,510.56	600	2,503	3.0496

* City references are to weather zones not rate divisions.

RESOLUTION NO. _____

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BIG SPRING IN SUPPORT OF THE TEXAS DEPARTMENT OF TRANSPORTATION REDUCING THE AMOUNT OF PARKING AT THE SOUTHEAST CORNER OF 3RD STREET AND MAIN STREET, AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the City of Big Spring has seen an increase in accidents and near accidents at the intersection of 3rd Street and Main Street due to obstructed view of oncoming traffic caused by cars parked too near the intersection; and

WHEREAS, 3rd Street, a state owned roadway that passes through the City of Big Spring has seen an increase in traffic volume in the recent past; and

WHEREAS, the City Council of the City of Big Spring finds that reducing the amount of parking at this intersection will promote public safety,

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF BIG SPRING, TEXAS THAT:

SECTION 1. The City of Big Spring supports the Texas Department of Transportation in the removal of one or more parking spaces on the southeast corner of 3rd Street and Main Street to provide an unobstructed view of oncoming traffic to allow for traffic to proceed unimpeded.

SECTION 2. This resolution shall take effect immediately upon its adoption and approval.

SECTION 3. Should any section, paragraph, sentence, clause, phrase or word of this resolution be declared unconstitutional or invalid for any purpose, the remainder of this resolution shall not be affected thereby.

PASSED AND APPROVED on first reading at a regular meeting of the City Council on the 11th day of March, 2014, with all members present voting "aye" for passage of same.

PASSED AND APPROVED on second reading at a regular meeting of the City Council on the 25th day of March, 2014, with all members present voting "aye" for passage of same.

Larry McLellan, Mayor

Attest:

Tami Davis, Asst. City Secretary

ORDINANCE No _____

AN ORDINANCE OF THE CITY OF BIG SPRING, TEXAS AMENDING APPENDIX A TO THE BIG SPRING CODE OF ORDINANCES ENTITLED "FEE SCHEDULE" BY ADDING A NEW ARTICLE 2 ENTITLED "COLLECTION FEES" IN ORDER TO ASSESS A COLLECTION FEE OF \$240.00 ON PAST DUE AMBULANCE SERVICE ACCOUNTS AND TO ASSESS A COLLECTION FEE OF THIRTY PERCENT OF THE AMOUNT OWED ON OTHER PAST DUE ACCOUNTS RECEIVABLE THAT ARE TO BE REFERRED TO THE CONTRACTED COLLECTION SERVICE; PROVIDING FOR SEVERABILITY, PROVIDING FOR PUBLICATION AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the City, from time to time, has a number of past due collection accounts pending; and

WHEREAS, the City is seeking professional assistance in having these cases processed, skip-traced, collected/resolved; and

WHEREAS, to contract with a collection service, the City will have to pay a fee of Thirty Percent (30%) of the amount collected to handle the collection and processing of these pending accounts;

NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF BIG SPRING, TEXAS THAT:

SECTION 1. The City will assess a collection fee of Two Hundred Forty Dollars \$240.00 on ambulance service accounts that are not paid within sixty (60) days of the due date and that are to be referred to the contracted collection agency. The City will also assess a collection fee of Thirty Percent (30%) of the total amount of the account balance for receivable accounts other than ambulance service accounts that are not paid within sixty (60) days of the due date and that are to be referred to the contracted collection agency. The assessed collection fees will be used to compensate the outside agency for their efforts and expenses in collecting and processing the past due accounts. Once an account has been referred to the contracted collection agency, the total amount owed and the collection fee will be collected from the debtor regardless of whether the debtor pays the outside agency or pays the City directly.

SECTION 2. Should any section, paragraph, sentence, clause, phrase or word of this ordinance be declared unconstitutional or invalid for any purpose, the remainder of this ordinance shall not be affected thereby.

SECTION 3. The City Secretary is hereby ordered and directed to cause the descriptive caption of this ordinance to be published as provided by law.

SECTION 4: This ordinance shall become effective immediately upon its passage and publication in accordance with the Charter of the City of Big Spring.

PASSED AND APPROVED on first reading by the City Council of the City of Big Spring, Texas this **11th** day of **March, 2014**, at a regular meeting of the City Council, with all members present voting “aye” for the passage of same.

PASSED AND APPROVED on second reading by the City Council of the City of Big Spring, Texas this **25th** day of **March, 2014**, at a regular meeting of the City Council, with all members present voting “aye” for the passage of same.

Larry McLellan, Mayor

ATTEST:

Tami Davis, Assistant City Secretary

**AGREEMENT BETWEEN THE CITY OF BIG SPRING
AND AMERICAN MUNICIPAL SERVICES
FOR COLLECTION OF DELINQUENT ACCOUNTS**

This Agreement is made and entered into by and between the City of Big Spring (the “City”) and American Municipal Services, a Texas corporation (“AMS”), collectively (the “Parties”) to be effective as of the last date signed below.

Section 1. City hereby agrees to contract with AMS to pursue and enforce collection of any delinquent accounts the City may from time to time refer to AMS, including but not limited to delinquent ambulance service accounts, utility accounts, lease and rental payments and other miscellaneous collection accounts, pursuant to the terms and conditions described herein. This Agreement supersedes all prior oral and written agreements between the Parties, and can only be amended if done so in writing and signed by all Parties. This Agreement cannot be transferred or assigned by either Party without the written consent of the other Party.

Section 2. The Parties agree that their respective duties and obligations shall be as set forth herein and in the Collection Agreement attached hereto as Exhibit “A” and incorporated herein by reference. Accounts shall be considered delinquent as defined by City ordinance or as otherwise determined by the City.

Section 3. AMS agrees to use its best efforts to collect the delinquent accounts City refers to it and to respond to any inquiries from the City regarding the referred accounts.

Section 4. AMS agrees to indemnify, defend and hold harmless the City, its council members, officials and employees, from and against any and all losses, claims, demands, damages, suits or actions, of whatever type or nature, arising from, or in any way resulting from, or in any way connected with, any activity of American Municipal Services or its agents, attorneys, servants or employees in the handling and/or collecting of the collection accounts referred to it by the City.

Section 5 Any notices or demands required pursuant to this Agreement shall be in writing and shall be deemed served and received when delivered personally, or when deposited in the United States mail, postage prepaid, return receipt requested by certified mail addressed to the Parties as follows:

To City at: City Manager
City of Big Spring
310 Nolan Street
Big Spring, TX 79720

To AMS at: American Municipal Services, Corporate Office
3724 Old Denton Road
Carrollton, TX 75007

Section 6. This Agreement shall be construed in accordance with the laws of the State of Texas. Venue for any cause of action related to this Agreement shall be in Howard County Texas. If any covenant, condition or provision contained in this Agreement is held to be invalid by any Court of competent jurisdiction such invalidity shall not affect the validity of any other covenant, condition or provision herein contained.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement in duplicate originals.

The City of Big Spring

By: _____
Todd Darden, City Manager

Date: _____

ATTEST

Tami Davis, Assistant City Secretary

American Municipal Services

By: _____
Gregory L. Pitchford, Chief Financial Officer

Date: _____



American Municipal Services
Corporate Office
3724 Old Denton Road
Carrollton, TX 75007
Phone: 888-290-5660
Fax: 469-568-1119
Web: www.amsltd.us

COLLECTION AGREEMENT

(Collection Services Contract Utilities, EMS, Miscellaneous)

The City of Big Spring, Texas hereinafter collectively referred to as "Municipality" desires to utilize the services of American Municipal Services, ("AMS"), to perform collection services for the Municipality, and American Municipal Services desires to undertake such collection services. Accordingly, the parties agree that their relationship be governed by the terms of this Collection Agreement.

The Municipality agrees to periodically refer to AMS for collection accounts where a party or entity owes monies to the Municipality, whether for utility services, emergency ambulance service, or other services provided by the Municipality. No specific number or dollar amount of collection accounts that will be sent to AMS is represented or guaranteed by the Municipality. AMS agrees to use their best efforts to collect those collection accounts sent to AMS by the Municipality. AMS agrees to skip trace those accounts where it is determined a good address is not known, to send each debtor a minimum of four letters, and to contact each debtor by telephone in an effort to have the debtor pay the amount owed to the Municipality. AMS will limit all telephone calls to between the hours of 8:00 am and 7:00 pm from Monday through Friday, and between the hours of 8:00 am and 2:00 pm on Saturdays. No debtor is to be phoned on Sundays. All contacts between AMS staff and debtors are to be by telephone or by mail. No personal contacts are to ever occur. AMS agrees to honor a debtors request to contact the debtor during specified hours, or at a specified location.

AMS will arrange for all debtors to send their payments directly to AMS. AMS will process and deposit all payments into a trust account and will, within 15 days from final Municipality confirmation of payments for the previous month's collections, forward to the Municipality a check in the amount equal to all payments received for the previous month minus the AMS collection fee. AMS may accept payment by credit card and charge the debtor the standard AMS fee for that service. AMS will provide the Municipality with reports on payments received, as payments are received on a daily basis and provide a monthly payment report showing all payments for the previous month. In the event a debtor makes a payment directly to the city, whether in person or by mail, on a case AMS is in the process of collecting, the Municipality will notify AMS of such payment and the collection fee is due from said payment.

AMS is authorized to arrange payment schedules with debtors and to authorize partial payments, provided the entire amount to be paid by the debtor equals the total of the monies owed plus any interest or late charges and costs established by the Municipality. AMS is authorized to report to the various National Credit Bureaus, at AMS's expense, the unpaid amount owed as a debt due the Municipality. When a payment plan is established, AMS agrees to provide each debtor with a schedule of their payments, payment coupons and envelopes addressed to AMS. AMS agrees to monitor each payment plan, and to telephone and write each debtor who fails to comply with the plan.

All expenses in the collection process including labor, postage, telephone, skip tracing, etc. shall be paid for by AMS. AMS is an independent contractor, and is not in any way considered an employee, agent, or representative of the Municipality. AMS agrees to constantly monitor its employees to insure all contacts with debtors are done in a polite, courteous, and helpful manner.

It is up to the Municipality to decide whether to add a collection fee to the amount a debtor owes for each debt, or for the Municipality to absorb the contingency fee. AMS, for its collection services with these accounts, will deduct the collection fee from its payments to the Municipality. AMS also recommends that the Municipality pass a local ordinance to this effect.

In the event AMS reaches a settlement with a debtor, debtor's attorney or insurance agency for less than the amount owed, and that settlement is approved by the Municipality, AMS will invoice the Municipality for the Thirty Percent (30%) collection fee on the amount actually collected in the next reconciliation. AMS will not be paid on an account if the debt is dismissed by the Municipality for any reason.

The Municipality may withdraw any account at any time from AMS, and either party to this Collection Agreement may terminate this Collection Agreement upon thirty (30) days written notice.

Municipality: Big Spring, TX

Address: _____

Telephone: 432-264- 2519 Fax: 432-264-7162__ Contact person: Brenda Garrett

City of Big Spring, Texas

**Municipality will will not ___ pass a local ordinance (please check one)
[see signature page on main doc]**

**PROTECTED HEALTH INFORMATION
BUSINESS ASSOCIATE AGREEMENT
BETWEEN THE CITY OF BIG SPRING AND
AMERICAN MUNICIPAL SERVICES**

This Agreement is by and between the City of Big Spring, Texas a Texas home-rule municipality (hereinafter the “Covered Entity”) and American Municipal Services, a Texas corporation (hereinafter “Business Associate”).

WHEREAS, Covered Entity will make available and/or transfer to Business Associate certain Protected Health Information, in conjunction with that certain Collection Agreement dated of even date herewith (the “Master Agreement”), that is confidential and subject to privacy protections afforded by federal law; and

WHEREAS, Business Associate will have access to and/or receive from Covered Entity certain Protected Health Information that shall be used or disclosed only in accordance with this Agreement and applicable federal privacy regulations.

NOW, THEREFORE, for good and valuable consideration the receipt and sufficiency of which are hereby acknowledged, Covered Entity and Business Associate agree as follows:

I. Definitions.

Terms used, but not otherwise defined in this Agreement, shall have the same meaning as those terms in 45 CFR 160.103 and 164.501.

- (a) “Business Associate” shall mean American Municipal Services.
- (b) “Covered Entity” shall mean the City of Big Spring.
- (c) “Individual” shall have the same meaning as in 45 CFR 164.501 and shall include a person who qualifies as a person’s representative in accordance with 45 CFR 164.502(g).
- (d) “Privacy Rules” shall mean the Standards for Privacy of Individual Identifiable Health Information in 45 CFR part 160 and part 164, subparts A and E.
- (e) “Protected Health Information” shall have the same meaning as the term has in 45 CFR 164.501, limited to the information created or received by Business Associate from or on behalf of Covered Entity.
- (f) “Required by Law” shall have the same meaning as the term has in 45 CFR 164.501.
- (g) “Secretary” shall mean the Secretary of the Department of Health and Human Services or his designee.

II. Obligations and Activities of Business Associate.

- (a) Business Associate agrees to not use or further disclose Protected Health Information other than as permitted or required by the Agreement or as Required By Law.
- (b) Business Associate agrees to use appropriate safeguards to prevent use or disclosure of the Protected Health Information other than as provided for by this Agreement.
- (c) Business Associate agrees to mitigate, to the extent practicable, any harmful effect that is known to Business Associate of a use or disclosure of Protected Health Information by Business Associate in violation of the requirements of this Agreement.
- (d) Business Associate agrees to report to Covered Entity any use or disclosure of the Protected Health Information not provided for by this Agreement of which it becomes aware.
- (e) Business Associates agrees to ensure that any agent, including a subcontractor, to whom it provides Protected Health Information received from, or created or received by Business Associate on behalf of Covered Entity agrees to the same restrictions and conditions that apply through this Agreement to Business Associate with respect to such information.
- (f) Business Associate agrees to provide access, at the request of Covered Entity, and in the time and manner designated by Covered Entity, to Protected Health Information in a Designated Record Set, to Covered Entity or, as directed by Covered Entity, to an Individual in order to meet the requirements under 45 CFR 164.524.
- (g) Business Associate agrees to make any amendment(s) to Protected Health Information in a Designated Record Set that the Covered Entity directs or agrees to pursuant to 45 CFR 164.526 at the request of Covered Entity or an Individual, and in the time and manner designated by Covered Entity.
- (h) Business Associate agrees to make internal practices, books, and records, including policies and procedures relating to the use and disclosure of Protected Health Information received from or created or received by Business Associate on behalf of, Covered Entity available to the Covered Entity, or at the request of the Covered Entity to the Secretary, in a time and manner designated by the Covered Entity or the Secretary, for purposes of the Secretary determining Covered Entity's compliance with the Privacy Rule.
- (i) Business Associate agrees to document such disclosures of Protected Health Information and information related to such disclosures as would be required for Covered Entity to respond to a request by an Individual for an accounting of disclosure of Protected Health Information in accordance with 45 CFR 164.528.
- (j) Business Associate agrees to provide to Covered Entity or an Individual, in time and manner designated by Covered Entity, information collected in accordance with Section II (i) of this Agreement, to permit Covered Entity to respond to a request by an Individual for an accounting of disclosures of Protected Health Information in accordance with 45 CFR 164.528.

III. Permitted Uses and Disclosures by Business Associate.

- (a) Except as otherwise limited in this Agreement, Business Associate may use or disclose Protected Health Information to perform functions, activities, or services for, or on behalf of, Covered Entity as specified in the Master Agreement, provided that such use or disclosure would not violate the Privacy Rule if done by Covered Entity or the minimum necessary policies and procedures of the Covered Entity.
- (b) Except as otherwise limited in this Agreement, Business Associate may use Protected Health Information for the proper management and administration of the Business Associate or to carry out the legal responsibilities of the Business Associate.
- (c) Except as otherwise limited in this Agreement, Business Associate may disclose Protected Health Information for the proper management and administration of the Business Associate, provided that disclosures are required by law, or Business Associate obtains reasonable assurances from the person to whom the information is disclosed that it will remain confidential and used or further disclosed only as required by law or for the purpose for which it was disclosed to the person, and the person notifies the Business Associate of any instances of which it is aware in which the confidentiality of the information has been breached.
- (d) Except as otherwise limited in this Agreement, Business Associate may use Protected Health Information to provide Data Aggregation services to Covered Entity as permitted by 42 CFR 164.504(e)(2)(i)(B).
- (e) Business Associate may use Protected Health Information to report violations of law to appropriate Federal and State authorities, consistent with 42 CFR 164.502(j)(i).

IV. Obligations of Covered Entity.

- (a) Covered Entity shall notify Business Associate of any limitation(s) in its Notice of Privacy Practices of Covered Entity in accordance with 45 CFR 164.520, to the extent that such limitation may affect Business Associate's use or disclosure of Protected Health Information.
- (b) Covered Entity shall notify Business Associate of any changes in, or revocation of, permission by an individual to use or disclose Protected Health Information, to the extent that such changes may affect Business Associate's use or disclosure of Protected Health Information.
- (c) Covered Entity shall notify Business Associate of any restriction to the use or disclosure of Protected Health Information that Covered Entity has agreed to in accordance with 45 CFR 164.522, to the extent that such restrictions may affect Business Associate's use or disclosure of Protected Health Information.

V. Permissible Requests by Covered Entity.

Covered Entity shall not request Business Associate to use or disclose Protected Health Information in any manner that would not be permissible under the Privacy Rule if done by Covered Entity; provided, however, that Business Associate may use or disclose Protected Health Information for data aggregation or management and administrative activities of Business Associate.

VI. Term and Termination.

(a) Term. This Agreement shall be effective as of the _____ day of _____, 2014, and shall terminate when all of the Protected Health Information provided by Covered Entity to Business Associate, or created or received by Business Associate on behalf of Covered Entity, is destroyed or returned to Covered Entity, or, if it is not feasible to return or destroy Protected Health Information, protections are extended to such information, in accordance with other termination provisions in this Section.

(b) Termination of cause. Upon Covered Entity's knowledge of a material breach by Business Associate, Covered Entity shall either:

1. Provide an opportunity for Business Associate to cure the breach or end the violation and terminate this Agreement and the Master Agreement if Business Associate does not cure the breach or end the violation within the time specified by Covered Entity; or,
2. Immediately terminate this Agreement, and the Master Agreement if Business Associate has breached a material term of this Agreement and cure is not possible; or,
3. If neither termination nor cure is feasible, Covered Entity shall report the violation to the Secretary.

(c) Effect of Termination.

1. Except as provided in paragraph (2) of this section, upon termination of this Agreement, for any reason, Business Associate shall return or destroy all Protected Health Information received from Covered Entity, or created or received by Business Associate on behalf of Covered Entity. This provision shall apply to Protected Health Information that is in the possession of subcontractors or agents of Business Associate. Business Associate shall retain no copies of the protected Health Information.
2. In the event that Business Associate determines that returning or destroying the Protected Health Information is not feasible, Business Associate shall notify Covered Entity of the reasons for such determination. Upon mutual agreement of the Parties that return or destruction of Protected Health Information is not feasible, Business Associate shall extend the protections of this Agreement to such Protected Health Information and limit further uses and disclosures of such Protected Health Information to those purposes that make the return or destruction not feasible, for so long as Business Associate maintains such Protected Health Information.

VII. Miscellaneous.

- (a) **Regulatory References.** A reference in this Agreement to a section in the Privacy Rule means the section as in effect or as amended, and for which compliance is required.
- (b) **Amendment.** The Parties agree to take such action as is necessary to amend this Agreement from time to time as is necessary for Covered Entity to comply with the requirements of the Privacy Rule and the Health Insurance Portability and Accountability Act of 1996, Public Law 104 -191.
- (c) **Survival.** The respective rights and obligations of Business Associate under Section VI (c) of this Agreement shall survive the termination of this Agreement.
- (d) **Interpretation.** Any ambiguity in this Agreement shall resolve in favor of a meaning that permits Covered Entity to comply with the Privacy Rule.
- (e) **Indemnification.** Business Associate and Covered Entity agree to indemnify and hold harmless the other, the other's officers, agents, employees, directors, attorneys and insurers, from and against any and all claims, judgments, expenses, damages, fines, and penalties, including reasonable attorney's fees, arising from the indemnifying party's acts or omissions in the performance of this Agreement.
- (f) **All Other Terms of the Agreement(s).** Except as modified by the terms of this agreement, all other terms of the Master Agreement(s) shall remain in full force and effect.
- (g) **Conflict.** In the event of a conflict between the terms of this Agreement and the Master Agreement(s), the terms of this Agreement shall be deemed controlling.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement in duplicate originals this _____ day of _____, 2014.

City of Big Spring

By: _____
Larry McLellan, Mayor

ATTEST

Tami Davis, Assistant City Secretary

American Municipal Services

By: _____
Gregory L. Pitchford, Chief Financial Officer

February 20, 2014

Mr. Todd Darden
City Manager
City of Big Spring
310 Nolan
Big Spring, Texas 79720

RE: Agreement for Professional Services for the Big Spring Municipal Auditorium 2014 Upgrades

Dear Mr. Darden:

Parkhill, Smith & Cooper, Inc. (A/E) is pleased to have the opportunity to provide Architectural, and Engineering services to the City of Big Spring (OWNER) for the Big Spring Municipal Auditorium 2014 Upgrades (Project).

We understand the Scope of Services you require to be:

1. The A/E will include the following Project components as part of the base bid:
 - a. Rigging and Drapery replacement
 - b. Lighting upgrades based on usage of the facility as determined by the Owner
 - c. Wheelchair and companion seating at the front of the auditorium
 - d. Replacing five percent of aisle seat armrests/end panels
 - e. Building addition for men and women's single user restrooms
2. The A/E will also consider audio and sound system upgrades if funds are determined to be available within the budget and will develop as an alternate to the base bid. Those upgrades will be based on the usage of the facility as determined by the Owner.
3. The A/E will prepare for approval by the Owner, Schematic Design Documents consisting of drawings and other documents illustrating the scale and relationship of Project components.
4. The A/E will submit to the Owner a preliminary Opinion of Probable Construction Cost based on the Schematic Design Documents.
5. Based on the approved Schematic Design Documents and any further adjustments in the scope or quality of the Project or in the construction budget authorized by the Owner, the A/E will prepare, for approval by the Owner, Design Development Documents setting forth the final configuration of the buildings and the products to be used for the construction of the Project.
6. Based on the approved Design Development Documents and any further adjustments in the scope or quality of the Project or in the construction budget authorized by the Owner, the A/E will prepare, for approval by the Owner, Construction Documents consisting of Drawings and Specifications setting forth the requirements for the construction of the Project.
7. The A/E will assist the Owner in the preparation of necessary bidding information, bidding forms, the Conditions of the Contract, and the form of Agreement between the Owner and the Contractor.

8. The A/E will advise the Owner of any adjustments to previous Opinion of Probable Construction Cost required by changes to the scope or market conditions.
9. The A/E will inform the Owner to the best of their knowledge and will assist the Owner in connection with the Owner's responsibility for filing documents required for approval of governmental authorities having jurisdiction over the Project.
10. The A/E, following the Owner's approval of the Construction Documents and of the latest Opinion of Probable Cost, will assist the Owner in obtaining bids or negotiating proposal and assist in awarding and preparing contracts for construction of the Project.
11. The A/E will be the representative of and will advise and consult with the Owner during construction until the final payment to the Contractor is due. The A/E will have authority to act on behalf of the Owner only to the extent provided in this Agreement unless otherwise modified by written instrument.
12. The A/E will visit the site four times during construction to become familiar with the progress and quality of the Work completed and to determine in general if the Work is being performed in a manner indicating that the Work when completed will be in accordance with the Contract Documents. However, the A/E will not be required to make exhaustive or continuous on-site inspections to check the quality or quantity of the Work. On the basis of on-site observation as architect, the A/E will keep the Owner informed of the progress and quality of the Work.
13. Based on the A/E's observations and evaluations of the Contractor's Applications for Payment, the A/E will review and certify the amounts due the Contractor.

Specifically excluded from our scope of services are:

- Surveys and Geotechnical Reports
- Asbestos and Hazardous Materials Studies
- Third-party Independent Construction Inspection Services
- Construction Material Testing

A tentative schedule for submitting our work for review is as follows:

	Start Date	Complete Date
Schematic Design Development	3/3/14	3/28/14
Schematic Design Review w/ Owner		3/31/14
Design Development	4/1/14	5/9/14
Design Development Review w/ Owner		5/12/14
Construction Documents (75%)	5/13/14	7/11/14
Review with Owner		7/14/14
Construction Documents (100%)	7/15/14	8/1/14
Advertisement (1 st)		8/10/14
Advertisement (2 nd)		8/17/14
Pre-Proposal Conference		8/26/14
Proposal Opening		9/2/14
Award by Council		9/23/14
Facility Closes to Use	9/23/14	
Notice to Proceed to Contractor		10/6/14
Construction	10/6/14	4/6/15
Facility Reopens to Use		4/10/15

Changes to the above schedule may become necessary due to changes in scope or other circumstances beyond the A/E's control.

Our fees for the services described above will be based on a lump sum amount of \$120,000 and will be billed on a percentage complete method. Should the scope of services described above change during the Project, the lump sum amount will be adjusted either up or down by a mutually agreed upon amount or based on an hourly rate method using the A/E's standard hourly rate schedule.

Reimbursable expenses will be billed at invoice cost plus a fifteen percent markup for handling costs. Reimbursable expenses include, but are not limited to, mileage, fax communication, long distance phone charges, photographs, postage, reproductions/copies, color plots/prints, accessibility review and inspection fees, reproduction of Contract Documents and reports. We estimate these expenses to be approximately \$5,000

A breakdown of the fee as well as the opinion of costs are shown below.

	Base Bid	Audio Upgrades	Total
Professional Fees			
PSC	\$60,600	\$7,000	\$67,600
WJHW	\$34,400	\$18,000	\$52,400
Total	\$95,000	\$25,000	\$120,000
Opinion of Cost Breakdown			

Base Bid			
Rigging and Drapery	\$235,000		
Lighting	\$249,000		
Seat Adjustments	\$5,000		
Restroom Addition	\$150,000		
Contingency	\$75,000		
Subtotal	\$714,000		
Audio System Upgrades			
Audio System Upgrades	\$141,000		
Contingency	\$25,000		
Subtotal	\$166,000		
Professional Fees (from above)	\$120,000		
Total Project Cost	\$1,000,000		

Current Texas law does not provide for taxes on professional services other than taxes included with licensing fees. All licensing fees are included in our overhead and will not be in addition to the fees enclosed. However, the legislature is studying different taxation methods including taxes on professional services. If legislation is passed to that effect, taxes (if applicable) will be in addition to the fees enclosed.

Many issues such as the Americans with Disabilities Act (ADA), Texas Accessibility Standards (TAS) and hazardous materials are of great concern to both building owners and to architects. The enclosed **Standard Conditions** gives a brief explanation of several of those issues and defines the roles and responsibilities for each party involved in this agreement. We will be glad to discuss these issues with you at your convenience.

You may indicate your acceptance of this agreement and the attached Standard Conditions by returning one signed copy of this letter to our office. Unless another date is specified, we will consider receipt of the letter as authorization to proceed.

We appreciate the opportunity to provide professional services to you and look forward to the successful completion of your project. If you have any questions please do not hesitate to call us.

Sincerely,

PARKHILL, SMITH & COOPER, INC. (A/E)

City of Big Spring (OWNER)

By _____
Bill P. Noonan, AIA, RAS
Firm Principal

Accepted By: _____

Title: _____

Date: _____

IN DUPLICATE

Enclosures

"The Texas Board of Architectural Examiners, P.O. Box 12337, Austin, Texas 78711-2337 or 333 Guadalupe, Suite 2-350, Austin, Texas 78701-3942, (512) 305-9000, www.tbae.state.tx.us has jurisdiction over complaints regarding the professional practices of persons registered as architects, interior designers, landscape architects in Texas."

R:\PSC Standard Forms\Agreements-Contracts\Architectural Letter Agreement.DOC

OWNER: City of Big Spring

DATE: _____

STANDARD CONDITIONS: OWNER and A/E (Parkhill, Smith & Cooper, Inc.) agree that the following Provisions shall be part of the Agreement.

ARTICLE 1. SERVICES

1.1 INVOICING

Payments are due and payable pursuant to Texas Prompt Payment Act, Texas Government Code 2251.

1.2 SERVICES DURING CONSTRUCTION

The A/E shall not supervise, direct or have control over the Contractor's work nor have any responsibility for the construction means, methods, techniques, sequences or procedures selected by the Contractor nor for the Contractor's safety precautions or programs in connection with the Work. These rights and responsibilities are solely those of the Contractor. The OWNER agrees that the general contractor shall be solely responsible for jobsite and worker safety and warrants that this intent shall be carried out in the OWNER's contract with the General Contractor.

The A/E shall not be responsible for any acts or omissions of the Contractor, any subcontractor, any entity performing any portions of the Work or any agents or employees of any of them. The A/E does not guarantee the performance of the Contractor and shall not be responsible for the Contractor's failure to perform its Work in accordance with the Contract Documents or any applicable laws, codes, rules or regulations.

1.3 ESTIMATES OR OPINIONS OF PROBABLE CONSTRUCTION COST

In providing estimates or opinions of probable construction cost, the OWNER understands that the A/E has no control over the cost or availability of labor, equipment or materials, or over market conditions or the Contractor's method of pricing, and that the A/E's estimates or opinions of probable construction costs are made on the basis of the A/E's professional judgment and experience. The A/E makes no warranty, express or implied, that the bids or the negotiated construction cost will not vary from the A/E's estimates or opinions of probable construction cost.

1.4 HAZARDOUS MATERIALS

As used in this Agreement, the term hazardous materials shall mean any substances, including without limitation asbestos, toxic or hazardous waste, PCBs, combustible gases and materials, petroleum or radioactive materials (as each of these is defined in applicable federal statutes) or any other substances under any conditions and in such quantities as would pose a substantial danger to persons or property exposed to such substances at or near the project site.

Both parties acknowledge that the A/E's scope of services does not include any services related to the presence of any hazardous or toxic materials. In the event the A/E or any other person or entity involved in the project encounters any hazardous or toxic materials, or should it become known to the A/E that such materials may be present on or about the jobsite or any adjacent areas that may affect the performance of the A/E's services, the A/E may, at its sole option and without liability for consequential or any other damages, suspend performance of its services under this Agreement until the OWNER retains appropriate qualified consultants and/or contractors to identify and abate or remove the hazardous or toxic materials and warrants that the jobsite is in full compliance with all applicable laws and regulations.

1.5 ACCESSIBILITY

The OWNER acknowledges that the requirements of the Americans with Disabilities Act (ADA), Texas Accessibility Standards (TAS) for projects in the State of Texas, and other federal, state and local accessibility laws, rules, codes, ordinances, and regulations will be subject to various and possibly contradictory interpretations. The OWNER further acknowledges that the ADA is a Civil Rights law and not a building code, and does not have prescriptive language. The A/E, therefore, will use its reasonable professional efforts and judgment to interpret applicable accessibility requirements in effect as of the date of the execution of this Agreement, and as they apply to the Project. The A/E, however, cannot and does not warrant or guarantee that the OWNER's Project will comply with all interpretations of the accessibility requirements and/or the requirements of other federal, state and local laws, rules, codes, ordinances and regulations as they apply to the Project.

All projects in the State of Texas must be submitted to the Texas Department of Licensing and Regulations (TDLR) – Elimination of Architectural Barriers (EAB) Division for plan review for compliance with TAS requirements. The A/E will include in the design of the Project all changes that are the result of the TDLR plan review. After construction of the project TDLR requires an inspection of the project for compliance confirmation. However, the A/E cannot and does not warrant or guarantee that different rules and or interpretation may be applied to the OWNER's Project at the time of the final TDLR inspection. Compliance with changes required by the TDLR final inspection that were not mentioned in the TDLR plan review will be additional services. A/E's plan review and inspection basis of compensation will be time and materials unless otherwise specified.

1.6 SERVICES BY OWNER

OWNER will provide access to work site, obtain applicable permits, provide all legal services in connection with the project, and provide environmental impact reports and energy assessments unless specifically included in the Scope of Work. OWNER shall pay the costs of checking and inspection fees, zoning application fees, soils engineering fees, testing fees, surveying fees, and all other fees, permits, bond premiums, and all other charges not specifically covered by the terms of this Agreement.

1.7 OWNERSHIP OF DOCUMENTS

All reports, drawings, specifications, computer files, field data, notes, data on any form of electronic media, and other documents prepared by the A/E as Instruments of Service shall remain the property of the A/E. The A/E shall retain a common law, statutory and other reserved rights, including copyrights.

The A/E grants to the OWNER a nonexclusive license to reproduce the A/E's Instruments of Service solely for the purpose of constructing, using and maintaining the Project. The OWNER shall not use the Instruments of Service for other projects without prior written agreement of the A/E.

The OWNER shall not make any modification to the Instruments of Service without the prior written authorization of the A/E. The Owner agrees, to the fullest extent permitted by law, to indemnify and hold harmless the A/E against any damages, liabilities or costs, including reasonable attorney's fees and defense costs, arising from or allegedly arising from or in any way connected with the unauthorized reuse or modification of the Instruments of Service by the OWNER or any person or entity that acquires or obtains the Instruments of Service from or through the OWNER without the written authorization of the A/E.

1.8 DELIVERY OF ELECTRONIC FILES

In accepting and utilizing any form of electronic media generated and furnished by the A/E, the OWNER agrees that all such electronic files are Instruments of Service of the A/E. The OWNER is aware that differences may exist between the electronic files delivered and the printed hard-copy Contract Documents. In the event of a conflict between the original signed Contract Documents prepared by the A/E and electronic files, the original signed and sealed hard-copy Contract Documents shall govern.

Electronic files created by the A/E through the application of software licensed for the sole and exclusive use by the A/E will be furnished to the OWNER in read-only format. The OWNER is responsible to obtain and maintain software licenses as appropriate for the use of electronic files provided by the A/E.

Under no circumstances shall delivery of electronic files for use by the OWNER be deemed a sale by the A/E, and the A/E makes no warranties, either express or implied, of merchantability and fitness for any particular purpose. In no event shall the A/E be liable for indirect or consequential damages as a result of the OWNER'S use or reuse of the electronic files.

ARTICLE 2. GENERAL PROVISIONS

2.1 APPLICABLE LAW

This agreement shall be interpreted and enforced according to the laws of the State of Texas, unless agreed otherwise.

2.2 PRECEDENCE OF CONDITIONS

Should any conflict exist between the terms herein and the terms of any purchase order or confirmation issued by OWNER, the terms of these Standard Conditions shall prevail.

2.3 ASSIGNMENT

Neither party to this Agreement shall transfer, sublet or assign any rights or duties under or interest in this Agreement, including but not limited to monies that are due or monies that may be due, without the prior written consent of the other party. Subcontracting to subconsultants, normally contemplated by the A/E as a generally accepted business practice, shall not be considered an assignment for purposes of this Agreement.

2.4 AMENDMENTS

This agreement may be amended only by a written instrument, signed by both OWNER and A/E, which expressly refers to this agreement.

2.5 DELAYS

The OWNER agrees that the A/E is not responsible for damages arising directly or indirectly from any delays for causes beyond the A/E's control. For purposes of this Agreement, such causes include, but are not limited to, strikes or other labor disputes; severe weather disruptions or other natural disasters or acts of God; fires, riots, war or other emergencies; failure of any government agency to act in timely manner; failure of performance by the OWNER or the OWNER's contractors or consultants; or discovery of any hazardous substances or differing site conditions.

In addition, if the delays resulting from any such causes increase the cost or time required by the A/E to perform its services in an orderly and efficient manner, the A/E shall be entitled to a reasonable adjustment in schedule and compensation.

2.6 INSURANCE

The A/E agrees to provide Professional Liability Insurance and General Liability Insurance during the scope of the services provided for this project and for a period of 3 years after the completion of services.

2.7 MERGER: WAIVER: SURVIVAL

Except as set forth by Amendment, this Agreement constitutes the entire and integrated Agreement between the parties hereto and supersedes all prior negotiations, representations and/or agreements, written or oral. One or more waiver of any term, condition or other provision of this Agreement by either party shall not be construed as a waiver of a subsequent breach of the same or any other provisions. If any term or provision of this Agreement is held to be invalid or unenforceable under any applicable statute or rule of law, such holding shall be applied only to the provision so held, and the remainder of this Agreement shall remain in full force and effect.

2.8 TERMINATION

This agreement may be terminated by either party upon seven (7) days written notice should the other party fail substantially to perform in accordance with this agreement through no fault of the party initiating the termination. This agreement may be terminated by OWNER upon at least fourteen (14) days written notice to A/E in the event that the Project is abandoned.

If this agreement is terminated by OWNER through no fault of the A/E, A/E shall be paid for services performed and costs incurred by it prior to its receipt of notice of termination from OWNER, including reimbursement for Direct Expenses due, plus an additional amount, not to exceed ten percent (10%) of charges incurred to the termination notice date to cover services to orderly conclude the services and prepare project files and documentation, plus any additional Direct Expenses incurred by A/E including but not limited to cancellation fees or charges. A/E will use reasonable efforts to minimize such additional charges.

2.9 CONSEQUENTIAL DAMAGES

Notwithstanding any other provision of this Agreement, and to the fullest extent permitted by law, neither the OWNER nor the A/E, their respective officers, directors, partners, employees, contractors or subconsultants shall be liable to the other or shall make any claim for any incidental, indirect or consequential damages arising out of or connected in any way to the project or this Agreement. This mutual waiver of consequential damages shall include, but is not limited to, loss of use, loss of profit, loss of business, loss of income, loss of reputation and any other consequential damages that either party may have incurred from any cause of action including negligence, strict liability, breach of contract and breach of strict or implied warranty. Both the OWNER and the A/E shall require similar waivers of consequential damages protecting all the entities or persons named herein in all contracts and subcontracts with others involved in this project.

2.10 THIRD-PARTY BENEFICIARIES

Nothing contained in this Agreement shall create a contractual relationship with or a cause of action in favor of a third party against either the OWNER or the A/E. The A/E's services under this Agreement are being performed solely for the OWNER's benefit, and no other party or entity shall have any claim against the A/E because of this Agreement or the performance or nonperformance of services hereunder. The OWNER and A/E agree to require a similar provision in all contracts with contractors, subcontractors, subconsultants, vendors and other entities involved in this Project to carry out the intent of this provision.

2.11 MAINTENANCE/WEAR AND TEAR

Both the OWNER and A/E acknowledge that the OWNER, and only the OWNER, is responsible for maintenance, wear and tear on the project upon substantial completion. The OWNER is responsible for providing routine inspections and maintenance of the project to maintain a safe and weather tight facility. Should the OWNER fail to provide routine inspections and maintenance, and damage occur to the project, the A/E is not responsible for any such resultant damage.

ARTICLE 3.

3.1 WARRANTY; STANDARD OF CARE

In providing services under this Agreement, the A/E shall perform in a manner consistent with that degree of care and skill ordinarily exercised by members of the same profession currently practicing under similar circumstances at the same time and in the same or similar locality. The A/E makes no warranty, express or implied, as to its professional services rendered under this Agreement.

3.2 DISPUTE RESOLUTION

OWNER and A/E agree to negotiate all disputes between them in good faith for a minimum of 30 days from the date of notice. Should such negotiations fail, the OWNER and A/E agree that any dispute between their arising out of, or relating to this Agreement shall be submitted to nonbinding mediation prior to exercising any other rights under law, unless the parties mutually agree otherwise.

3.3 BETTERMENT

If, due to an error or an omission by the A/E, any required item or component of the project is omitted from the Construction Documents, the A/E shall not be responsible for paying the cost to add such item or component to the extent that such item or component would have been otherwise necessary to the project or otherwise add value or betterment to the project.

*** END ***

PARKHILL, SMITH & COOPER, INC. (A/E)

City of Big Spring (OWNER)

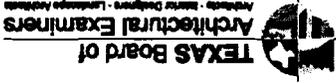
By _____
Bill P. Noonan, AIA, RAS
Firm Principal
Date: _____

Accepted By: _____
Title: _____
Date: _____

***** Agenda 11-14-15 *****

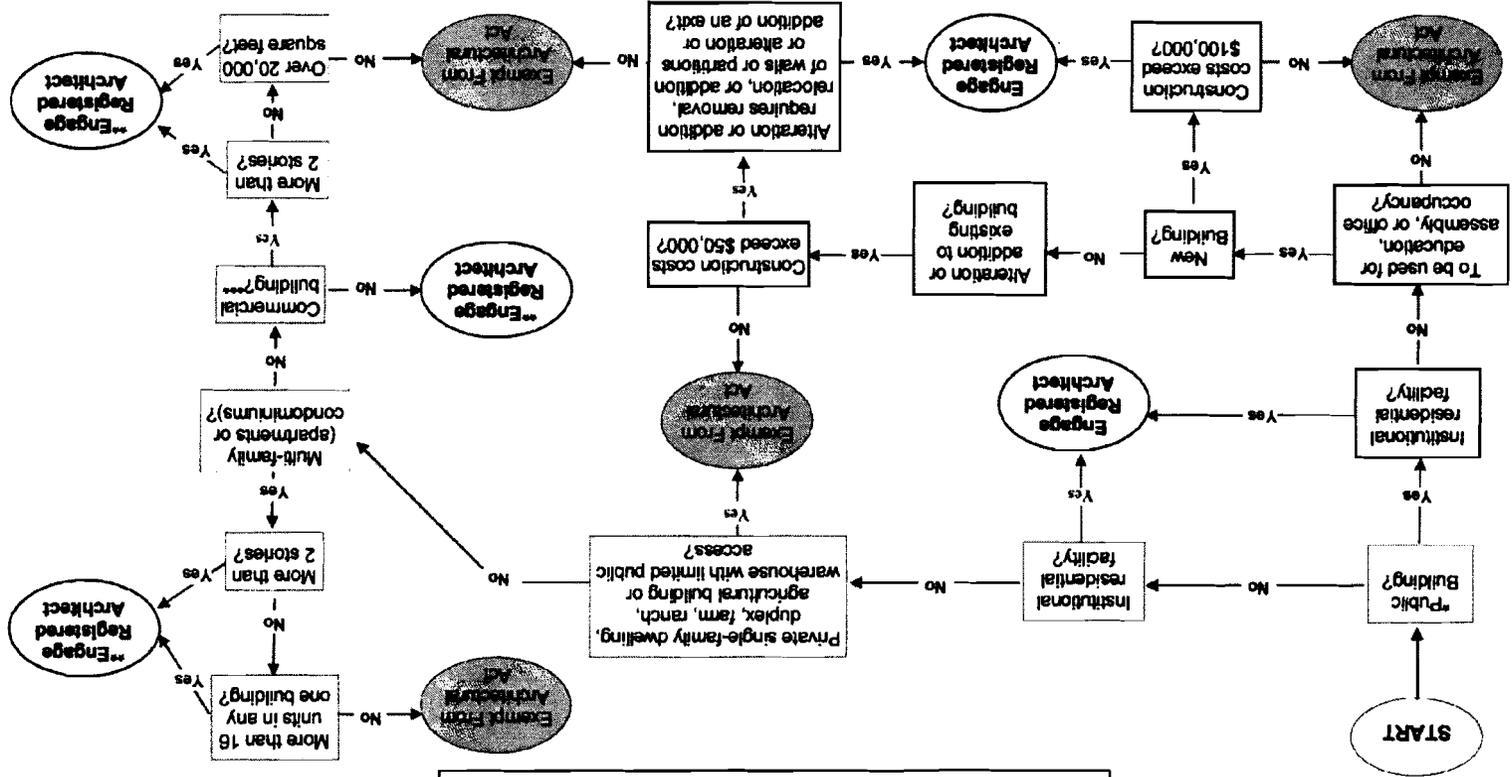
For projects in Texas, if the Owner has asked PSC to "exclude Construction Observation Services" AND the services of an Architect are required by Texas Administrative Code, Title 22 - Examining Boards, Part 1 - Texas Board of Architectural Examiners, Chapter 1 - Architects, Subchapter K - Practice, Architect required; then you must keep the paragraph below.

See the attached flow chart (2 pages), TBAE - Architect Required: When to Engage an Architect for Design and Construction Observation, to determine if the law requires an Architect to be engaged for Design and Construction Observation. The Flow Chart is for Internal Use Only. DO NOT ATTACH TO THE LETTER.



Architect Required: When to Engage an Architect for Design and Construction Observation

NOTE: An unlicensed person who wishes to offer or perform design services pursuant to any of the exemptions must not use any form of the word "architect" in connection with the offer or performance of design services.



P.O. Box 12337
Austin, Texas 78711-2337
512-305-9000
www.tbae.state.tx.us

Additional copies of this flowchart may be downloaded from our website at: www.tbae.state.tx.us/Laws/Enforcement/BuildingOfficials.shtml.
To verify the registration status of an architect, landscape architect, or interior designer, please visit: www.tbae.state.tx.us/PublicInfo/FindProfessional.shtml.

"Public Building" means any building that is owned by a State agency, a political subdivision of the State, or any other public entity in Texas.
If a project involves only the alteration of an existing building and the alteration does not involve a substantial structural or exterior change to the building, the project is exempt from the architectural act.
"Commercial building" means an enclosed structure primarily used for the purchase, sale, or exchange of commodities or services.

For projects in Texas, if the Owner has asked PSC to “exclude Construction Observation Services” AND the services of an Architect are required by Texas Administrative Code, Title 22 – Examining Boards, Part 1 – Texas Board of Architectural Examiners, Chapter 1 – Architects, Subchapter K – Practice, Architect required; then you must keep the paragraph below.

See the attached flow chart (2 pages), TBAE – Architect Required: When to Engage an Architect for Design and Construction Observation, to determine if the law requires an Architect to be engaged for Design and Construction Observation. The Flow Chart is for Internal Use Only. DO NOT ATTACH TO THE LETTER.

TBAE “Architect Required Flowchart” Notes:

(For the latest information and complete details, see Tex. Occ. Code Ann. Ch. 1051 and the Rules and Regulations of the Board at www.tbae.state.tx.us.)

Clarification of certain types of privately owned buildings

RULE 1.211 PRIVATELY OWNED BUILDINGS (excerpt from Rule 1.211) For the purposes of Section 1051.606 of the Texas Occupations Code:

“multifamily dwelling” means a building containing more than two separate units intended to be used for human habitation where the units are not separated by open space but instead are separated only by walls or partitions.

“commercial building” means an enclosed structure primarily used for the purchase, sale, or exchange of commodities or services.

“warehouse that has limited public access” means a building primarily used for the storage of equipment, merchandise, or commodities where:

- (1) only employees, delivery persons, and other specifically authorized people are routinely expected to enter the building; and
- (2) persons who enter the building are expected to occupy the building only on a limited basis.

Clarification of terms regarding publicly owned buildings

Public Entity--A state, a city, a county, a city and county, a district, a department or agency of state or local government which has official or quasi-official status, an agency established by state or local government though not a department thereof but subject to some governmental control, or any other political subdivision or public corporation.

RULE 1.212 PUBLICLY OWNED BUILDINGS (excerpt from Rule 1.212 regarding intended uses)

education: the use of a building at any time for instructional purposes;

assembly: the use of a building for the gathering together of persons for purposes such as civic, social, or religious functions or for recreation, food or drink consumption, or awaiting transportation; or

office occupancy: the use of a building for business, professional, or service transactions or activities.

Alterations: Determining if “substantial” structural or “substantial” exitway change.

RULE 1.213 EXEMPTION FOR ALTERATIONS TO EXISTING BUILDINGS

- (a) For purposes of Section 1051.606 of the Texas Occupations Code, a structural change is “substantial” if the engineering plans and specifications for the structural change must be prepared by a licensed engineer pursuant to Chapter 1001 of the Texas Occupations Code.
- (b) For purposes of Section 1051.606 of the Texas Occupations Code, an exitway change is “substantial” if the change will affect a path of egress intended to be used by more than fifty (50) persons.

Clarification of requirements regarding institutional residential facilities

RULE 1.214 INSTITUTIONAL RESIDENTIAL FACILITIES (excerpt from Rule 1.214)

- (b) For purposes of this section, “institutional residential facility” means a building intended for occupancy on a 24 hour basis by persons who are receiving custodial care from the proprietor or operator of the building.

Architect required for construction observation on projects requiring an architect for plans and specs

RULE 1.217 CONSTRUCTION OBSERVATION

If, pursuant to Section 1.211, Section 1.212, or Section 1.214, an Architect must prepare or supervise and control the preparation of the architectural plans and specifications for a new building or the alteration of or an addition to an existing building, construction observation for the project shall also be conducted by an Architect or by a person working under the Supervision and Control of an Architect. For purposes of this Subchapter, “construction observation” means the administration of the portion of the construction contract described and documented in the architectural plans and specifications, including the following:

- (1) reviewing each shop drawing, sample, and other submittal by a contractor or consultant;
- (2) preparing or reviewing each change to an architectural plan or specification;
- (3) visiting the construction site at intervals appropriate to the stage of construction to:
 - (A) become generally familiar with and keep the client generally informed about the progress and quality of the portion of the construction completed;
 - (B) make a reasonable effort to identify defects and deficiencies in the construction;
 - (C) determine generally whether the construction is being performed in a manner indicating that the project, when fully completed, will be in accordance with the architectural plans and specifications; and
- (4) in addition to any responsibilities under Section 1.216, notifying the client in writing of any substantial deviation from the architectural plans and specifications that may prevent the building from being occupied or utilized for its intended use.

**PERMIAN BASIN REGIONAL PLANNING COMMISSION
SOLID WASTE INTERLOCAL AGREEMENT**

I. The Texas Commission on Environmental Quality (TCEQ) has certified that it has the authority to contract with the Permian Basin Regional Planning Commission (PBRPC) by authority granted in the Current Appropriations Act, the Interagency Cooperation Act, the Interlocal Cooperation Act and the Texas Water Code (Chapter §5.124 and §5.229) and to implement provisions of §361.014(b) of the Texas Health and Safety Code. Funds for this subcontract are provided from the Solid Waste Disposal Fee Revenue Fund in support of local and regional solid waste projects consistent with §363.064(b) of the Texas Health and Safety Code.

II. Permian Basin Regional Planning Commission has certified, and the SUBCONTRACTOR certifies that it has authority to perform the services contracted for by authority granted in "The Interlocal Cooperation Act," Texas Government Code, Chapter 791.

III. This Interlocal Agreement is entered into by and between the parties named below. Neither TCEQ nor the State of Texas is a party to this Contract.

IV. **The SUBCONTRACTOR is solely responsible for insuring compliance with TCEQ rules and regulations for Grant funded items.**

PROJECT NUMBER 14-09-G02

I. CONTRACTING PARTIES:

The Council of Government: Permian Basin Regional Planning Commission

The SUBCONTRACTOR: The City of Big Spring

II. SERVICES TO BE PERFORMED:

See "Attachment A - Work Program of SUBCONTRACTOR"

III. BUDGET AND PAYMENT PROCEDURES:

See "Attachment B - Budget and Payment Procedures"

IV. SCHEDULES OF DELIVERABLES:

See "Attachment C - Schedule of Deliverables from SUBCONTRACTOR"

V. ADDITIONAL CONTRACT PROVISIONS:

See "Attachment D - Special Contract Provisions & Attachment E
General Contract Provisions"

**PERMIAN BASIN REGIONAL
PLANNING COMMISSION**

**City of Big Spring
SUBCONTRACTOR**

PO Box 60660, Midland, Texas 79711

310 Nolan, Big Spring, Texas 79720

Terri Moore, Executive Director

Todd Darden, City Manager

Date

Date

**Permian Basin Regional Planning Commission
Solid Waste Interlocal Agreement
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**Permian Basin Regional Planning Commission
Solid Waste Interlocal Agreement**

Exhibit A-1

The PBRPC hereby designates the individual below as the person to give direction to the SUBCONTRACTOR as Project Representative of PBRPC:

Virginia Belew – Regional Services Director
Permian Basin Regional Planning Commission
P.O. Box 60660
Midland, Texas 79711

TEL (432) 563-1061; FAX (432) 563-1728

The SUBCONTRACTOR hereby designates the individual named below as the person authorized to receive direction from the PBRPC, to manage the work being performed, and to act on behalf of the SUBCONTRACTOR as a Project Representative:

Todd Darden, City Manager
City of Big Spring
310 Nolan
Big Spring, Texas 79720

TEL (432) 264-2500; FAX (432) 263-8310

In addition to the authorized Project Representative, the following person is authorized to act on behalf of the SUBCONTRACTOR in all financial and fiscal matters, including signing financial reports and requests for reimbursement:

Donald Moore – Interim Finance Director
City of Big Spring
310 Nolan
Big Spring, Texas 79720

The SUBCONTRACTOR designates the following location for record access and review pursuant to Attachment A & Attachment E of this Contract or any other applicable provision:

City of Big Spring
City Hall
310 Nolan
Big Spring, Texas 79720

ATTACHMENT A

Work Program of SUBCONTRACTOR

Objective:

- I. Collect and stockpile brush and tree limbs**
- II. Select contractor for chipping**
- III. Make wood chips available for use**
- IV. Reduce solid waste going to the landfill**
- V. Prepare quarterly reports and submit them to PBRPC to detail the progress made, as well as quantity of material removed from the waste stream.**

ATTACHMENT B

SUBCONTRACTOR Budget and Authorizations

BUDGET CATEGORY	GRANT FUNDING
1. Personnel/salaries	\$ 0.00
2. Fringe Benefits	\$ 0.00
3. Travel	\$ 0.00
4. Supplies	\$ 0.00
5. Equipment	\$ 0.00
6. Construction	\$ 0.00
7. Contractual (other than for construction)	\$ 15,675
8. Other	\$ 0.00
<i>Total direct charges (sum of 1-8)</i>	<i>\$ 0.00</i>
9. Indirect charges*	\$ 0.00
<i>Total grant funding requested (sum of 7-9)</i>	<i>\$ 15,675</i>

* All indirect charges must be in accordance with the procedures established in the current UGMS, which is available from the PBRPC. If you have an approved cost allocation plan from a federal cognizant agency or state single audit coordinating agency, please enclose documentation of your approved indirect rate. Other indirect rates may be approved by the PBRPC, in accordance with contract documents and TCEQ Administrative Procedures, upon adequate documentation.

NOTE: All expenditures under the "Equipment," "Construction," "Contractual," or/and "Other," budget categories must be approved in advance by PBRPC unless specifically spelled out in this agreement. Changes in personnel whose salaries are funded and out-of-state/out-of-region travel must be approved in advance by PBRPC. Such approval shall be given by the PBRPC in writing.

ATTACHMENT C

Schedule of Deliverables from SUBCONTRACTOR

- I. Collect and stockpile tree limbs and brush
- II. Select Contractor and grind material
- III. Make wood chips available for use
- IV. Reduce solid waste going to the landfill
- V. Prepare and submit quarterly reports

Items to be purchased with funds for this contract are:

Budget category 7. – Contractual (other than for construction)
\$15,675 for chipper/shredder contractor

Special Contract Provisions
Attachment D

Article 1 Period of Performance

The period of performance of this agreement begins 3/12/2014 and ends 8/31/2014.

Article 2 Scope of Services

All parties agree that the SUBCONTRACTOR, in consideration of compensation hereinafter described, shall provide the services specifically described in the Work Program and Special and General Provisions of this Solid Waste Interlocal Agreement.

The SUBCONTRACTOR agrees to implement the Project according to the agreed upon work program in Attachment A and the Budget shown in Attachment B of this agreement.

Article 3 PBRPC Obligations

(a). Measure of Liability

In consideration of full and satisfactory performance hereunder, PBRPC will be liable to reimburse the SUBCONTRACTOR in an amount equal to the actual costs, not to exceed the Budget in Attachment B, incurred by SUBCONTRACTOR in rendering such performance, subject to the following limitations:

1. PBRPC is not liable for expenditures made in violation of "Supplemental Funding Standards and Restrictions", TCEQ Administrative procedures Section IIIB, listed in Article 8 of this Attachment D, which outlines prohibited activities as defined by the Texas Commission on Environmental Quality (TCEQ).
2. PBRPC is not liable for any costs incurred by SUBCONTRACTOR in the performance of this agreement which have not been billed to PBRPC within thirty (30) days following termination of this agreement.
3. PBRPC is not liable to SUBCONTRACTOR for costs incurred or performance rendered by SUBCONTRACTOR for costs incurred by SUBCONTRACTOR before commencement of this agreement or after termination of this agreement.
4. The PBRPC is liable only for expenditures made in compliance with the cost principles and administrative requirements set forth in Texas Uniform Grant Management Standards (UGMS) and additional state and federal rules and laws.
5. It is the understanding of the parties that the source of funds provided by the TCEQ is the Municipal Solid Waste Disposal and Transportation Revenue Fee (MSWDTRF), Texas Health and Safety Code §363.013 and §363.014(d). Due to the demands upon the source for funds necessary to protect the health and safety of the public, it is possible that the funds will be depleted or reduced prior to completion of this agreement. The SUBCONTRACTOR agrees that all funding arranged under this agreement is subject to sufficient funds in the MSWDTRF.

(b). Method and Schedule of Payment

1. Financial reporting. Any month in which the SUBCONTRACTOR has budgeted expenses, a report should be submitted no later than the tenth day following the end of the month during the period of performance for this agreement, to PBRPC detailing allowable expenditures incurred during the previous month. Expenditures which are not allowed are set forth in Section 8 of this agreement. These reports must include copies of invoices showing receipt of the invoiced materials or services and a copy of the check or payment record showing the invoice paid.

2. Payments. Upon review and approval of each such financial report, PBRPC will make payment to SUBCONTRACTOR against PBRPC liabilities to be accrued hereunder.

(c). SUBCONTRACTOR Close Out Report

No later than thirty (30) days following the termination of this agreement, SUBCONTRACTOR must submit a PBRPC Contract Close Out Report according to written instructions from PBRPC.

Article 4 Reporting Requirements

(a). The SUBCONTRACTOR shall prepare and submit to the PBRPC, a quarterly written progress report concerning performance under this Contract documenting accomplishments and units of work performed under Attachment A of this agreement. All progress reports shall be submitted within 10 days after the end of each period so that PBRPC may submit a consolidated report to TCEQ. A final progress report shall be provided prior to the final request for payment under this Contract, but, in no case later than 30 days after the end of the Contract period. Payments (reimbursements) required under this contract may be withheld by the PBRPC until such time as any past due progress reports are received. Reports are due for each Quarter during the grant term.

(b). The SUBCONTRACTOR quarterly progress reports required under Part (a) of this Section contain descriptions of activities and costs for the PBRPC to ensure that the provisions of this Contract are being complied with. In particular, any legal research and related legal activities shall be clearly detailed in the quarterly progress reports in order to assure the PBRPC that the activities are not prohibited under Article 8 of this contract (relating to Supplementing Funding Standards). The SUBCONTRACTOR shall comply with any reasonable request by the PBRPC for additional information on activities conducted in order for the PBRPC to adequately monitor the SUBCONTRACTOR'S progress in completing the requirements of and adhering to the provisions of this Contract. Forms shall be provided by PBRPC for these reports.

(c). The SUBCONTRACTOR'S failure to comply with the requirements of this Article shall constitute a breach of this Contract.

(d). The SUBCONTRACTOR agrees to monitor the results of the project for the life of the funded program or activity. The SUBCONTRACTOR shall report results on the project goals beginning with the time the activity is operational and continuing for a minimum of 24 months or other times as specified by the PBRPC, to include additional updates that may be requested after the term of this Contract. The reports during the 24 month period shall be made quarterly on forms provided by PBRPC, and any additional requests for information by PBRPC shall be responded to in the format requested.

(e). The SUBCONTRACTOR shall be responsible for the professional quality, technical accuracy, timely completion and coordination of all services and other work furnished by the SUBCONTRACTOR under this Contract. The PBRPC may require the SUBCONTRACTOR to correct or revise any errors, omissions or other deficiencies in any reports or services provided.

Article 5 Monitoring Requirements

(a). PBRPC may periodically monitor SUBCONTRACTOR for:

1. The degree of compliance with the terms of this Contract, including compliance with applicable rules, regulations, and promulgations referenced herein; and
2. The administrative and operational effectiveness of the project.

(b). PBRPC shall conduct periodic analysis of SUBCONTRACTOR'S performance under this Contract for the purpose of assessing the degree to which contractual objectives and performance standards, as identified in this Contract or as subsequently amended, are achieved by SUBCONTRACTOR.

Article 6 Equipment and Constructed Facilities

(a). Subject to the obligations and conditions set forth in this Agreement, title to real property and equipment (together hereafter referred to in this Article as "property") acquired under this Agreement by the SUBCONTRACTOR will vest upon acquisition or construction in the SUBCONTRACTOR.

1. Subject to the provisions of this Agreement and as otherwise provided by state statutes, property acquired or replaced under this Agreement shall be used for the duration of its normally expected useful life to support the purposes of this Agreement whether or not the original projects or programs continue to be supported by state funds.

2. The SUBCONTRACTOR shall not grant or allow to a third party a security interest in any original or replacement property purchased or constructed with funds made available to the SUBCONTRACTOR under this Agreement.

3. The use of property acquired under this Agreement, both during the term of this Agreement and for the useful life of the property or until compensation is provided to the TCEQ for the applicable percentage share of the fair market value of the property, shall be in compliance with §361.014(b) of the Texas Health and Safety Code, which directs that a project or service funded under this program must promote cooperation between public and private entities and may not be otherwise readily available or create a competitive advantage over a private industry that provides recycling or solid waste services.

4. The SUBCONTRACTOR may develop and use their own property management systems, which must conform with all applicable federal, state, and local laws, rules and regulations. If an adequate system for accounting for property owned by the SUBCONTRACTOR is not in place or is not used properly, the Property Accounting System Manual issued by the State Comptroller of Public Accounts will be used as a guide for establishing such a system. The property management system used by the SUBCONTRACTOR and subgrant recipients must meet the requirements set forth in this Article.

4-1. Property records must be maintained that include a description of the property, a

serial number or other identification number, the source of the property, who holds title, the acquisition date, and the cost of the property, percentage of state participation in the cost of the property, the location, use and condition of the property, and any ultimate disposition data including the date of disposal and sale price of the property.

4-2. A physical inventory of all equipment acquired or replaced under this Agreement shall be conducted no less frequently than once every two years and the results of such inventories reconciled with the appropriate property records. Property control procedures utilized by the SUBCONTRACTOR shall include adequate safeguards to prevent loss, damage, or theft of the acquired property. Any loss, damage, or theft shall be investigated. The SUBCONTRACTOR shall develop and carry out a program of property maintenance as necessary to keep both originally acquired and any replaced property in good condition, and to utilize proper sales procedures to ensure the highest possible return, in the event such property is sold.

4-3. Certain types of equipment are classified as "controlled assets" and are subject to annual revision. In accordance with the UGMS, the SUBCONTRACTOR should contact the Texas Comptroller of Public Accounts' property accounting staff or review the Comptroller's state Property Accounting User Manual available on the Internet, for the most current listing. The following equipment with costs between \$500 and \$4,999.99 shall be maintained on the inventory system: (1) stereo systems; (2) still and video cameras; (3) facsimile machines; (4) video recorders (VCRs), laserdisc players, camcorders, and VCR/TV combinations; (5) desktop CPUs, printers, data projectors, portable CPU laptops; and, (6) cellular and portable telephones. All single unit acquisitions equal to or greater than \$5000.00 shall be maintained on the inventory system.

5. The SUBCONTRACTOR, may for the purpose of replacing property acquired under this Agreement, either trade in or sell the property and use the proceeds of such trade-in or sale to offset the cost of acquiring needed replacement property.

6. The PERFORMING PARTY agrees that if a determination is made that any property acquired with funds provided under this Agreement with a current per-unit fair market value of \$5,000 or more is no longer needed for the originally authorized purpose, the TCEQ or PBRPC has the right to require disposition of the property by the SUBCONTRACTOR in accordance with the provisions of this Article.

7. When, during the useful life of property acquired with grant funds under this Agreement by the SUBCONTRACTOR and with a current per-unit fair market value of \$5,000 or more, the property is no longer needed for the originally authorized purpose, the SUBCONTRACTOR agrees to request disposition instructions from the TCEQ and PBRPC. When property acquired by the SUBCONTRACTOR with grant funds provided by the PBRPC under this Agreement is no longer needed for the originally authorized purpose, the PBRPC agrees that a subgrant contract will require the SUBCONTRACTOR to request disposition instructions from the PBRPC or, if the PBRPC is no longer administering a Regional Solid Waste Grants Program, the TCEQ. The PBRPC shall, in turn, request authorization from the TCEQ to provide disposition instructions to the subgrant recipient. Disposition instructions shall solicit, at a minimum, information on the source and amount of funds used in acquiring the property, the date acquired, the fair market value and how the value was determined (e.g., by appraisal, bids, etc.), and the proposed use of the proceeds. The assessment of whether to authorize the proposed disposition of the property must include a determination that

the disposition plan will comply with the private industry provisions of §361.014(b) of the Texas Health and Safety Code. In cases where the SUBCONTRACTOR fails to take appropriate disposition actions, the TCEQ or PBRPC may direct the SUBCONTRACTOR to take excess and disposition actions. The disposition instructions may provide for one of the alternatives as set forth in this Article.

7-1. Retain title, sell, or otherwise disposed of with no obligation to compensate the TCEQ or PBRPC.

7-2. Retain title after compensating the TCEQ or the PBRPC. If the PBRPC is compensated by the SUBCONTRACTOR for property acquired using funds provided under this Agreement, the PBRPC will in turn compensate the TCEQ or, upon authorization by the TCEQ, use those funds for other projects or activities that support this or similar future programs conducted by the TCEQ. The amount due will be computed by applying the percentage of state-funded participation in the cost of the original purchase to the fair market value of the property.

7-3. Sell the property and compensate the TCEQ or the PBRPC. If the PBRPC is compensated by the SUBCONTRACTOR for property acquired using funds provided under this Agreement, the PBRPC will in turn compensate the TCEQ or, upon authorization by the TCEQ, use those funds for other projects or activities that support the goals of this or similar future programs conducted by the TCEQ. The amount due will be calculated by applying the TCEQ's percentage of participation in the cost of the original purchase to the proceeds of the sale after deduction of any actual and reasonable selling and fixing-up expenses. If the grant is still active, the net proceeds from sale may be offset against the original cost of the property. When the SUBCONTRACTOR is directed to sell property, sales procedures shall be followed that provide for competition to the extent practicable and result in the highest possible return.

7-4 Transfer title to the TCEQ or the PBRPC, or to a third-party designated/approved by the TCEQ. If the SUBCONTRACTOR participated financially in the original purchase of the property, the SUBCONTRACTOR may be authorized payment from the receiving party of an amount calculated by applying the percentage of the participation in the original purchase of the property to the current fair market value of the property.

8. Items of property with a current per-unit fair market value of less than \$5,000 may be retained, sold or otherwise disposed of by the SUBCONTRACTOR with no further obligation to the TCEQ. Methods used to determine per-unit fair market value must be documented, kept on file and made available to the TCEQ upon request.

9. Real property must be maintained on an Inventory and is subject to the requirements of UGMS, Part III, Subpart C, §.31. Subject to the obligations and conditions set forth in this Agreement, title to real property acquired under this Agreement by the SUBCONTRACTOR will vest upon acquisition or construction in the SUBCONTRACTOR respectively.

Article 7 Compliance with Applicable Laws

The SUBCONTRACTOR shall give all notices and comply with all laws, ordinances, rules, regulations and order of any public authority bearing on the performance of this Agreement,

including, but not limited to, the laws referred to in this Agreement. If the SUBCONTRACTOR or PBRPC observes that this Contract is at variance therewith in any respect, the observing party shall promptly notify the other party in writing, and any necessary changes shall be adjusted by appropriate Agreement modifications. On request, the SUBCONTRACTOR shall furnish PBRPC modification.

If the SUBCONTRACTOR performs any work knowing or having reason to know that it is contrary to Laws or Regulations, the SUBCONTRACTOR shall bear all claims, costs, losses and damages caused by, arising out of or resulting therefrom.

The provisions of Uniform Grant and Contract Management Act, Texas Government Code, Chapter 783 apply to this agreement. Compliance with the conditions and requirements contained therein is necessary for the satisfactory performance of the services and work required under this agreement.

Neither the PBRPC's review, approval or acceptance of, nor payment for any of the services shall be construed to operate as a waiver of any rights under this Contract; the SUBCONTRACTOR shall be, and remain, liable in accordance to with applicable laws for all damages caused by the SUBCONTRACTORS' negligent performance of any of the services furnished under this agreement.

Article 8 Supplemental Funding/Project Standards

Unless authorization is specifically provided in accordance with the provisions of this Attachment or in accordance with Attachment D of this Contract, the SUBCONTRACTOR shall ensure that funds provided under this contract are used for the following activities, programs, or projects:

Supplemental Funding Standards and Restrictions

1. The provisions of the Uniform Grant Management Standards (UGMS) issued by the Office of the Governor apply to the use of these funds, as well as the supplement financial administration provided in the program Administrative Procedures.
2. Recipients of funds under this Contract, including the COG, subgrant recipients, and subcontractors shall comply with all applicable state and local laws and regulations pertaining to the use of state funds, including laws concerning the procurement of goods and services and competitive purchasing requirements.
3. Funds may not be provided through a subgrant recipient or subcontract to any public or private entity that is barred from participating in state contracts by the Texas General Services Commission, under the provisions of §2155.077, Government Code, and 1 TAC §113.02, GSC Regulations.
4. Public and private entities subject to payment of state solid waste disposal fees and whose payments are in arrears may not receive funds under this Contract through either a subgrant or subcontract.
5. In accordance with §361.014(b), Texas Health and Safety Code, and 30 TAC §330.649(d), TCEQ Regulations, a project or service funded under this Contract must promote cooperation between public and private entities and may not be otherwise readily available or create a competitive advantage over a private industry that provides recycling or solid waste services. Under this definition, the term private industry included non-profit and not-for-profit non-governmental entities.

6. All equipment and facilities purchased or constructed with funds provided under this Contract shall be used for the purposes identified under the application for the term of this Contract, and for 100% municipal solid waste related activities for the life of the equipment.
7. A project or service funded under this Contract must be consistent with the COG's RSWMP, and must be intended to implement the goals, objectives, and priorities established in the regional plan.
8. Funds may not be used to acquire land or an interest in land.
9. Funds may not be used to supplant existing funds. In particular, staff positions where the assigned functions will remain the same and that were active at the time of the funding application or proposal, and were funded from a source other than a previous solid waste grant, may not be funded.
10. Funds may not be used for food or entertainment expenses, including refreshments at meetings and other functions. This provision does not apply to authorized employee per diem expenses for food costs incurred while on travel status.
11. Funds may not be used for payment of salaries to any employee who uses alcoholic beverages on active duty. Funds may not be used for the purchase of alcoholic beverages, including travel expenses reimbursed with these funds.
12. Funds may not be used for employment, contracts for services of a lobbyist, or for dues to an organization, which employs or otherwise contracts for the services of a lobbyist.
13. Funds may only be used for projects or programs for managing municipal solid waste.
14. Except as may be specifically authorized, funds may not be used for projects or facilities that require a permit from the TCEQ and/or that are located within the boundaries of a permitted facility, including landfills, wastewater treatment plants, or other facilities. This restriction may be waived by the TCEQ, at its discretion, for recycling and other eligible activities that will take place within the boundaries of a permitted facility. The applicant and/or the COG must request a preliminary determination from the TCEQ as to the eligibility of the project prior to the project being considered for funding by the COG.
15. Projects or facilities requiring a registration from the TCEQ, and which are otherwise eligible for funding, must have received the registration before the project funding is awarded.
16. Except as may be specifically authorized, funds may not be used for activities related to the collection or disposal of municipal solid waste. This restriction includes: solid waste collection and transportation to a disposal facility; waste combustion (incineration or waste-to-energy); processing for reducing the volume of solid waste which is to be disposed of; landfills and landfill-related facilities, equipment, or activities, including closure and post-closure care of a permitted landfill unit; or other activities and facilities associated with the disposal of municipal solid waste.

17. Funds may not be used to assist an entity or individual to comply with an existing or pending federal, state, or local judgment or enforcement action. This restriction includes assistance to an entity to comply with an order to clean up and/or remediate problems at an illegal dumpsite. However, the TCEQ may waive this restriction, at its discretion and on a limited case-by-case basis, to address immediate threats to human health or the environment, and where it is demonstrated that the responsible party does not have the resources to comply with the order.
18. Funds may not be used to pay penalties imposed on an entity for violation of federal, state, or local laws and regulations. This restriction includes expenses for conducting a supplemental environmental project (SEP) under a federal or state order or penalty. Funds may be used in conjunction with SEP funds to support the same project.

PROJECT STANDARDS

Local Enforcement

19. As provided by the current General Appropriations Act funds may not be provided to any law enforcement agency regulated by Chapter 1701 Texas Occupational Code, unless: (a) the law enforcement agency is in compliance with all rules on Law Enforcement Standards and Education; or (b) the Commission on Law Enforcement Officer Standards and Education certifies that the requesting agency is in the process of achieving compliance with such rules.
20. When funding is to be provided for salaries of local enforcement officers, the funds recipient must certify that at least one of the officers has attended or will attend within the term of the funding the TCEQ's Criminal Environmental Law Enforcement Training or equivalent training.
21. Local enforcement vehicles and related enforcement equipment purchased entirely with funds provided under this Contract may only be used for activities to enforce laws and regulations pertaining to littering and illegal dumping, and may not be used for other code enforcement or law enforcement activities. Vehicles and equipment that are only partially funded must be dedicated for use in local enforcement activities for a percentage of time equal to the proportion of the purchase expense funded.
22. Entities receiving funds for a local enforcement officer, enforcement vehicles, and/or related equipment for use by an enforcement officer, must investigate major illegal dumping problems, on both public and private property, in addition to investigating general litter problems on public property.
23. Entities receiving funds to conduct a local enforcement program must cooperate with the TCEQ's regional investigative staff in identifying and investigating illegal dumping problems. Lack of cooperation with the TCEQ staff may constitute a reason to withhold future funding to that entity for local enforcement activities.
24. Funds may not be used for investigation and enforcement activities related to the illegal dumping of industrial and/or hazardous waste. Instances where industrial or hazardous waste is discovered at a site do not preclude the investigation of that site, so long as the intent and focus of the investigation and enforcement activities are on the illegal dumping of municipal solid waste.
25. Funds may not be used for purchase of weapons, ammunition, and/or HazMat gear.

Litter and Illegal Dumping Cleanup and Community Collection Events

26. Lake and Waterway Cleanup events must be coordinated with the TCEQ's Small Business and Environmental Assistance Division/or the Keep Texas Beautiful organization, which is contracted by the TCEQ to administer the Lake and Waterway Cleanup program.
27. Projects funded to clean up litter or illegal dumping on private property must be conducted through a local government sponsor or the COG. Funds may not be provided directly to a private landowner or other private responsible party for cleanup expenses. The local government sponsor or the COG must either contract for and oversee the cleanup work, or conduct the work with its own employees and equipment.
28. The costs for cleanup of hazardous waste that may be found at a municipal solid waste site must be funded from other sources, unless a waiver from this restriction is granted by the TCEQ to deal with immediate threats to human health or the environment.
29. The costs for cleanup of Class 1 nonhazardous industrial waste that may be found at a municipal solid waste site must be funded from other sources, unless a waiver from this restriction is granted by the TCEQ to deal with immediate threats to human health or the environment. The cleanup of Class 2 and 3 nonhazardous industrial wastes that may be found at a municipal solid waste site may be funded in conjunction with the cleanup of the municipal solid waste found at a site.
30. All notification, assessment, and cleanup requirements pertaining to the release of wastes or other chemicals of concern, as required under federal, state, and local laws and regulations, including 30 TAC Chapter 330, TCEQ's MSW Regulations, and 30 TAC Chapter 350, TCEQ's Risk Reduction Regulations, must be complied with as part of any activities funded under this Contract.
31. All materials cleaned up using grant funds must be properly disposed of or otherwise properly managed in accordance with all applicable laws and regulations. To the extent feasible, it is recommended that materials removed from a site be reused or recycled. For projects to clean up large amounts of materials, the COG should consider withholding at least ten (10) percent of the reimbursements under a pass-through grant or subcontract, until documentation is provided that the cleanup work has been completed and the materials properly managed.
32. Periodic community collection events, to provide for collection and proper disposal of non-recyclable residential waste materials for which there is not a readily-available collection alternative, may be funded. This type of project may not include regular solid waste collection activities, such as weekly waste collection. Funded collection events may be held no more frequently than four times per year, and must only be intended to provide residents an opportunity to dispose of hard-to-collect materials, such as large and bulky items that are not picked up under the regular collection system, and might otherwise be illegally dumped by residents. To the extent practicable, community collection events should make every effort to divert wastes collected from area landfills, e.g., contain a recycling component.

Source Reduction and Recycling

33. Any program or project funded with the intent of demonstrating the use of products made from recycled and/or reused materials shall have as its primary purpose the education and training of
-

residents, governmental officials, private entities, and others to encourage a market for using these materials.

Local Solid Waste Management Plans

34. All local solid waste management plans funded under this Contract must be consistent with the COG's RSWMP, and prepared in accordance with 30 TAC Subchapter O, Chapter 330, TCEQ Regulations, and the Content and Format Guidelines provided by the TCEQ.
35. In selecting a local solid waste management plan project for funding, the COG shall ensure that at least one year is available for the completion and adoption of the local plan.

Citizens' Collection Stations and "Small" Registered Transfer Stations

36. The design and construction of citizens' collection stations, as those facilities are defined under 30 TAC Chapter 330, TCEQ Regulations, may be funded. The costs associated with operating a citizens' collection station once it is completed may not be funded.
37. The design and construction of small municipal solid waste and liquid waste transfer stations that qualify for registration under 30 TAC 330, MSW Rules, may be funded. Other permitted or registered transfer stations may not be funded. A municipal solid waste transfer facility may be eligible for a registration if it serves a municipality with a population of less than 50,000, or a county with a population of less than 85,000, or is used in the transfer of 125 tons or less of municipal solid waste per day. A liquid waste transfer station may qualify for a registration if it will receive less than 32,000 gallons or less per day. The costs associated with operating a transfer station once it is completed may not be funded. The following MSW facilities may be funded:
 - Notification tier municipal solid waste transfer stations that qualify under 30 TAC 330.11(g).
 - Registered municipal solid waste transfer stations that qualify under 30 TAC 330.9(b)(1) through (3), or (f).
 - Notification tier citizens' collection stations that qualify under 30 TAC 330.11(e)(1).
 - Exempt local government recycling facilities as provided for under 30 TAC 328(a)(1).
 - Notification tier recycling facilities that qualify under 30 TAC 330.11(e)(2).
 - Notification tier composting facilities which qualify under 30 TAC 332.21 – 332.23.
 - Notification tier liquid waste temporary storage facilities which qualify under 30 TAC 330.11(e)(5).
 - Liquid waste transfer stations which qualify for registration in 30 TAC 330.9(g) and (o).
 - Notification tier used oil collection facilities which qualify under 30 TAC 324.71(1) or (3).

Household Hazardous Waste Management

38. All household hazardous waste collection, recycling, and/or disposal activities must be coordinated with the TCEQ's HHW program staff, and all applicable laws, regulations, guidelines, and reporting requirements must be followed.

Technical Studies

40. All technical studies funded must be consistent with the COG's regional solid waste management plan, and prepared in accordance with Administrative Procedures provided by the TCEQ.

Educational and Training Projects

41. Educational and training programs and projects funded under this Contract must be primarily related to the management of municipal solid waste, and funds applied to a broader education program may only be used for those portions of the program pertaining to municipal solid waste.

Other Types of Projects

42. If the TCEQ authorizes the COG to fund additional types of projects, the authorization incorporated into the grant Contract may include additional standards and restrictions that will apply to use of funds for that project or type of project.

Article 9 Authorized Representatives

(a). The PBRPC hereby designates the person in Exhibit A-1, Project Representative, as the individual authorized to give direction to the SUBCONTRACTOR for the purposes of this Contract.

(b). Immediately upon receiving the Purchase Order or Notice of Award, the SUBCONTRACTOR shall identify, as its Project Representative, the person authorized to receive direction from the PBRPC, to manage the work being performed, and to act on behalf on the SUBCONTRACTOR. The SUBCONTRACTOR'S Project Representative shall be deemed to have authority to bind the SUBCONTRACTOR in contract unless the SUBCONTRACTOR, in writing, specifically limits or denies such authority to the SUBCONTRACTOR'S Project Representative.

(c). Either party may change its Project Representative. In addition, the Project Representative of either party may further delegate his or her authority as necessary, including any delegation of authority to a new Project Representative. The party making the change in Project Representative shall provide written notice of the change to the other party.

(d). The SUBCONTRACTOR shall ensure that its Project Representative, or his or her delegate, is available at all times for consultation with the PBRPC.

Permian Basin Regional Planning Commission
Solid Waste Interlocal Agreement
General Contract Provisions

Attachment E

Article 1 Legal Authority

The SUBCONTRACTOR warrants and assures PBRPC that it possesses adequate legal authority to enter into this Agreement. The SUBCONTRACTOR'S governing body where applicable has authorized the signatory official(s) to enter into this Agreement and bind the SUBCONTRACTOR to the terms of this Agreement and any subsequent amendments hereto. The SUBCONTRACTOR agrees to adhere to all applicable laws and regulations, including but not limited to the provisions of the following standards:

- (1) §361, §363, and §364 of the TEXAS HEALTH and SAFETY CODE
- (2) Title 30 TAC §330, Subchapter O, TCEQ Rules
- (3) Title 30 TAC §14, TCEQ Rules
- (4) The Uniform Grant and Contract Management Act; TEXAS GOV'T CODE, §§783.001 et. seq., and the Uniform Grant Management Standards, 1 TAC §5.141-5.167 (Collectively, "UGMS").

Article 2 Scope of Services

The services to be performed by the SUBCONTRACTOR are herewith outlined in the General Provisions and Change Orders which are hereby incorporated into and made a part of this Agreement as if set out word-for-word herein.

Article 3 Purpose

(a). The purpose of this Contract (Agreement) is to accomplish the goals of House Bill 3072, 74th Texas Legislature (1995), as they relate to distributing solid waste fee revenue funds to support local and regional solid waste projects consistent with the regional solid waste management plans approved by the TCEQ and to update and maintain those plans.

(b). Under the overall goals of the funding program established under House Bill 3072, the more specific purposes of this Agreement are:

1. To enable the COG to carry out or conduct various municipal solid waste management-related services and support activities within the PBRPC's regional jurisdiction; and
2. To administer an efficient and effective, region-wide, pass-through (subgrantee) assistance grants program and/or, where authorized by the PBRPC in accordance with Article 4 of this Attachment, to conduct various PBRPC - managed projects.

(c). Funds provided by the PBRPC pursuant to this agreement that are paid to the SUBCONTRACTOR shall be used solely to satisfy the purposes of the agreement.

Article 4 Licenses, Permits and Laws

The SUBCONTRACTOR shall, except as otherwise provided in this Contract, be responsible for obtaining any necessary licenses and permits, and for complying with any applicable Federal, State, and Municipal laws, codes and regulations, in connection with the work required by this Contract.

Article 5 Assignability

This Contract is not transferable or otherwise assignable by the SUBCONTRACTOR without the written consent of the PBRPC. Any attempted transfer is void without written consent of the PBRPC.

Article 6 Examination of Records and Financial Administration

(a). The SUBCONTRACTOR shall maintain and make available for review, inspection and/or audit books, records, documents, and other evidence reasonably pertinent to performance on all work under this Agreement, including negotiated changes or amendments thereto, in accordance with accepted professional practice, appropriate accounting procedures and practices at the SUBCONTRACTORS' Texas Office. The SUBCONTRACTOR shall also maintain and make available at its Texas office the financial information and data used by the SUBCONTRACTOR or its designee (including independent financial auditors) in the preparation or support of any cost submission or cost (direct or indirect), price or profit analysis for this Contract or any negotiated subagreement or change order and a copy of the cost summary submitted to PBRPC. PBRPC, the Texas Commission on Environmental Quality, the Texas State Auditor's Office, or any of PBRPC's duly authorized representatives, shall have access to such books, records, documents, and other evidence for the purpose of review, inspection, and/or audit. During the conduct of any such review, audit, or inspection, the SUBCONTRACTORS' books, records, and other pertinent documents may, upon prior conference with the SUBCONTRACTOR, be copied by the PBRPC or any of its duly authorized representatives. All such information shall be handled by the parties in accordance with good business ethics. The SUBCONTRACTOR shall provide proper facilities within the State of Texas for such access and inspection.

(b). Audits conducted pursuant to this provision shall be in accordance with State law, regulations and policy, and generally accepted auditing standards and established procedures and guidelines of the reviewing or audit agency(ies).

(c). The SUBCONTRACTOR agrees to the disclosure of all information and reports resulting from access to records pursuant to section (a) above to the PBRPC. Where the audit concerns the SUBCONTRACTOR, the auditing agency will afford the Subcontractor an opportunity for an audit exit conference and an opportunity to comment on the pertinent portions of the draft audit report.

(d). Records under Section (a) above shall be maintained and made available during the entire period of performance of this Contract and until three (3) years from the date of final PBRPC payment for the project. In addition, those records which relate to any dispute, litigation, or the settlement of claims arising out of such performance, or costs or items to which an audit exception has been taken shall be maintained and made available until completion of such action and resolution of all issues which arise from it, or until the end of the regular three (3) year period, whichever is later.

(e). Access to records is not limited to the required retention periods. The authorized representatives designated by the PBRPC shall have access to records at any reasonable time for as long as the records are maintained.

(f). This audit/access to records Article applies to financial records pertaining to all subcontracts and all subcontract change orders and amendments. In addition, this right of access applies to all records pertaining to all subcontracts, subcontract change orders and subcontract amendments: to the extent the records reasonably pertain to subcontract performance; if there is any indication of fraud, gross abuse or corrupt practices may be involved; or if the subcontract is terminated for default or for convenience.

(g). The PBRPC reserves the right to require the reimbursement of any over-payments determined as a result of any audit or inspection of records kept by the SUBCONTRACTOR on the work performed under this Contract.

(h). The SUBCONTRACTOR agrees to establish and administer a financial management program to ensure that the expenditures connected to this Agreement are in fact incurred and are reasonable and necessary to the project. The SUBCONTRACTOR shall have an accounting system which accounts for costs in accordance with generally accepted accounting standards or principles and complies with applicable State law, regulations, or policies relating to accounting standards or principles. The SUBCONTRACTOR shall adhere to the specific standards and requirements set forth in this Section, except that the requirements and processes may be more stringent than outlined below:

- (1) The SUBCONTRACTOR shall establish a process to make payments for authorized expenses.
 - (2) The SUBCONTRACTOR shall use either a cash or an accrual basis for requesting reimbursement of expenses, as defined and authorized under the UGCMA. A cost must have been incurred and either paid or incurred by the last day of the time period indicated on a request for reimbursement form and liquidated no later than forty-five (45) days after the end of that time period.
 - (3) The SUBCONTRACTOR shall utilize a standard reimbursement and supplemental financial status report forms supplied by PBRPC to request funds.
 - (4) The SUBCONTRACTOR shall maintain records and documentation materials consistent with the records listed below:
 - (a) SALARY/WAGES - Time sheets that have been signed and approved.
 - (b) TRAVEL - Documentation which, at a minimum is consistent with State Travel Regulations. The purpose of the travel should be documented and supported with actual receipts for hotel accommodations, public transportation receipts, airline receipts, food and beverage receipts, etc.
 - (c) EQUIPMENT - Purchase orders, invoices, check, and (canceled check if requested).
 - (d) SUPPLIES - Purchase orders (if issued), invoices, check, and (canceled check if requested).
 - (e) CONTRACTUAL - All of the above plus documentation that the costs were reasonable and necessary. The same standards should be applicable to subcontractors.
 - (f) OTHER - All of the above apply.
-

(5) If requested by the PBRPC or TCEQ the SUBCONTRACTOR agrees to provide the additional expense records and documentation materials listed above in a reasonable and timely manner.

(i). The SUBCONTRACTOR agrees that all data and other information developed under this agreement shall be furnished to the PBRPC or TCEQ and shall be public data and information except to the extent that is exempted from public access by the Texas Public Information Act. Upon termination of this agreement, copies of data and information shall be furnished, at no charge, to the PBRPC and TCEQ, upon request, to include data bases prepared using funds provided under this agreement. Except as otherwise provided by the agreement or the Texas Public Information Act, the SUBCONTRACTOR shall not provide data generated or otherwise obtained in the performance of its responsibilities under this agreement to any party other than the State of Texas and its authorized agents.

(j). The SUBCONTRACTOR shall be responsible for requiring subcontractors and subgrantees to maintain and supervise all necessary safety precautions and programs in connection with the work. The SUBCONTRACTOR shall take all necessary safety precautions.

(k). The SUBCONTRACTOR shall have an accounting system which accounts for costs in accordance with generally accepted accounting standards or principles and complies with applicable State law, regulations, and policies relating to accounting standards or principles. The SUBCONTRACTOR must account for costs in a manner consistent with such standards or principles.

Article 7 Independent Financial Audit

The SUBCONTRACTOR engage an independent financial auditor and conduct an annual audit of the SUBCONTRACTORS' financial statements in accordance with the Single Audit provisions of UGMS and those items set forth in this section.

(a). All terms used in connection with audits in this agreement shall have the definitions and meanings assigned in the Single Audit Circular in UGMS.

(b). Provisions of the Single Audit Circular in Part IV of UGMS shall apply to all non-state entities expending the funds of this grant, whether they are recipients or subrecipients. In addition, the SUBCONTRACTOR shall require the independent auditor to supply all audit work papers substantiating the work performed, at the request of the PBRPC, the TCEQ or its designee.

Article 8 Hazardous Substances, Waste Disposal and Manifests

SUBCONTRACTOR must comply with all applicable Laws and Regulations, including but not limited to those relating to hazardous substances, waste disposal and manifests.

Article 9 Conflict of Interests

SUBCONTRACTOR shall notify the PBRPC immediately upon discovery of any potential or actual conflict of interest. SUBCONTRACTOR agrees that the PBRPC and TCEQ have discretion to determine whether a conflict exists and that the PBRPC and TCEQ may terminate the agreement at any time, on the grounds of actual or apparent conflict of interest.

Article 10 Insurance and Liability

SUBCONTRACTOR shall maintain insurance coverage for work performed or services rendered under this contract as specified in the Special Provisions. SUBCONTRACTOR understands and agrees that it shall be liable to repay and shall repay upon demand to PBRPC any amounts determined by PBRPC, its independent auditors, or any agency of state or federal governments to have been paid in violation of the terms of this Agreement.

Article 11 Amendments to Contract

Any alterations, additions, or deletions to the terms of this contract which are required by changes in Federal Law or Regulations are automatically incorporated into this Agreement without written amendment hereto, and shall become effective on the date designated by such law or regulation, provided if the SUBCONTRACTOR may not legally comply with such change, SUBCONTRACTOR may terminate its participation herein as authorized by Article 9.

PBRPC may, from time to time, require changes in the Scope of the Services of the SUBCONTRACTOR to be performed hereunder. Such changes that are mutually agreed upon by and between PBRPC and the SUBCONTRACTOR in writing shall be incorporated into this Agreement.

SUBCONTRACTOR must require prior approval of items not specifically approved in this Agreement. Any change in personnel whose salaries will be funded under this Agreement must be approved prior to submission for reimbursement.

Article 12 Termination of Contract

The SUBCONTRACTOR acknowledges that this Agreement may be terminated under the following circumstances:

(a). Convenience

PBRPC may terminate this Agreement in whole or in part without cause at any time by written notice by certified mail to the contractor whenever for any reason PBRPC determines that such termination is in the best interest of PBRPC. Upon receipt of notice of termination, all services hereunder of the SUBCONTRACTOR and its employees and subcontractees shall cease to the extent specified in the notice of termination. In the event of termination in whole, the SUBCONTRACTOR shall prepare a final invoice within 30 days of such termination reflecting the services actually performed pursuant to the Agreement and to the satisfaction of the Executive Director or his designee which has not appeared on any prior invoice. PBRPC agrees to pay the SUBCONTRACTOR, in accordance with the terms of the Agreement, for services actually performed and accruing to the benefit of PBRPC compensation previously paid.

The SUBCONTRACTOR may cancel or terminate this Agreement upon thirty (30) days written notice by certified mail to PBRPC. The SUBCONTRACTOR may not give notice of cancellation after it has received notice of default from PBRPC. In the event of such termination prior to completion of the contract provided for herein, PBRPC, agrees to pay services herein specified on a prorated bases for work actually performed and invoiced in accordance with the terms of this Agreement, less payment of any compensation previously paid.

(b). Default

Permian Basin Regional Planning Commission may, by written notice of default to the SUBCONTRACTOR, terminate the whole or any part of the Agreement in any one of the following circumstances:

1. If the SUBCONTRACTOR fails to perform the services herein specified within the time specified herein or any extension thereof; or
2. If the SUBCONTRACTOR fails to perform any of the other provisions of this Agreement for any reason whatsoever, or so fails to make progress or so violates the Agreement in a manner which significantly endangers substantial performance of the Agreement or completion of the services herein specified within a reasonable time, and in either of these two instances does not cure such failure within a period of ten (10) days (or such longer periods of time as may be authorized by PBRPC in writing) after receiving written notice by certified mail of default from PBRPC. In the event of such termination, all services of the SUBCONTRACTOR and its employees and subconsultants shall cease and the SUBCONTRACTOR shall prepare a final invoice reflecting the services actually performed pursuant to the Agreement and to the satisfaction of the Executive Director of PBRPC or his designee which has not appeared on a prior invoice. PBRPC agrees to pay the SUBCONTRACTOR, in accordance with the terms of this Agreement, for services actually performed and accruing to the benefit of PBRPC as reflected on said invoices, less payment of any compensation previously paid and less any costs or damages incurred by PBRPC as a result of such default, including an amount agreed to in writing by PBRPC and the SUBCONTRACTOR to be necessary to complete the services herein specified, in addition to that which would have been required had the SUBCONTRACTOR completed the services herein specified as required herein.

Article 13 Severability

All parties agree that should any provision of this Agreement be determined to be invalid or unenforceable, such determination shall not affect any other term of this Agreement, which shall continue in full force and effect.

Article 14 Notice

All notices, requests, reports, and other communications under this Contract shall be sent to the PBRPC Representative. All such notices and communications shall be deemed to be duly given if hand-delivered, delivered by nationally recognized courier service, or mailed by certified or registered mail, return receipt requested.

Article 15 Venue and Governing Law

The Parties to this Contract shall be governed by the laws of the State of Texas.

Nothing in this Contract is intended as any waiver by the PBRPC of any immunity from suit to which it is entitled under Texas law.

Article 16 Intellectual Property Requirements

For the purposes of this Contract, "intellectual property" refers to

1. Any discovery or invention for which patent rights may be acquired, and
2. Any photographs, graphic designs, plans, drawings, specifications, computer programs, technical reports, operating manuals, or other copyrightable materials, and
3. Any other materials in which intellectual property rights may be obtained.

If the SUBCONTRACTOR first conceives of, actually puts into practice, discovers, invents, or produces any intellectual property during the course of its work under this Contract, it shall report that fact to the PBRPC.

The SUBCONTRACTOR may obtain governmental protection for rights in the intellectual property. However, the PBRPC and the TCEQ hereby reserves a nonexclusive, royal-free and irrevocable license to use, publish, or reproduce the intellectual property for sale or otherwise, and to authorize others to do so.

In performing work under this Contract, the SUBCONTRACTOR shall comply with all laws, rules, and regulations relating to intellectual property, and shall not infringe on any third-party's intellectual property rights. It shall hold the PBRPC harmless for, and to the extent permitted by the laws and Constitution of the State of Texas, defend and indemnify the PBRPC against, any claims for infringement related to its work under this Contract.

Article 17 Identification of the Funding Source

The SUBCONTRACTOR shall acknowledge the financial support of the Texas Commission on Environmental Quality and the PBRPC whenever work funded, in whole or in part, by this Contract is publicized or reported in news media or publications. All reports and other documents completed as a part of this Contract, other than documents prepared exclusively for internal use, shall carry the following notation on the front cover or title page:

PREPARED IN COOPERATION WITH THE
TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

Article 18 Schedule of Remedies

In accordance with Chapter §2261, Texas Government Code, the following Schedule of Remedies applies to this contract in the event of substandard performance or other failure to conform to the requirements of the contract or applicable law as set forth in this section.

- (a). Reject substandard performance and request corrections without charge to the PBRPC.
- (b). Issue notice of substandard performance or other non-conforming act or omission.
- (c). Reject reimbursement request and suspend payment pending accepted revision of substandard performance or non-conformity.
- (d). Request and receive return of any overpayments or inappropriate payments.
- (e). Suspend all or part of the work and/or payments pending accepted revision of substandard performance or non-conformity.

(f). Reject reimbursement requested and withhold all or partial payments. Funds may be retained by the PBRPC for recovery or administrative costs or returned to the funding source as authorized by agreements with the funding source and by state or federal law.

(g). Terminate the contract, demand and receive: return of all equipment purchased of contract funds, return of all unexpended funds, and repayment of expended funds.

Article 19 Cumulative Remedies

The PBRPC may avail itself of any remedy or sanction provided in this agreement or in law to recover any losses rising from or caused by the SUBCONTRACTORS' substandard performance or any non-conformity with the agreement or the law. The remedies and sanctions available to the PBRPC under this agreement shall not limit the remedies available to the PBRPC under law.

The duties and obligations imposed by this agreement and the rights and remedies available hereunder to the parties hereto, are in addition to, and not to be in any way as a limitation of, any rights and remedies available to any or all of them which are otherwise imposed or available, by laws or regulations, by special warranty or guarantee or by other provisions of the agreement.

Article 20 Dispute Resolution

Any and all disputes concerning questions of fact or of law arising under this Agreement which are not disposed of by Agreement shall be decided by the Executive Director of PBRPC or his designee, who shall reduce his decision to writing and provide notice thereof to the SUBCONTRACTOR. The decision of the Executive Director or his designee shall be final and conclusive unless, within thirty (30) days from the date of receipt of such copy, the SUBCONTRACTOR requests a rehearing from the Executive Director of PBRPC. In connection with any rehearing under this Article, the SUBCONTRACTOR shall be afforded an opportunity to be heard and offer evidence in support of its position. The decision of the Executive Director after any such rehearing shall be final and conclusive. Pending final decision of a dispute hereunder, the SUBCONTRACTOR shall proceed diligently with the performance of the Agreement and in accordance with PBRPC's final decision.

Article 21 Oral and Written Agreements

All oral or written agreements between the parties hereto relating to the subject matter of this Contract which were developed and executed prior to the execution of this Contract have been reduced to writing and are contained herein.

Article 22 ADA Requirements

The SUBCONTRACTOR shall comply with all applicable requirements of the Americans with Disabilities Act of 1990 [ADA], Title 42, Chapter 126 U.S.C., beginning at § 12101; Title 47, Chapter 5 U.S.C. and any subsequent revisions or amendments.

Article 23 Utilization of Historically Underutilized Business Enterprises

The SUBCONTRACTOR agrees that qualified Historically Underutilized Businesses (HUB) shall have opportunity to participate in the performance of this Agreement.

Article 24 Equal Employment Opportunity and Nondiscrimination

The SUBCONTRACTOR agrees that in the performance of this agreement, it will not discriminate against any employee or applicant because of race, color, sex, age, or national origin and it will comply with Executive Order 11246, entitled "Equal Employment Opportunity", as amended by Executive Order 11375, and as supplemented in Department of Labor Relations (41 CFR Part 60). The SUBCONTRACTOR assures that no person will, on the grounds of race, creed, color, handicap, national origin, sex, political affiliation or beliefs, be excluded from, be denied the benefit of, or be subject to discrimination under any program or activity funded in whole or part under this agreement.

The SUBCONTRACTOR shall comply with all applicable state and federal statutes relating to nondiscrimination which include, but are not limited to, those listed in the Uniform Grant Management Standards.

Article 25 Subcontractors, Suppliers, and Others

All contractual expenditures using funds provided under this agreement shall meet all procurement laws and regulations applicable to the SUBCONTRACTOR and the Uniform Grant and Contract Management Act and the Uniform Grant Management Standards. Note that competitive bidding will generally be required.

The SUBCONTRACTOR shall be responsible for the management and fiscal monitoring of all subcontractors. The SUBCONTRACTOR shall monitor its subcontractors as necessary to ensure that the subcontractors are operating consistently with applicable laws and regulations, applicable contracting policies, and this agreement. The SUBCONTRACTOR shall ensure that all subcontractors comply with all record keeping and access requirements as set forth in this agreement. The PBRPC reserves the right to perform an independent audit of all subcontractors.

The SUBCONTRACTORS' contractual costs must comply with allowable costs requirements. SUBCONTRACTORS' which are governmental entities must engage in contractor selection on a competitive basis in accordance with their established policies. If the SUBCONTRACTOR has no competitive procurement policy, the SUBCONTRACTOR must generally select contractors by evaluation and comparison of price, quality of goods and services and past performances. All subgrants awarded by the SUBCONTRACTOR shall be in accordance with Subpart C. Sec. 37, subsection (b) of the State Uniform Administrative Requirements for Grants and Cooperative Agreements.

Article 26 Force Majeure

To the extent that either party to this Agreement shall be wholly or partially prevented from the performance within the term specified of any obligation or duty placed on such party by reason of or through strikes, stoppage of labor, riot, fire, flood, acts of war, insurrection, accident, order of any court, act of God, or specific cause reasonably beyond the parties' control and not attributable to its neglect or nonfeasance, in such event, the time for the performance of such obligation or duty shall be suspended until such disability to perform is removed. Determination of force majeure shall rest solely with the Permian Basin Regional Planning Commission.

Article 27 Entire Contract

This Agreement represents the entire Contract between the contracting parties and supersedes any and all prior contracts between the parties, whether written or oral.

Article 28 Survival of Obligations

All representations, indemnifications, warranties and guarantees made in, required by or given in accordance with the agreement, as well as continuing obligations indicated in the agreement, will survive final payment, completion and acceptance of the work and termination or completion of the agreement.

Client: City of Big Spring, Texas 310 Nolan Street Big Spring, Texas 79720	FNI Project No.: BPS13570
	Client Contract Ref.:
	Date: March 7, 2014
Project Description: Big Spring Comprehensive Plan – Airport Land Use and Transportation Plan	
<p>Description of Services Added/Deleted:</p> <p><u>Project Understanding</u> The purpose of the study effort is to prepare a Airport Land Use and Transportation Plan around the City of Big Spring Airport. This study was identified in the latest Airport Master Plan. The Plan will be incorporated into the City of Big Spring Comprehensive Plan as a separate Sector Plan for the Airport. The Plan will document; 1) existing conditions, 2) a proposed Sector Plan that identifies existing and future Land Uses and the Transportation network of Roads and Rail within the area, 3) the preparation of recommendations addressing a range of specific planning elements, and 4) an implementation plan for coordinated activities to achieve the Sector Plan for the Airport. This plan is limited to the perimeter uses and transportation around the airport and is not addressing planning on the AOP.</p> <p>Airport Sector Plan This planning initiative is aimed at addressing potential development activity and needs directly adjacent to the Airport. This sector plan will address land uses, development potential, transportation access and circulation, rail network, supporting infrastructure needs, conceptual costing of necessary infrastructure and potential phasing of needed improvements. The study will also center on funding and mechanisms for implementation of needed improvements to support area development. The following tasks will be conducted:</p> <p><u>Task 1 Data Collection</u> FNI will meet with the City and Airport to fully understand the study area, the vision for the area and expectations from the industrial development opportunities, existing and proposed infrastructure improvements, existing area development and proposed development plans, existing commitments by public and/or private entities, schedule and timing of potential necessitated improvements and any other relevant data. As appropriate, the City and Airport will set-up a meeting with area property owners/developers to assist in understanding area vision and need from the development industry. The City will further assist to obtain and provide copies of Airport, Rail or Industrial development plans, as necessary, to enable FNI to conduct the sector planning.</p> <p><u>Task 2 Sector Planning</u> Utilizing information obtained in Task 1.1, FNI will prepare a study of land uses, development potential, transportation access, and infrastructure to support sector development. An initial development scenario will be prepared and presented to the Airport and City and/or development interest for consideration. Based on development feedback, FNI will formalize plans, land use, transportation and infrastructure framework for the sector.</p> <p><u>Task 3 Infrastructure Needs and Costing</u> Based on established land and infrastructure planning, necessary transportation and supporting infrastructure will be developed. Generalized planning principles will be applied to sector development programming to determine short and long-term needs for transportation, water/water services, and stormwater management. Dependent on timing of development activity, generalized phased short and long-term needs will be identified and conceptual cost estimates prepared to support phased development. Available unit cost data from the City and/or 12-month averages from TXDOT will be used in conceptual costing of projects.</p> <p>FNI will identify potential funding sources and/or potential mechanisms for implementation of infrastructure improvements. Funding sources may also include public-private partnerships in which a fair share of costs are fairly allocated between proposed development and the city. Such approach could result in developer agreements for implementation of specified improvements.</p>	

Task 4 Sector Recommendations

Based on planning and analyses conducted, sector plan recommendations and implementation actions will be prepared and summarized in the form of a memorandum. Supporting mapping will be prepared, as necessary to assist in conveying recommendations of the sector plan. FNI will meet with the City and Airport (1 meeting) to discuss the findings and recommendations of the plan. This initial sector plan effort will culminate with plan recommendations and actions being incorporated into the comprehensive plan as an individual chapter of the plan. Supporting actions will also be incorporated into the implementation strategies and matrix of the plan.

Task 5 Meetings

FNI will present the results of the sector plan to the City and Airport. Up to two (2) meetings are programmed to assist with supporting the sector plan during the approval and public hearing process. To the extent possible, meetings will be schedule to occur concurrently with other Comprehensive Plan meetings.

Schedule

The technical phase of effort will be completed within sixty (60) days from notice to proceed. A public hearing process may require that this schedule be extended, however plan recommendations/actions will be completed within the initial work schedule.

Compensation shall be adjusted as follows:

The budget for this scope of work will be a fee not to exceed Twenty-Five Thousand Dollars (\$25,000).

	Original Contract	\$222,500
	Amount this Authorization	\$25,000
	Revised Total Contract	\$247,500

Schedule shall be adjusted as follows:

The technical phase of effort will be completed within sixty (60) days from notice to proceed. A public hearing process may require that this schedule be extended, however plan recommendations/actions will be completed within the initial work schedule.

The above described services shall proceed upon return of this Contract Change Authorization. Services will be billed as they are done. All other provisions, terms, and conditions of the agreement for services which are not expressly amended shall remain in full force and effect.

- A contract modification will be submitted.
- This Contract Change Authorization will serve as contract modification.

FREESE AND NICHOLS, INC.:

CLIENT:

BY: 

BY: _____

Alan D. Greer, PE
Print or Type Name

Print or Type Name

TITLE: Vice President

TITLE: _____

DATE: March 7, 2014

DATE: _____

**City of Big Spring
Investment Report
Quarter Ending December 31, 2013**

	Market Value 9/30/13	Quarterly Interest Income	Net Additions/ Decreases	Market Value 12/31/13
<u>TexPool Funds</u>				
Utility Escrow	\$ -	\$ -	\$ -	\$ -
Airpark	496,520.51	54.93		496,575.44
Landfill Closure	2,253,343.82	249.15	-	2,253,592.97
Operating Account	1,730,743.32	191.36	-	1,730,934.68
Cemetery	350,956.41	38.80	-	350,995.21
Health Insurance	-	-	-	-
Total TexPool	\$ 4,831,564.06	\$ 534.24	\$ -	\$ 4,832,098.30
<u>TexSTAR Funds</u>				
Certificates of Obligation	\$ -	\$ -	\$ -	\$ -
Certificates of Obligation 2012	\$ 6,814,294.66	\$ 684.53	\$ -	\$ 6,814,979.19
Total TexSTAR	\$ 6,814,294.66	\$ 684.53	\$ -	\$ 6,814,979.19
Total Funds in Pools	\$ 11,645,858.72	\$ 1,218.77	\$ -	\$ 11,647,077.49

**City of Big Spring
Investment Report
Quarter Ending December 31, 2013**

	<u>Value 9/30/13</u>	<u>Quarterly Interest Income</u>	<u>Net Additions/ Decreases</u>	<u>Value 12/31/13</u>
Western Bank-				
3/31/2014	\$ 101,160.04	\$ 113.52	\$ -	\$ 101,273.56
9/30/2014	131,899.92	143.28	-	132,043.20
Total Western Bank	\$ 233,059.96	\$ 256.80	\$ -	\$ 233,316.76
Lone Star State Bank				
Maturity 9/30/2014	\$ 100,777.76	\$ 75.30	\$ -	\$ 100,853.06
Maturity 9/30/2014	131,635.37	163.80	-	131,799.17
Total Lone Star Bank	\$ 232,413.13	\$ 239.10	\$ -	\$ 232,652.23
BBVA Compass				
Money Market - 2521127867	\$ 4,515,863.42	\$ 1,689.02	\$ -	\$ 4,517,552.44
Total BBVA Compass	\$ 4,515,863.42	\$ -	\$ -	\$ 4,517,552.44
Total Investments	\$ 16,627,195.23	\$ 1,714.67	\$ -	\$ 16,630,598.92
BBVA Compass				
Operating Account Balance				\$ 6,292,856.29

City of Big Spring Monthly Interest Rates Quarter Ending December 31, 2013

	<u>Oct</u>	<u>Nov</u>	<u>Dec</u>	<u>Average</u>
TexPool Funds	0.0500%	0.0400%	0.0400%	0.0443%
TexSTAR Funds	0.0487%	0.0474%	0.0390%	0.0461%
Western Bank				
6 month CD				0.4500%
12 month CD				0.6500%
Lone Star State Bank				
6 month CD				0.2997%
12 month CD				0.4991%
BBVA Compass Money Market				0.2000%

Prepared by:  _____
 Donald Moore - Finance Director

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 Todd Darden - City Manager