



## **CITY OF ANNA AGENDA NOTICE – CITY COUNCIL WORKSHOP**

**October 8, 2013**

**6:30 p.m. – Anna City Hall Administration Building**

The City Council of the City of Anna will meet in Workshop Session at 6:30 p.m., October 8, 2013, at the Anna City Hall Administration Building, located at 111 N. Powell Parkway (Hwy 5), regarding the following items.

1. Call to Order.
2. Roll Call and Establishment of Quorum.
3. Briefing/Discussion regarding Centennial Celebration. (Jessica Perkins)
4. Briefing/Discussion regarding NTMWD wastewater system membership (City Manager)
5. **CLOSED SESSION (EXCEPTIONS):** Under Tex. Gov't Code Chapter 551, the City Council may enter into closed session to discuss any items listed or referenced on this agenda under the following exceptions:
  - a. consult with legal counsel regarding pending or contemplated litigation and/or on matters in which the duty of the attorney to the governmental body under the Texas Disciplinary Rules of Professional Conduct of the State Bar of Texas clearly conflicts with Chapter 551 of the Government Code (Tex. Gov't Code §551.071); contract with Redden Concrete.
  - b. discuss or deliberate the purchase, exchange, lease, or value of real property (Tex. Gov't Code §551.072); acquisition of utility easement.

The council further reserves the right to enter into executive session at any time throughout any duly noticed meeting under any applicable exception to the Open Meetings Act.

1. The Council may vote and/or act upon each of the items listed in this agenda.
2. The Council reserves the right to retire into executive session concerning any of the items listed on this agenda, whenever it is considered necessary and legally justified under the Open Meeting Act.
3. Persons with a disability who want to attend this meeting who may need assistance should contact the City Secretary at 972 924-3325 two working days prior to the meeting so that appropriate arrangements can be made.

6. Consider/Discuss/Action on any items listed on posted agenda for October 8, 2013 City of Anna City Council Regular Meeting or any Closed Session occurring during this Workshop, as necessary.
7. Adjourn.

This is to certify that I, Natha Wilkison, City Secretary, posted this agenda at a place readily accessible to the public at the Anna City Hall and on the City Hall bulletin board at or before 5:00 p.m., October 4, 2013.

*Natha Wilkison*

Natha Wilkison, City Secretary

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**City of Anna  
City Council Agenda  
Staff Report**

Council Meeting: October 8, 2013  
Account Code #: \_\_\_\_\_  
Budgeted Amount: \_\_\_\_\_

Staff Contact: Jessica Perkins  
Exhibits: \_\_\_ Yes \_\_\_X\_\_\_ No

**AGENDA SUBJECT:** Briefing/Discussion regarding Centennial Celebration. (Jessica Perkins)

**SUMMARY:** Local area citizens and business owners are planning a Centennial Celebration in conjunction with the annual Christmas Parade scheduled for Saturday, December 14th. Karen Ahrens, co-owner of Daddy Rex's BBQ, is the lead contact for the Centennial Celebration. Karen along with Sara Cox, GACC President, will be present to share the plans they have been working on for the Centennial. To date, staff is aware that the Parade Theme will be the Centennial, the Shirely Museum will be open, there will be live music and a cake. Below is the logo the group created for the celebration.



**STAFF RECOMMENDATION:** n/a



## City of Anna City Council Agenda Staff Report

Council Meeting: October 8, 2013  
Account Code # NA  
Amount: NA

Staff Contact: City Manager

Exhibits: X Yes       No

**AGENDA SUBJECT:** Briefing/Discussion regarding NTMWD wastewater system membership.

**SUMMARY:** The Cities of Anna and Melissa are working together on a request to become members of the NTMWD wastewater system. Attached is a proposed agreement for engineering services and the scope of services for the proposed study required by NTMWD to process our request for membership. This is a standard NTMWD engineering services agreement and some items that have been listed in the agreement will not apply to this study. Once the agreement is final, NTMWD will transmit, for our approval, hard copies with proposed cost breakdowns for the study for each city based on wastewater flows into the system from each city over the last six months.



## **CITY OF ANNA AGENDA NOTICE – CITY COUNCIL REGULAR MEETING**

**October 8, 2013**

**7:30 p.m. – Anna City Hall Administration Building**

The City Council of the City of Anna will meet in Regular Session at 7:30 p.m., October 8, 2013, at the Anna City Hall Administration Building, located at 111 North Powell Parkway (Hwy 5), to consider the following items.

*Welcome to the City Council Meeting. Please sign the Sign-In-Sheet as a record of attendance. If you wish to speak on an open-session agenda item please fill out the Opinion/Speaker Registration Form and turn it in to the City Secretary before the meeting starts.*

1. Call to Order.
2. Invocation and Pledge of Allegiance.
3. Citizen comments. *Citizens are allowed 3 minutes to speak. The Council is unable to respond to or discuss any issues that are brought up during this section that are not on the agenda, other than to make statements of specific factual information in response to a citizen's inquiry or to recite existing policy in response to the inquiry.*
4. Receive reports from Staff or the City Council about items of community interest. *Items of community interest include: expressions of thanks, congratulations, or condolence; information regarding holiday schedules; an honorary or salutary recognition of a public official, public employee, or other citizen (but not including a change in status of a person's public office or public employment); a reminder about an upcoming event organized or sponsored by the governing body; information regarding a social, ceremonial, or community event organized or sponsored by an entity other than the governing body that was attended or is scheduled to be attended by a member of the governing body or an official or employee of the municipality; and announcements involving an imminent threat to the public health and safety of people in the municipality that has arisen after the posting of the agenda.*

1. The Council may vote and/or act upon each of the items listed in this agenda.
2. The Council reserves the right to retire into executive session concerning any of the items listed on this agenda, whenever it is considered necessary and legally justified under the Open Meeting Act.
3. Persons with a disability who want to attend this meeting who may need assistance should contact the City Secretary at 972 924-3325 two working days prior to the meeting so that appropriate arrangements can be made.

5. Consent Items. *These items consist of non-controversial or “housekeeping” items required by law. Items may be considered individually by any Council member making such request prior to a motion and vote on the Consent Items.*
  - a. Approve the “AP Tower TX1009” Development Plat (Maurice Schwanke)
6. A Proclamation recognizing National Fire Prevention Week. (Chief Gothard)
7. Presentation recognizing Anna Fire Department volunteers and employees. (Chief Gothard)
8. Presentation regarding the City’s ISO Rating. (Chief Gothard)
9. Consider/Discuss/Action regarding a Resolution amending the concept plan for Natural Springs Park. (Maurice Schwanke)
10. a) Public Hearing: To consider public comments on an Ordinance, approving a negotiated resolution between the Atmos Cities Steering Committee and Atmos Energy Corp., Mid-Tex Division regarding the company’s 2013 annual rate review mechanism filing. (City Manager)
  - b) Consider/Discuss/Action regarding an Ordinance, approving a negotiated resolution between the Atmos Cities Steering Committee and Atmos Energy Corp., Mid-Tex Division regarding the company’s 2013 annual rate review mechanism filing (City Manager)
11. Consider/Discuss/Action regarding a Resolution establishing the dates, times, and places for public hearings for the voluntary annexation of property generally located east of County Road 286 and West of U.S. 75 containing approximately 33 acres. (Maurice Schwanke)
12. CLOSED SESSION (EXCEPTIONS): Under Tex. Gov’t Code Chapter 551, the City Council may enter into closed session to discuss any items listed or referenced on this agenda under the following exceptions:
  - a. consult with legal counsel regarding pending or contemplated litigation and/or on matters in which the duty of the attorney to the governmental body under the Texas Disciplinary Rules of Professional Conduct of the State Bar of Texas clearly conflicts with Chapter 551 of the Government Code (Tex. Gov’t Code §551.071); contract with Redden Concrete.
  - b. discuss or deliberate the purchase, exchange, lease, or value of real property (Tex. Gov’t Code §551.072); acquisition of utility easement.

1. The Council may vote and/or act upon each of the items listed in this agenda.
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The council further reserves the right to enter into executive session at any time throughout any duly noticed meeting under any applicable exception to the Open Meetings Act.

13. Consider/Discuss/Action on any items listed on posted agenda for October 8, 2013 Workshop Session or any closed session occurring during this Regular Meeting, as necessary.

14. Adjourn.

This is to certify that I, Natha Wilkison, City Secretary, posted this agenda at a place readily accessible to the public at the Anna City Hall and on the City Hall bulletin board at or before 5:00 p.m. October 4, 2013.

*Natha Wilkison*

Natha Wilkison, City Secretary

1. The Council may vote and/or act upon each of the items listed in this agenda.
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**City of Anna  
City Council Agenda  
Staff Report**

Council Meeting: October 8, 2013

Staff Contact: Philip Sanders

Account Code #: N/A

Date Prepared: 10-3-13

Budgeted Amount: N/A

Exhibits:  Yes  No

**AGENDA SUBJECT:** Consent Items. *These items consist of non-controversial or "housekeeping" items required by law. Items may be considered individually by any Council member making such request prior to a motion and vote on the Consent Items.*

- a. Approve the "AP Tower TX1009" Development Plat (Maurice Schwanke)

**RECOMMENDATION:** Staff recommends approval of the consent items.



**City of Anna  
City Council Agenda  
Staff Report**

Council Meeting: October 8, 2013

Staff Contact: Maurice Schwanke

Account Code #: N/A

Date Prepared: 10/01/13

Budgeted Amount: N/A

Exhibits:  Yes  No

**AGENDA SUBJECT:** Approve the “AP-TX1009” development plat. (Maurice Schwanke)

**SUMMARY:** The improvements planned for this site is a telecommunication tower located outside of the City Limits. A portion of the property, however, is within the City Limits. No water and sewer utilities are planned for this development and since this tower is a commercial endeavor within the Cities extra territorial jurisdiction the County will be issuing the permit for the facility. The development plat meets the standards for development plats.

**PLANNING AND ZONING ACTION:** Action of this item by the Planning and Zoning Commission will be on October 7<sup>th</sup>.

**RECOMMENDED ACTION:** Approval of the Development Plat



## City of Anna City Council Agenda Staff Report

Council Meeting: October 8, 2013

Staff Contact: Chief Gothard

Account Code #: \_\_\_\_\_

Budgeted Amount: \_\_\_\_\_

Exhibits:  Yes  No

**AGENDA SUBJECT:** Fire Prevention Week Proclamation

**SUMMARY:** The week of October 6 - 12, 2013 is National Fire Prevention week. The Fire Department would like to propose a Proclamation declaring this week as Fire Prevention week in Anna.

This year's theme from the National Fire Protection Association is Prevent Kitchen Fires. The Fire Department staff will be going to local schools and day cares throughout the week promoting Fire Safety & prevention.

**RECOMMENDATION:** N/A



## City of Anna City Council Agenda Staff Report

Council Meeting: October 8, 2013

Staff Contact: Chief Gothard

Account Code #: \_\_\_\_\_

Budgeted Amount: \_\_\_\_\_

Exhibits: Yes No

**AGENDA SUBJECT:** Fire Department Appreciation

**SUMMARY:** The Anna Fire Dept. is a combination department that consists of five paid staff members, three part time staff and twenty one volunteer firefighters.

The Department responds to over 1020 calls per year, and provides Advanced Life Support services to the community.

Of the twenty one volunteers; 10 are certified firefighters through the Texas Commission on Fire Protection, 9 are certified Emergency Medical Technicians, 2 are Emergency Care Attendants, and 3 are Paramedics.

From January 2013 to September 30, 2013 the members have logged in the following man hours:

15,854 man hours of station time

680 man hours of training.

The members take great pride and ownership in the organization and in the community.

**RECOMMENDATION:** Present certificate of appreciation to members of the Fire Department.



## City of Anna City Council Agenda Staff Report

Council Meeting: October 8, 2013

Staff Contact: Chief Gothard

Account Code #: \_\_\_\_\_

Budgeted Amount: \_\_\_\_\_

Exhibits: X Yes      No

**AGENDA SUBJECT:** I.S.O. – Class 2 Presentation

**SUMMARY:** In April the City underwent an I.S.O. study. The three areas that were evaluated were Emergency Communications (Handled by CCSO), Water supply, and Fire Protection.

At the conclusion of the study, the information was graded and the City was graded at a rating of Class #2.

**Mr. Jesse Williams Deputy State Fire Marshal / PPC Oversight Officer will be here to present the City with a plaque for achieving the Class 2 rating.**

Attached you will see that a 2011 study shows in Texas out of 2412 Departments only 132 were rated at Class 2.

**RECOMMENDATION:** Accept plaque from Deputy Fire Marshal Jesse Williams



## City of Anna City Council Agenda Staff Report

Council Meeting: October 8, 2013

Staff Contact: Maurice Schwanke

Account Code #: N/A

Date Prepared: 10/01/13

Budgeted Amount: N/A

Exhibits:  Yes  No

**AGENDA SUBJECT:** Consider/Discuss/Action regarding a Resolution amending the concept plan for Natural Springs Park. (Maurice Schwanke)

**SUMMARY:** The City has been approached by Troy Colombo requesting that he be allowed to place a bat house in Natural Springs Park as part of an Eagle Scout project. The bat house location is shown on the attached exhibit. The area is located away from the trails behind a tree line.

**PARK BOARD ACTION:** At the September 16<sup>th</sup> Park Board meeting it was recommended that the bat house be allowed to be placed in the park.

**RECOMMENDED ACTION:** Approval of an amendment to the Natural Springs Park.



## City of Anna City Council Agenda Staff Report

Council Meeting: October 8, 2013  
Account Code # NA  
Amount: NA

Staff Contact: City Manager

Exhibits: X Yes       No

**AGENDA SUBJECT:** Consider/Discuss/Action regarding an Ordinance, approving a negotiated resolution between the Atmos Cities Steering Committee and Atmos Energy Corp., Mid-Tex Division regarding the company's 2013 annual rate review mechanism filing.

**SUMMARY:** The City of Anna, along with approximately 164 other cities served by Atmos Energy Mid-Tex Division ("Atmos Mid-Tex" or "Company"), is a member of the Atmos Cities Steering Committee ("ACSC"). On or about July 15, 2013, Atmos Mid-Tex filed with the City an application to increase natural gas rates pursuant to the Rate Review Mechanism ("RRM") tariff renewed by the City in 2013 as a continuation and refinement of the previous RRM rate review process. This is the first annual RRM filing under the renewed RRM tariff.

The Atmos Mid-Tex RRM filing sought a \$22.7 million rate increase system-wide based on an alleged test-year cost of service revenue deficiency of \$25.7 million. The City worked with ACSC to analyze the schedules and evidence offered by Atmos Mid-Tex to support its request to increase rates. The Ordinance and attached rate tariffs are the result of negotiations between ACSC and the Company to resolve issues raised by ACSC during the review and evaluation of Atmos Mid-Tex's RRM filing.

The Ordinance resolves the Company's RRM filing by authorizing additional revenues to the Company of \$16.6 million system-wide. For purposes of comparison, this negotiated result is about \$11 million *less* than what ACSC's consultants calculated that Atmos would have been entitled to if Atmos had filed a case under the Gas Reliability Infrastructure Program ("GRIP") rather than an RRM case. The settlement is expected to increase the average residential customer's bill by approximately \$0.74 per month. An Average Bill Comparison of base rates has been prepared for residential, commercial, industrial, and transportation customers.

### **RRM Background:**

The RRM tariff was originally approved by ACSC Cities as part of the settlement agreement to resolve the Atmos Mid-Tex 2007 system-wide rate filing at the Railroad Commission. In early 2013, the City adopted a renewed RRM tariff for an additional five years. Atmos Mid-Tex's July 2013 filing was made pursuant to the renewed RRM tariff.

The RRM tariff and the process implementing that tariff were created collaboratively by ACSC and Atmos Mid-Tex as an alternative to the legislatively-authorized GRIP surcharge process. ACSC has opposed GRIP because it constitutes piecemeal ratemaking, does not allow any review of the reasonableness of Atmos' expenditures, and does not allow participation by cities

or recovery of cities' rate case expenses. In contrast, the RRM process has allowed for a more comprehensive rate review and annual adjustment as a substitute for GRIP filings. ACSC's consultants have calculated that had Atmos filed under the GRIP provisions, it would have received additional revenues from ratepayers in excess of \$28 million.

**Purpose of the Ordinance:**

Rates cannot change without the adoption of rate ordinances by cities. No related matter is pending at the Railroad Commission. The purpose of the Ordinance is to approve rates (shown on "Attachment A" to the Ordinance) that reflect the negotiated rate changes pursuant to the RRM process and to ratify the recommendation of the ACSC Executive Committee.

As a result of the negotiations, ACSC was able to reduce the Company's requested \$22.7 million RRM increase to \$16.6 million. Approval of the Ordinance will result in the implementation of new rates that increase Atmos Mid-Tex's revenues effective November 1, 2013.

**Reasons Justifying Approval of the Negotiated Resolution:**

Consultants working on behalf of ACSC Cities have investigated the support for the Company's requested rate increase. While the evidence does not support the \$22.7 million increase requested by the Company, ACSC's consultants agree that the Company can justify an increase in revenues of some lesser amount. The agreement on \$16.6 million is a compromise between the positions of the parties.

The alternative to a resolution of the RRM filing would be a GRIP filing by the Company, based upon the Railroad Commission's decision in the 2012 rate case. A GRIP filing would entitle the Company to receive more than \$28 million in additional revenues, with ACSC being precluded from reviewing the reasonableness of the GRIP filing. The ACSC Executive Committee recommends that ACSC members take action to approve the Ordinance authorizing new rate tariffs.

**No Changes to Residential Customer Charges:**

For the first annual filing under the revised RRM tariff, the Company agreed to forgo any change to the residential customer charge. Therefore, for the 2013 RRM, the result of the filing will not increase the residential customer charge, and the entirety of the increase to the residential class will be applied to the commodity (natural gas consumption) component of rates.

**Explanation of "Be It Ordained" Paragraphs:**

1. This paragraph approves all findings in the Ordinance.
2. This section adopts the attached tariffs ("Attachment A") in all respects and finds the rates set pursuant to the attached tariffs to be just, reasonable and in the public interest. Note that only new tariffs or existing tariffs being revised are attached to the Ordinance. Existing tariffs not being changed in any way are not attached to the Ordinance.
3. This section requires the Company to reimburse ACSC for reasonable ratemaking costs associated with reviewing and processing the RRM application.

4. This section repeals any resolution or ordinance that is inconsistent with this Ordinance.

5. This section finds that the meeting was conducted in compliance with the Texas Open Meetings Act, Texas Government Code, Chapter 551.

6. This section is a savings clause, which provides that if any section(s) is later found to be unconstitutional or invalid, that finding shall not affect, impair or invalidate the remaining provisions of this Ordinance. This section further directs that the remaining provisions of the Ordinance are to be interpreted as if the offending section or clause never existed.

7. This section is a “most favored nations” clause. It provides that if the Company settles with other parties on better terms than agreed to with the ACSC Cities, the ACSC Cities (including the City) will automatically receive the benefit of those better terms.

8. This section provides for an effective date upon passage.

9. This paragraph directs that a copy of the signed Ordinance be sent to a representative of the Company and legal counsel for ACSC.

**RECOMMENDATION:** The ACSC Executive Committee and ACSC legal counsel recommend that all ACSC Cities adopt the Ordinance implementing the rate change.



## City of Anna City Council Agenda Staff Report

Council Meeting: October 8, 2013

Staff Contact: Maurice Schwanke

Account Code #: N/A

Date Prepared: 10/01/13

Budgeted Amount: N/A

Exhibits:  Yes  No

**AGENDA SUBJECT:** Consider/Discuss/Action regarding a Resolution establishing the dates, times, and places for public hearings for the annexation of property generally located east of County Road 286 and west of U. S. 75 containing approximately 33 acres more or less.

**SUMMARY:** On December 8<sup>th</sup> of 2010 the City Council accepted and approved a three year 43.035/212 development agreement with Mixon Realty Company on 33 acres of Land. Section 5 of the agreement states the following:

“By entering into the agreement shall be deemed to have properly filed with the City a petition for voluntary annexation, consenting to voluntary annexation of the Property to be completed upon or after the end of the Term”.

The agreement is attached as information to this report. It is the recommended of the Staff that the City act on this agreement to ensure protection of land uses adjacent to U.S. 75. Approval of this resolution would establish the public hearing schedule for the proposed annexation and the staff will send out a notice to the property owner 30 days in advance of the first public hearing.

**RECOMMENDED ACTION:** Adopt Resolution to Establish Public Hearing Schedule.