



**AGENDA  
WATAUGA CITY COUNCIL  
REGULAR MEETING  
MONDAY, MAY 23, 2016  
CITY HALL COUNCIL CHAMBER, 7105 WHITLEY ROAD  
6:30 P.M.**

**COUNCIL MEETING**

**CALL TO ORDER**

**INVOCATION**

**PLEDGE TO THE FLAG**

**PLEDGE TO THE TEXAS FLAG** – *“Honor the Texas Flag: I pledge allegiance to Thee, Texas, one state under God, one and indivisible”*

**DISCUSSION AND APPROVAL OF MEETING AGENDA**

1. Discussion and action on approval of meeting agenda

**CITIZEN’S OPEN FORUM**

Individuals requesting to speak during Citizen’s Open Forum will be required to fill out a “REQUEST TO SPEAK FORM” and present it to the City Secretary prior to commencement of the meeting. Speakers are limited to three minutes.

The purpose of this item is to allow citizens an opportunity to address the City Council on issues that are not the subject of a public hearing. Items which require a public hearing will allow citizens or visitors to speak at the time that item is introduced on the agenda. No formal action can be taken by the City Council on items that are not posted on the agenda.

**CONSENT AGENDA**

All of the items on the consent agenda are considered to be self-explanatory by the Council and will be enacted with one motion, one second, and one vote. There will be no separate discussion of these items.

1. Approval of Monthly Financial Report – expenses and revenues for all funds from April 1, 2016, through April 30, 2016  
**Sandra Gibson, Director of Finance and Administration, CGFO**
2. Approval of City Council Regular Meeting Minutes of April 25, 2016  
**Zolaina R. Parker, City Secretary**
3. Approval of a permit for a Massage Establishment for Magic Massage for Calendar Year 2016 as required by Chapter 22, Article VI, Division 2, Section 22-253 of the City of Watauga Code of Ordinances  
**Zolaina R. Parker, City Secretary**
4. Approval of a proposed ordinance regarding the negotiated settlement with Atmos Energy Corp., Mid-Tex Division [CAPTION]  
**Greg Vick, City Manager**
5. Approval of a proposed resolution eliminating Section 13.10 and replacing with policy 3.04, eliminating Section 18.6 and replacing with policy 6.07, eliminating Section 14.1 and 20.2 and replacing with policy 8.01, and eliminating Section 13.11 replacing with policy 12.03, of the City of Watauga Personnel, Administration and Financial Policies and Procedures Manual [CAPTION]  
**Marcia Reyna, Human Resources/Civil Service Director**
6. Approval of proposed resolution to amend the 2015-2016 Fiscal Year Classification Plan for Part Time/Seasonal Employees [CAPTION]  
**Marcia Reyna, Human Resources/Civil Service Director**  
**Sandra Gibson, Director of Finance and Administration, CGFO**
7. Approval of recommendation to reappoint Mrs. Sandra Gibson to the Watauga Improving Neighborhoods Committee, Place 1  
**Hector F. Garcia, Mayor**
8. Approval of recommendation to reappoint Mrs. Summer Nelson to the Watauga Improving Neighborhoods Committee, Place 2  
**Hector F. Garcia, Mayor**
9. Approval of recommendation to reappoint Mrs. Stephanie Flores to the Watauga Improving Neighborhoods Committee, Place 3  
**Hector F. Garcia, Mayor**
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10. Approval of recommendation to reappoint Mr. Andrew Ivey Jr., to the Watauga Improving Neighborhoods Committee, Place 4  
**Hector F. Garcia, Mayor**
11. Approval of recommendation to reappoint Mrs. Marcia Reyna to the Watauga Improving Neighborhoods Committee, Place 5  
**Hector F. Garcia, Mayor**

12. Approval of recommendation to reappoint Ms. Leigh Ann Boardman to the Watauga Improving Neighborhoods Committee, Place 6  
**Hector F. Garcia, Mayor**
13. Approval of recommendation to reappoint Mr. Rick DeVoss to the Watauga Improving Neighborhoods Committee, Place 7  
**Hector F. Garcia, Mayor**

## **NEW BUSINESS**

1. Discussion and action on selection of a Mayor Pro Tem per the City of Watauga Home Rule Charter, Section 3.06 (d)  
**Hector F. Garcia, Mayor**
2. Discussion on Residential Revitalization Update and Rental Property Procedures  
**Randy Richards, Building Official**  
**Paul Hackleman, Public Works Director**

## **EXECUTIVE SESSION**

**The City Council may announce that it will adjourn the public meeting and convene in Executive Session pursuant to Chapter 551 of the Texas Government Code to discuss any matter as specifically listed on this agenda and/or as permitted by Chapter 551 of the Texas Government Code.**

Pursuant to the Texas Open Meetings Act, Chapter 551 of the Texas Government Code, Mayor Hector F. Garcia will announce that the City Council will convene in Executive Session (closed session) in the Council Chamber Conference Room, 7105 Whitley Road.

1. The City Council will convene in Executive Session pursuant to Section 551.071(2) of the Texas Government Code to meet with the City Attorney and seek his advice on a matter in which the duty of the attorney to the City Council under the Texas Disciplinary Rules of Professional Conduct clearly conflicts with Chapter 551 of the Texas Government Code to provide an update regarding Meet and Confer preparations.

### **ITEM OF EXECUTIVE SESSION DELIBERATION:**

To provide an update regarding Meet and Confer preparations

## **RECONVENE**

The City Council will return to open session in the City Council Chamber for possible discussion and action as a result of the Executive Session as follows:

1. To provide an update regarding Meet and Confer preparations

## ADJOURNMENT

### NOTICE

THIS FACILITY IS WHEELCHAIR ACCESSIBLE AND ACCESSIBLE PARKING SPACES ARE AVAILABLE. REQUESTS FOR ACCOMMODATIONS OR INTERPRETIVE SERVICES MUST BE MADE 48 HOURS PRIOR TO THIS MEETING. PLEASE CONTACT THE CITY SECRETARY'S OFFICE AT (817) 514-5825, OR FAX (817) 514-3625.

I, Zolaina R. Parker, City Secretary for the City of Watauga, hereby certify that this agenda was posted on the bulletin boards at City Hall, 7105 Whitley Road, Watauga, Texas, on Wednesday, May 18, 2016, before 6:30 p.m., in accordance with Chapter 551 of the Texas Government Code.

  
Zolaina R. Parker, City Secretary





**CITY OF WATAUGA FINANCE DEPARTMENT  
INTEROFFICE CORRESPONDENCE**

**DATE:** May 16, 2016  
**TO:** Honorable Mayor and City Council  
**THROUGH:** Greg Vick, City Manager *GV*  
**FROM:** Sandra Gibson, Director of Finance and Administration *S. Gibson*  
**SUBJECT:** Monthly Report – April, 2016

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The City's sales tax receipts from the State Comptroller received in the month of May, 2016 (reflecting March sales receipts) decreased by 6.99%, or \$31,355 from the same time last year. Year-to-date sales tax receipts for the City are down 5.01% in comparison to last year at this time (cash basis).

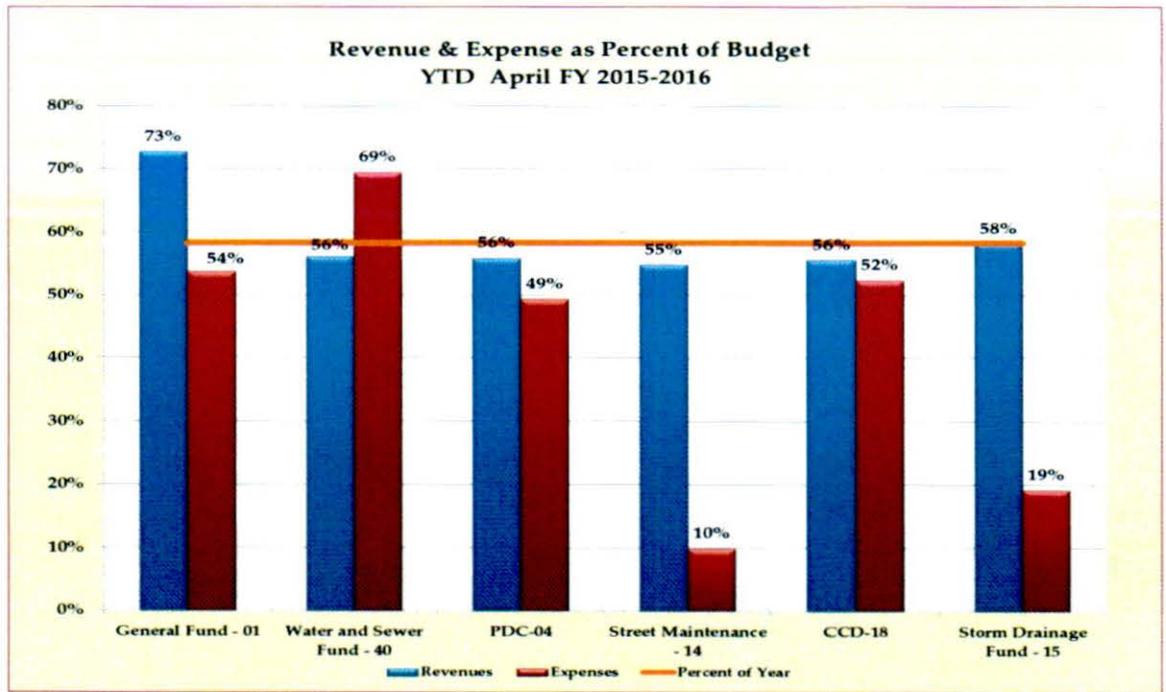
**Sales Tax Receipts Year to Date (Cash Basis) May 2016**

City	FY 2015	FY 2016	\$ Change	% Change
Richland Hills	\$ 1,495,128.51	\$ 1,780,856.69	\$ 285,728.18	19.11%
Eules	\$ 8,931,645.97	\$ 10,344,424.19	\$ 1,412,778.22	15.82%
Colleyville	\$ 3,085,395.15	\$ 3,284,874.37	\$ 199,479.22	6.47%
Dallas	\$158,248,411.53	\$ 166,115,106.59	\$ 7,866,695.06	4.97%
Haltom City	\$ 6,040,637.05	\$ 6,324,860.95	\$ 284,223.90	4.71%
Keller	\$ 5,522,408.85	\$ 5,762,129.18	\$ 239,720.33	4.34%
Arlington	\$ 57,105,925.66	\$ 59,563,141.57	\$ 2,457,215.91	4.30%
North Richland Hills	\$ 8,170,467.72	\$ 8,495,660.79	\$ 325,193.07	3.98%
Weatherford	\$ 6,370,431.71	\$ 6,572,675.70	\$ 202,243.99	3.17%
Grapevine	\$ 23,954,363.68	\$ 24,556,978.49	\$ 602,614.81	2.52%
Fort Worth	\$ 78,369,867.58	\$ 80,333,083.01	\$ 1,963,215.43	2.51%
Hurst	\$ 9,954,673.24	\$ 9,969,681.45	\$ 15,008.21	0.15%
<b>Watauga</b>	\$ 2,812,416.60	\$ 2,671,392.06	\$ (141,024.54)	-5.01%

Source: State Comptroller

**Financial Highlights**

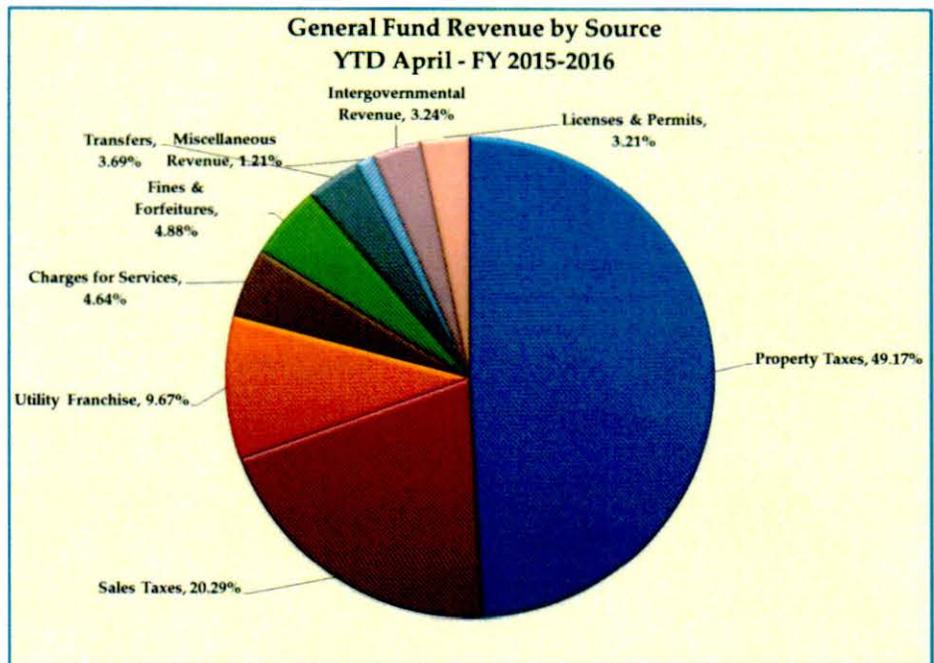
Through April, 2016, the City is 58% through the fiscal year. All revenue and expenses are reflected in the chart below. Details of each fund's revenues and expenditures are attached.



**General Fund**

Year-to-date revenues are 3.31% higher in comparison to last year at this time, representing 72.77% of budget collected. General Fund expenses in total are in line with budget expectations at 53.82%.

**Property Tax.** Year-to-date, the City has received 95.8% of budgeted property taxes. The majority of property tax receipts are received in the months of December and January. The City has received \$295,158 more revenue than this same time last year.



**Utility Franchise Revenue:** The majority of franchise receipts are received on a quarterly basis. Year-To-Date franchise receipts are 78.5% of budgeted revenues.

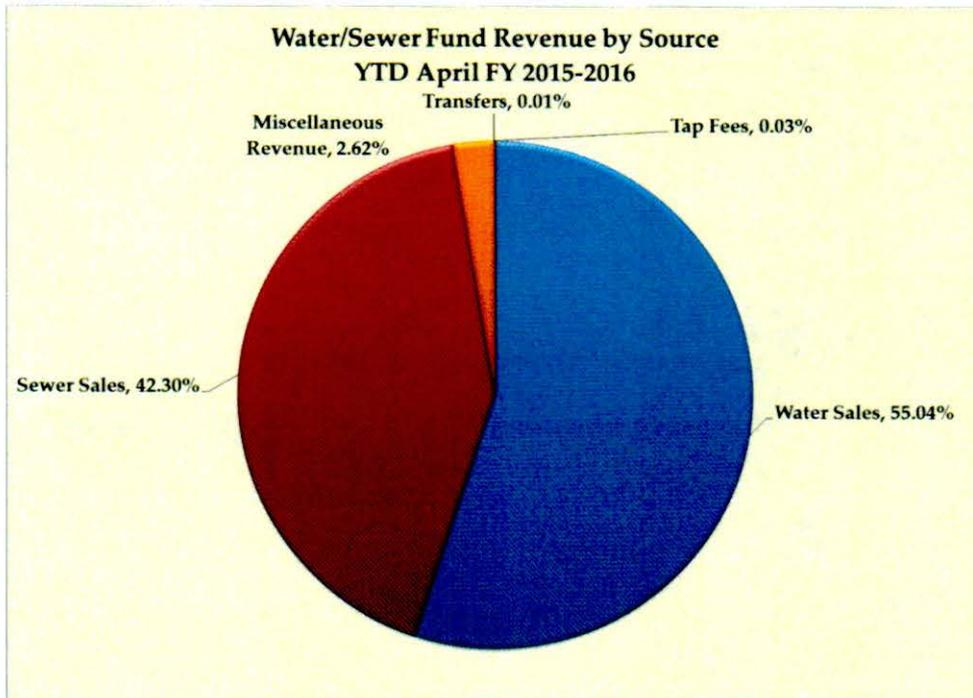
**Licenses and Permits** - License and permit fees are at 95% of budget collected. This category of revenue has increased \$123,655 since this time last year due to permit receipts collected for two construction addition projects in the month of December.

**Charges for Services** - Charges for Services revenues are at 53.45% of budget and are approximately 7.13%, or \$30,633 lower than last year's revenues.

**Fines and Forfeitures** - Fines and Forfeitures for April 2016 are up 12.6% from April 2015 and are at 56.98% of budget collected. This category is below expectations and revenues are \$38,566, or 8.4% lower than this time last year. This is due to a downward trend in overall citations.

**Miscellaneous Revenue.** Miscellaneous revenue received total \$103,698 which is 39.2% of budgeted revenues.

**Intergovernmental Revenue and Transfers.** Intergovernmental Revenue is 56.1% of budget and Transfers are 56.1% of budget.

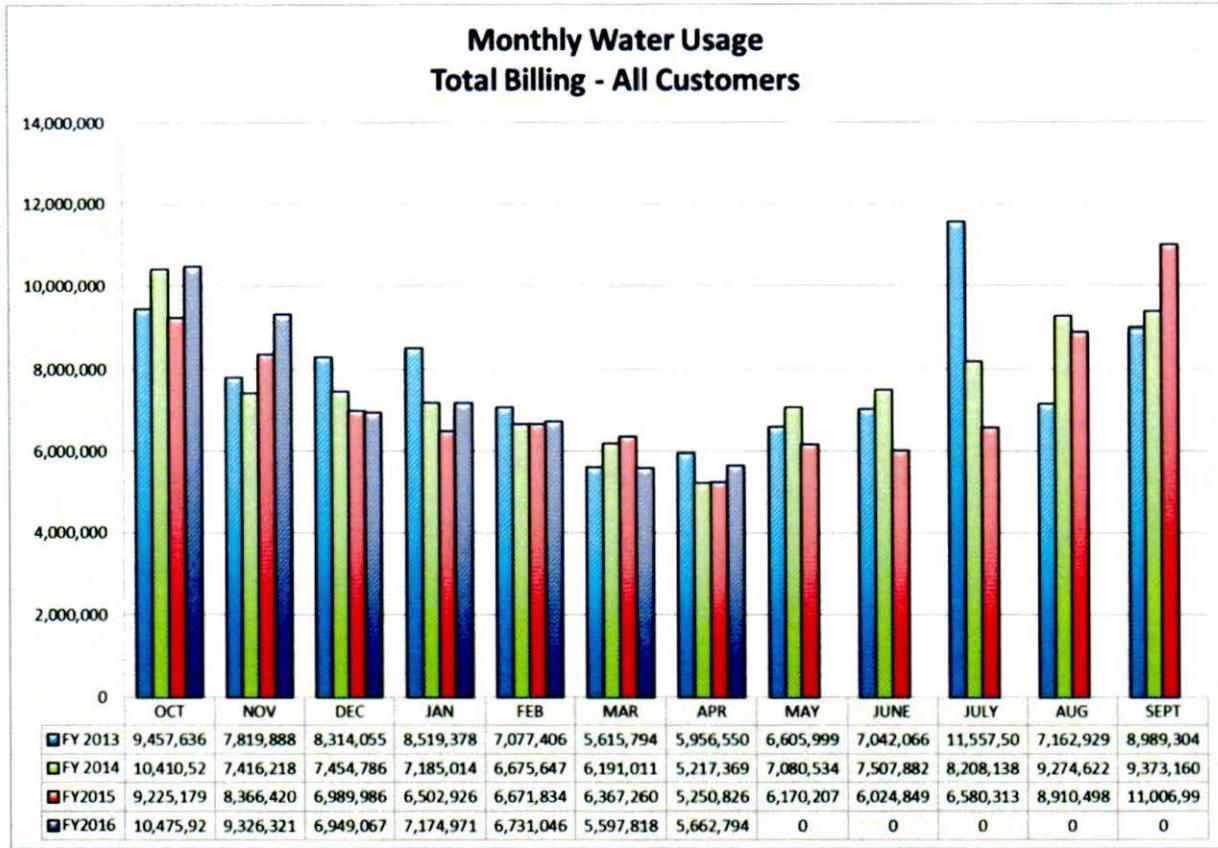


**Water and Sewer Fund**

Water and sewer revenues are currently at 56.2% of budgeted revenues and are up approximately \$332,518 in comparison to last year. Water usage consumption for the month of March (billed in April) increased by 7.8% over prior year consumption,

and is up 7.5% year to date. Year-to-date expenses are currently at 69.5% due to the transfers to the debt service funds for payments that occur during the 3rd Quarter of the Fiscal Year. Wastewater collection costs continue to be a concern and are being closely monitored. The Public Works department is currently investigating inflow and infiltration issues throughout the City.

On the following graph, the water usage monthly trends for the years 2013-2016 are shown:



**Miscellaneous Sales** - Miscellaneous sales include penalty revenue, EPA revenue, service charges, returned check fees, and damaged/tampering fees. This category of revenue is at 59% of budget collected.

**Storm Drain Fund** – Revenues are flat in comparison with FY2015 and are on target with budget expectations. Expenses are at 19.2% of budget in this fund through April 2016.

**Special Revenue Funds** - In the Street Maintenance Fund, revenues are on target with 54.9% of budget collected. Expenses are 10% of budget. The Crime Control and Prevention District has collected 55.6% of budgeted sales tax revenues and is at 52.4% of budget expended. The Parks Development Fund has collected 55.9% of sales tax revenues and is at 49.4% of budget expended through April, 2016.

**CITY OF WATAUGA  
BUDGET TO ACTUAL COMPARISON  
FISCAL YEAR 2016  
For the period ending April 30, 2016 (3rd Qtr.)**

**GENERAL FUND - 01**

<b>REVENUE:</b>	<b>CURRENT BUDGET</b>	<b>4/30/2016 YTD ACTUAL</b>	<b>% USED</b>	<b>% REMAINING</b>	<b>4/30/2015 YTD ACTUAL</b>	<b>\$ CHG 16 vs 15</b>	<b>% CHG 16 vs 15</b>
<b>TAXES</b>							
<b>AD VALOREM</b>	4,414,183	4,229,347	95.81%	-95.81%	3,934,189	295,158	7.50%
Delinquent	30,000	13,984	46.61%	-46.61%	30,990	(17,006)	-54.88%
Penalty & Interest	27,000	14,306	52.98%	-52.98%	18,146	(3,841)	-21.16%
<b>SALES TAX</b>	3,225,551	1,744,801	54.09%	-54.09%	1,840,948	(96,147)	-5.22%
<b>UTILITY FRANCHISE</b>	1,060,000	832,099	78.50%	-78.50%	806,127	25,972	0.00%
<b>LICENSES &amp; PERMITS</b>	291,000	276,308	94.95%	-94.95%	152,654	123,655	81.00%
<b>INTERGOVERNMENTAL REVENUE</b>	496,500	278,383	56.07%	-56.07%	262,207	16,176	6.17%
<b>OIL &amp; GAS LEASE REVENUE</b>	-	-	-	-	-	0	-
<b>CHARGES FOR SERVICES</b>	747,000	399,282	53.45%	-53.45%	429,916	(30,633)	-7.13%
<b>FINES &amp; FORFEITURES</b>	736,700	419,799	56.98%	-56.98%	458,366	(38,566)	-8.41%
<b>MISCELLANEOUS INCOME</b>	264,600	103,698	39.19%	-39.19%	116,352	(12,654)	-10.88%
<b>OPERATING TRANSFERS IN</b>	565,113	317,084	56.11%	-56.11%	302,678	14,406	4.76%
<b>TOTAL REVENUE</b>	<b>\$11,857,647</b>	<b>\$8,629,092</b>	<b>72.77%</b>	<b>-72.77%</b>	<b>\$8,352,572</b>	<b>\$276,520</b>	<b>3.31%</b>
<b>TOTAL EXPENDITURES</b>	<b>\$12,641,480</b>	<b>\$6,803,513</b>	<b>53.82%</b>	<b>-53.82%</b>	<b>\$6,453,923</b>	<b>\$349,591</b>	<b>5.42%</b>
<b>EXCESS REVENUE OVER (UNDER) EXPENDITURES</b>	<b>(\$783,834)</b>	<b>\$1,825,578</b>			<b>\$1,898,649</b>	<b>(\$73,070.94)</b>	

**CITY OF WATAUGA  
BUDGET TO ACTUAL COMPARISON  
FISCAL YEAR 2016  
For the period ending April 30, 2016 (3rd Quarter)**

**DEBT SERVICE FUND - 03**

<b>REVENUE:</b>	<b>CURRENT BUDGET</b>	<b>4/30/2016 YTD ACTUAL</b>	<b>% USED</b>	<b>% REMAINING</b>	<b>4/30/2015 YTD ACTUAL</b>	<b>\$ CHG 16 vs 15</b>	<b>% CHG 16 vs 15</b>
<b>TAXES</b>							
<b>AD VALOREM</b>	1,750,000	1,715,554	98.03%	1.97%	1,699,206	\$16,348	0.96%
Delinquent	15,000	5,583	37.22%	62.78%	13,641	(\$8,058)	-59.07%
Penalty & Interest	12,000	5,604	46.70%	53.30%	7,014	(\$1,409)	-20.09%
<b>INTEREST EARNINGS</b>	800	888	111.06%	-11.06%	209	\$680	-
<b>OTHER FINANCING SOURCES</b>	-	0	-	-	0	\$0	-
<b>OPERATING TRANSFERS IN</b>	-	0	-	-	0	\$0	-
<b>TOTAL REVENUE</b>	<b>\$1,777,800</b>	<b>\$1,727,630</b>	<b>97.18%</b>	<b>2.82%</b>	<b>\$1,720,069</b>	<b>\$7,561</b>	<b>0.44%</b>
<b>TOTAL EXPENDITURES</b>	<b>\$1,760,410</b>	<b>1,582,686</b>	<b>89.90%</b>	<b>10.10%</b>	<b>1,589,908</b>	<b>(\$7,222)</b>	<b>-</b>
<b>EXCESS REVENUE OVER (UNDER) EXPENDITURES</b>	<b>\$17,390.00</b>	<b>\$144,944</b>			<b>\$130,161</b>	<b>\$14,783</b>	

100.00%

**CITY OF WATAUGA  
BUDGET TO ACTUAL COMPARISON  
FISCAL YEAR 2016  
For the period ending April 30, 2016 (3rd Quarter)**

**PARKS DEVELOPMENT FUND - 04**

<b>REVENUE:</b>	<u>CURRENT BUDGET</u>	<u>4/30/2016 YTD ACTUAL</u>	<u>% USED</u>	<u>% REMAINING</u>	<u>4/30/2015 YTD ACTUAL</u>	<u>\$ CHG 16 vs 15</u>	<u>% CHG 16 vs 15</u>
<b>SALES TAX</b>	772,262	431,483	55.87%	44.13%	456,470	(24,988)	-5.47%
<b>INTEREST EARNINGS</b>	500	564	112.71%	-12.71%	161	402	-
<b>INTEREST/ESCROW</b>	-	-	-	-	-	-	-
<b>CONTRIBUTIONS/OTHER</b>	-	-	-	-	-	-	-
<b>TOTAL REVENUE</b>	<b>\$772,762</b>	<b>\$432,046</b>	55.91%	44.09%	<b>\$456,631</b>	(24,585)	-5.47%
<b>TOTAL EXPENDITURES</b>	<b>795,463</b>	<b>392,965</b>	49.40%	50.60%	<b>\$ 545,914</b>	(152,949)	-28.02%
<b>EXCESS REVENUE OVER (UNDER) EXPENDITURES</b>	<b>(\$22,701)</b>	<b>\$39,081</b>			<b>(\$89,282)</b>	<b>\$128,363</b>	

100.00%

**CITY OF WATAUGA  
BUDGET TO ACTUAL COMPARISON  
FISCAL YEAR 2016  
For the period ending April 30, 2016 (3rd Quarter)**

**STREET MAINTENANCE FUND - 14**

<b>REVENUE:</b>	<b><u>CURRENT BUDGET</u></b>	<b><u>4/30/2016 YTD ACTUAL</u></b>	<b><u>% USED</u></b>	<b><u>% REMAINING</u></b>	<b><u>4/30/2015 YTD ACTUAL</u></b>	<b><u>\$ CHG 16 vs 15</u></b>	<b><u>% CHG 16 vs 15</u></b>
<b>SALES TAX</b>	779,834	426,888	54.74%	45.26%	451,562	(24,673)	(0.05)
<b>INTEREST EARNINGS</b>	-	947	-	-	181	766	-
<b>INTEREST/ESCROW</b>	-	-	-	-	-	0	-
<b>CONTRIBUTIONS/OTHER</b>	-	-	-	-	-	0	-
<b>TOTAL REVENUE</b>	<b><u>\$ 779,834</u></b>	<b><u>\$427,836</u></b>	<b><u>54.74%</u></b>	<b><u>45.26%</u></b>	<b><u>451,743</u></b>	<b><u>(\$23,907)</u></b>	<b><u>-5.29%</u></b>
<b>TOTAL EXPENDITURES</b>	<b><u>\$610,000</u></b>	<b><u>\$60,698</u></b>	<b><u>9.95%</u></b>	<b><u>90.05%</u></b>	<b><u>55,295</u></b>	<b><u>\$5,402</u></b>	
<b>EXCESS REVENUE OVER (UNDER) EXPENDITURES</b>	<b>\$169,834</b>	<b>\$367,138</b>			<b>\$396,447</b>	<b>(\$29,309)</b>	

100.00%

**CITY OF WATAUGA  
BUDGET TO ACTUAL COMPARISON  
FISCAL YEAR 2016  
For the period ending April 30, 2016 (3rd Quarter)**

**STORM DRAIN FUND - 15**

<b>REVENUE:</b>	<u>CURRENT BUDGET</u>	<u>4/30/2016 YTD ACTUAL</u>	<u>% USED</u>	<u>% REMAINING</u>	<u>4/30/2015 YTD ACTUAL</u>	<u>\$ CHG 16 vs 15</u>	<u>% CHG 16 vs 15</u>
USERS FEE	1,415,000	819,401	57.91%	42.09%	827,771	(8,370)	-1.01%
OTHER REVENUE	-	1,800	-	-	-	1,800	-
INTEREST INCOME	1,500	3,384	225.58%	-125.58%	782	2,602	-
	-	-	-	-	-	-	-
<b>TOTAL REVENUE</b>	<b>\$1,416,500</b>	<b>\$824,584</b>	<b>58.21%</b>	<b>41.79%</b>	<b>\$828,552</b>	<b>(\$3,968)</b>	<b>-0.48%</b>
<b>TOTAL EXPENDITURES</b>	<b>\$2,198,032</b>	<b>\$422,537</b>	<b>19.22%</b>	<b>80.78%</b>	<b>\$424,254</b>	<b>(\$1,716)</b>	<b>-0.40%</b>
<b>EXCESS REVENUE OVER (UNDER) EXPENDITURES</b>	<b>(\$781,532)</b>	<b>\$402,047</b>			<b>\$404,298</b>	<b>(\$2,251)</b>	

100.00%

**CITY OF WATAUGA  
BUDGET TO ACTUAL COMPARISON  
FISCAL YEAR 2016  
For the period ending April 30, 2016 (3rd Quarter)**

**CRIME CONTROL - 18**

<b>REVENUE:</b>	<u>CURRENT BUDGET</u>	<u>4/30/2016 YTD ACTUAL</u>	<u>% USED</u>	<u>% REMAINING</u>	<u>4/30/2015 YTD ACTUAL</u>	<u>\$ CHG 16 vs 15</u>	<u>% CHG 16 vs 15</u>
<b>SALES TAX</b>	1,544,525	856,332	55.44%	44.56%	903,255	(46,923)	-5.19%
<b>INTEREST EARNINGS/OTHER</b>	38,500	24,598	-	-	23,837	760	3.19%
<b>MISC GRANT PROCEEDS</b>	-	-	-	-	-	-	-
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<b>TOTAL REVENUE</b>	<b>\$1,583,025</b>	<b>880,930</b>	<b>55.65%</b>	<b>44.56%</b>	<b>\$927,092</b>	<b>(46,162)</b>	<b>-4.98%</b>
<b>TOTAL EXPENDITURES</b>	<b>\$1,729,200</b>	<b>906,729</b>	<b>52.44%</b>	<b>47.56%</b>	<b>\$882,215</b>	<b>24,514</b>	<b>2.78%</b>
<b>EXCESS REVENUE OVER (UNDER) EXPENDITURES</b>	<b>(\$146,175)</b>	<b>(\$25,799)</b>			<b>\$44,878</b>	<b>(\$70,677)</b>	

100.00%

**CITY OF WATAUGA  
BUDGET TO ACTUAL COMPARISON  
FISCAL YEAR 2016  
For the period ending April 30, 2016 (3rd Quarter)**

**WATER & SEWER - 40**

<b>REVENUE:</b>	<b>CURRENT BUDGET</b>	<b>4/30/2016 YTD ACTUAL</b>	<b>% USED</b>	<b>% REMAINING</b>	<b>4/30/2015 YTD ACTUAL</b>	<b>\$ CHG 16 vs 15</b>	<b>% CHG 16 vs 15</b>
<b>WATER SALES</b>	4,528,000	2,553,559	56.39%	43.61%	2,335,782	217,776	9.32%
<b>SEWER SALES</b>	3,525,000	1,962,189	55.66%	44.34%	1,844,707	117,482	6.37%
<b>MISCELLANEOUS</b>	206,000	121,493	58.98%	41.02%	126,146	(4,654)	-3.69%
<b>PENALTY</b>	200,000	114,226	57.11%	42.89%	112,298	1,928	1.72%
<b>INTEREST</b>	5,000	-	0.00%	100.00%	-	-	-
<b>TRANSFERS</b>	-	514	-	-	328	186	56.77%
<b>TAP FEES</b>	-	1,500	-	-	1,700	(200)	-11.76%
<b>SALE OF ASSETS</b>	-	-	-	-	-	-	-
 <b>TOTAL REVENUE</b>	 <b>\$8,464,000</b>	 <b>\$4,753,479</b>	 <b>56.16%</b>	 <b>43.84%</b>	 <b>\$4,420,961</b>	 <b>\$332,518</b>	 <b>7.52%</b>
 <b>TOTAL EXPENDITURES</b>	 <b>\$8,764,967</b>	 <b>\$6,087,635</b>	 <b>69.45%</b>	 <b>30.55%</b>	 <b>\$5,690,071</b>	 <b>\$397,564</b>	 <b>6.99%</b>
 <b>EXCESS REVENUE OVER (UNDER) EXPENDITURES</b>	 <b>(\$300,967)</b>	 <b>(\$1,334,156)</b>			 <b>(\$1,269,110)</b>	 <b>(\$65,046)</b>	

100.00%

**MINUTES  
WATAUGA CITY COUNCIL  
REGULAR MEETING  
MONDAY, APRIL 25, 2016  
CITY HALL, COUNCIL CHAMBER, 7105 WHITLEY ROAD  
6:30 P.M.**

The City Council of the City of Watauga, Texas convened in Regular Session at 6:32 p.m., with the following members present:

Hector F. Garcia	Mayor
Robert Davis	Mayor Pro Tem
Brandon Krausse	Council Member
Hal Gerhardt	Council Member
Lee Griffin	Council Member
James Wright	Council Member
Melva Clark	Council Member
Patrick Shelbourne	Council Member

and

Greg Vick	City Manager
Mark G. Daniel	City Attorney
Zolaina R. Parker	City Secretary
Sandra Gibson	Director of Finance and Administration, CGFO
Paul Hackelman	Public Works Director
Glen Fowler	Police Chief
Marcia Reyna	Human Resources/Civil Service Director
Sal Torres	Parks and Community Services Director
Bradley Fraley	Chief Information Officer/PIO
Jacquelyn Reyff	Planning and Development Manager

**COUNCIL MEETING**

**CALL TO ORDER**

Mayor Garcia called the meeting to order at 6:32 p.m.

**INVOCATION**

Council Member Shelbourne gave the Invocation.

**PLEDGE TO THE FLAG AND TEXAS FLAG**

Mayor Garcia led the pledge to the flags.

**DISCUSSION AND APPROVAL OF MEETING AGENDA**

1. Discussion and action on approval of meeting agenda

Council Member Gerhardt made a motion to approve the agenda as presented. Mayor Pro Tem Davis seconded the motion, which passed as follows:

**AYES:** Gerhardt, Krausse, Wright, Clark, Shelbourne, Davis  
**NAYS:** None  
**ABSENT:** Griffin (Arrived Late)  
**ABSTAIN:** Garcia

### **CITIZEN'S OPEN FORUM**

Ms. Zahn Smith, 6509 Lampe Drive, Watauga, Texas, and Ms. Donna Stovalt, 6504 Johnnie Drive, Watauga, Texas, addressed BISD Park and expressed their concerns about the park no longer being for small children.

Mr. Glenn Knight, 5712 Richardson Drive, Watauga, Texas, expressed his concern about an abandoned church which he feels is a danger and a health hazard.

### **PRESENTATION**

1. Presentation of a Proclamation to Alliance for Children in honor of Child Abuse Prevention Month

Mayor Garcia presented a Proclamation to Alliance for Children in honor of Child Abuse Prevention Month. The Proclamation will be mailed to Alliance for Children.

2. Presentation of a Proclamation to City of Watauga Planning and Development Division in recognition of Small Business Week, May 2-7, 2016

Mayor Garcia presented a Proclamation to City of Watauga Planning and Development Division in recognition of Small Business Week, May 2-7, 2016. Jacquelyn Reyff, Planning and Development Manager and Denise Wilkerson, Economic Development Coordinator accepted the Proclamation.

3. Presentation of a Proclamation to City of Watauga Police Department in honor of National Police Week, May 15-21, 2016

Mayor Garcia presented a Proclamation to City of Watauga Police Department in honor of National Police Week, May 15-21, 2016. Chief Glen Fowler and VIPS Members accepted the Proclamation.

### **REPORTS**

1. Finance and Administration – Monthly Financial Report – expenses and revenues for all funds from March 1, 2016, through March 31, 2016

Sandra Gibson, Director of Finance and Administration, CGFO, presented the Finance and Administration – Monthly Financial Report – expenses and revenues for all funds from March 1, 2016, through March 31, 2016.

2. City Manager's Office – Update on Strategic Plan

Greg Vick, City Manager provided an update on the Strategic Plan.

3. Public Works – Capital Improvement Project Quarterly Report

Paul Hackleman, Public Works Director provided the Capital Improvement Project Quarterly Report.

4. Public Works- Street Overlay Report

Paul Hackleman, Public Works Director provided the Street Overlay Report.

5. City Secretary's Office – General and Special Election Update

Zolaina R. Parker, City Secretary provided an update regarding the General and Special Election.

**CONSENT AGENDA**

Council Member Shelbourne made a motion to approve the consent agenda as presented. Council Member Gerhardt seconded the motion, which passed as follows:

- AYES:** Gerhardt, Krausse, Griffin, Wright, Clark, Shelbourne, Davis
- NAYS:** None
- ABSENT:** None
- ABSTAIN:** Garcia

1. Approval of Quarterly Investment Report for the second quarter, Fiscal Year 2015-16 through March 31, 2016
2. Approval of City Council Regular Meeting Minutes of March 28, 2016
3. Approval of a proposed resolution in support of initiating a Rate Case against Oncor [CAPTION]

The resolution as approved carries the following caption:

CITY OF WATAUGA, TEXAS  
 RESOLUTION NO. 16-04-25-01

DIRECTING ONCOR ELECTRIC DELIVERY COMPANY, LLC TO FILE CERTAIN INFORMATION WITH THE CITY OF WATAUGA; SETTING A PROCEDURAL SCHEDULE FOR THE GATHERING AND REVIEW OF NECESSARY INFORMATION IN CONNECTION THEREWITH; SETTING DATES FOR THE FILING OF THE CITY'S ANALYSIS OF THE COMPANY'S FILING AND THE COMPANY'S REBUTTAL TO SUCH ANALYSIS; RATIFYING THE HIRING OF LEGAL COUNSEL AND CONSULTANTS; RESERVING THE RIGHT TO REQUIRE THE REIMBURSEMENT OF THE CITY OF WATAUGA'S RATE CASE EXPENSES; SETTING A PUBLIC HEARING FOR THE PURPOSES OF DETERMINING IF THE EXISTING RATES OF ONCOR ELECTRIC DELIVERY COMPANY ARE UNREASONABLE OR IN ANY WAY IN VIOLATION OF ANY PROVISION OF LAW AND THE DETERMINATION BY THE CITY OF WATAUGA OF JUST AND REASONABLE RATES TO BE CHARGED BY ONCOR ELECTRIC DELIVERY COMPANY, LLC.; NOTING COMPLIANCE WITH OPEN MEETINGS LAW; PROVIDING NOTICE OF PASSAGE

4. Approval of a proposed resolution eliminating Section 19.5, 20.9, 20.10, 20.13 and 20.17 replacing with policy 7.04, eliminating Section 14.7 and replacing with policy 8.04, eliminating Section 13.14 and replacing with policy 10.05, and eliminating Section 13.6 and 13.15 replacing with policy 10.13, of the City of Watauga Personnel, Administration and Financial Policies and Procedures Manual [CAPTION]

The resolution as approved carries the following caption:

CITY OF WATAUGA, TEXAS  
 RESOLUTION NO. 16-04-25-02

A RESOLUTION BY THE CITY COUNCIL OF THE CITY OF WATAUGA, TEXAS ELIMINATING SECTIONS 19.5, 20.9, 20.10, 20.13 AND 20.17 OF THE CITY OF WATAUGA PERSONNEL, ADMINISTRATION AND FINANCIAL POLICIES AND PROCEDURES MANUAL EFFECTIVE FEBRUARY 24, 2014 (HEREINAFTER THE "2014 MANUAL") AND REPLACING THOSE SECTIONS WITH POLICY SECTION 7.04 OF THE MANUAL WHICH BEGAN APRIL 27, 2015 (HEREINAFTER "2015 MANUAL"); ELIMINATING SECTION 14.7 OF THE 2014 MANUAL AND REPLACING THAT SECTION WITH POLICY SECTION 8.04 OF THE 2015 MANUAL; ELIMINATING SECTION 13.14 OF THE 2014 MANUAL AND REPLACING THAT SECTION WITH POLICY SECTION 10.05 OF THE 2015 MANUAL; ELIMINATING SECTIONS 13.6 AND 13.15 OF THE 2014 MANUAL AND REPLACING THOSE SECTIONS WITH POLICY SECTION 10.13 OF THE 2015 MANUAL; PROVIDING THAT ALL RESOLUTIONS IN CONFLICT HERewith ARE HEREBY REPEALED TO THE EXTENT THAT THEY ARE IN CONFLICT; PROVIDING A SAVINGS CLAUSE; PROVIDING AN EFFECTIVE DATE

5. Approval of Cooperative Purchasing Agreement with the City of Denton

6. Approval of Bid 16-012 Water Meters, Lids & Supplies

**PUBLIC HEARING**

1. Hold a Public Hearing on Planning and Zoning Case 16-03: Amending Chapter 101, Article V, Section 101-114 of the Code of Ordinances for the City of Watauga regarding Land Use Plan and Thoroughfare Plan; providing for the adoption of the "Watauga: One Vision for Our Future Development Strategy" as the comprehensive master plan for the City of Watauga; providing that all Ordinances in conflict herewith are hereby repealed to the extent they are in conflict; providing a savings clause; providing an effective date

Mayor Garcia recessed the Regular Meeting at 8:11 p.m., and opened the Public Hearing on Planning and Zoning Case 16-03.

A. Report

Jacquelyn Reyff, Planning and Development Manager and Wendy Shabay, Freese & Nichols provided a report on Planning and Zoning Case 16-03.

B. Public Comments

There were no public comments conveyed or publicly expressed, therefore, Mayor Garcia closed the Public Hearing and reconvened the Regular Meeting at 8:32 p.m.

**NEW BUSINESS**

1. Discussion and action on approval of an ordinance amending Chapter 101, Article V, Section 101-114 of the Code of Ordinances for the City of Watauga regarding Land Use Plan and Thoroughfare Plan; providing for the adoption of the "Watauga: One Vision for Our Future Development Strategy" as the comprehensive master plan for the City of Watauga; providing that all Ordinances in conflict herewith are hereby repealed to the extent they are in conflict; providing a savings clause; providing an effective date [CAPTION]

Council Member Brandon Krausse made a motion to approve an ordinance amending Chapter 101, Article V, Section 101-114 of the Code of Ordinances for the City of Watauga regarding Land Use Plan and Thoroughfare Plan; providing for the adoption of the "Watauga: One Vision for Our Future Development Strategy" as the comprehensive master plan for the City of Watauga; providing that all Ordinances in conflict herewith are hereby repealed to the extent they are in conflict; providing a savings clause; providing an effective date. Council Member Wright seconded the motion, which passed as follows:

**AYES:** Gerhardt, Krausse, Griffin, Wright, Shelbourne  
**NAYS:** Clark, Davis  
**ABSENT:** None  
**ABSTAIN:** Garcia

The ordinance as approved carries the following caption:

CITY OF WATAUGA, TEXAS  
 ORDINANCE NO. 1619

AN ORDINANCE BY THE CITY COUNCIL OF THE CITY OF WATAUGA, TEXAS AMENDING CHAPTER 101, ARTICLE V, SECTION 101-114 OF CODE OF ORDINANCES FOR THE CITY OF WATAUGA REGARDING LAND USE PLAN AND THOROUGHFARE PLAN; PROVIDING FOR THE ADOPTION OF THE "WATAUGA: ONE VISION FOR OUR FUTURE DEVELOPMENT STRATEGY" COMMONLY KNOWN AS "ONE WATAUGA" AS THE COMPREHENSIVE MASTER PLAN REGARDING FUTURE DEVELOPMENT AND ZONING ORDINANCE CONSIDERATIONS FOR THE CITY OF WATAUGA; PROVIDING THAT ALL ORDINANCES IN CONFLICT HERewith ARE HEREBY REPEALED TO THE EXTENT THAT THEY ARE IN CONFLICT; PROVIDING FOR A SAVINGS CLAUSE; PROVIDING FOR AN EFFECTIVE DATE

2. Discussion and action on approval of a proposed ordinance amending Chapter 12 Fee Schedule, Section 12-2, Chapter 2, Administration and Miscellaneous Fees and Section 12-30, Chapter 30, Parks and Recreational Facilities of the Code of Ordinances for the City of Watauga, with regard to adjusting user fees [CAPTION]

Council Member Wright made a motion to approve an ordinance amending Chapter 12 Fee Schedule, Section 12-2, Chapter 2, Administration and Miscellaneous Fees and Section 12-30, Chapter 30, Parks and Recreational Facilities of the Code of Ordinances for the City of Watauga, with regard to adjusting user fees. Council Member Krausse seconded the motion, which passed as follows:

**AYES:** Gerhardt, Krausse, Griffin, Wright, Clark, Shelbourne, Davis  
**NAYS:** None  
**ABSENT:** None  
**ABSTAIN:** Garcia

The ordinance as approved carries the following caption:

CITY OF WATAUGA, TEXAS  
 ORDINANCE NO. 1620

Minutes  
City Council Regular Meeting  
April 25, 2016  
Page 7 of 7

AN ORDINANCE BY THE CITY COUNCIL OF THE CITY OF WATAUGA, TEXAS AMENDING CHAPTER 12 FEE SCHEDULE OF THE CODE OF ORDINANCES FOR THE CITY OF WATAUGA, TEXAS, PROVIDING THAT ALL ORDINANCES IN CONFLICT HERewith ARE HEREBY REPEALED TO THE EXTENT THEY ARE IN CONFLICT; PROVIDING A SAVINGS CLAUSE; PROVIDING AN EFFECTIVE DATE.

**ADJOURNMENT**

With there being no further business, Mayor Garcia adjourned the meeting at 9:22 p.m.

APPROVED:           this 23<sup>rd</sup> day of May, 2016.

SIGNED:             this 23<sup>rd</sup> day of May, 2016.

APPROVED:

\_\_\_\_\_  
Hector F. Garcia, Mayor

ATTEST:

\_\_\_\_\_  
Zolaina R. Parker, City Secretary

**NOTE:** Original Audio and Video Recording of this meeting is preserved and maintained by the City Secretary's Office



## AGENDA MEMORANDUM

**DATE:** May 11, 2016

**TO:** Honorable Mayor and Members of the City Council

**FROM:** Zolaina R. Parker, City Secretary 

**SUBJECT:** Approval of a Massage Establishment Permit for Magic Massage for Calendar Year 2016 as required by Chapter 22, Article VI, Division 2, Section 22-253 of the Watauga Code of Ordinances

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### **BACKGROUND/INFORMATION:**

Magic Massage located at 6651 Watauga Road, Suite 109, is seeking approval for a massage permit for calendar year 2016 as required by Chapter 22, Article VI, Division 2, Section 22-252 of the Watauga Code of Ordinances. Magic Massage has completed all zoning requirements. Staff has received a letter of application, as well as the required fee.

### **FINANCIAL IMPLICATIONS:**

N/A

### **RECOMMENDATION/ACTION DESIRED:**

Approval of the Massage Establishment Permit for Magic Massage for Calendar Year 2016 as required by Chapter 22, Article VI, Division 2, Section 22-252 of the Watauga Code of Ordinances.

### **ATTACHMENTS/SUPPORTING DOCUMENTATION:**

- 1) Letter of Application from Magic Massage
- 2) Copy of Chapter 22, Article VI, Division 2, Section 22-252

# Attachment 1

**Tina Enterprises, LLC  
DBA Magic Massage  
1112 Valley Branch Dr  
Arlington, TX 76001  
Phone:817 856 9717**

**May 2, 2016**

**To: City Secretary of Watauga, TX**

**Please consider this letter and the accompanying documents “application for License to operate a massage establishment in the city of Watauga”. The establishment shall be located in Suite 109 at 6651 Watauga Road, Watauga, Tx 76148. The name of the establishment shall be Magic Massage. It shall operate as a DBA under Tina Enterprises, LLC. The establishment shall be operated by and staffed solely by Guifeng Wang. Ms. Wang’s address is 1112 Valley Branch Drive, Arlington, TX 76001.**

**This establishment has previously been approved by planning and zoning as complying with Chapter 115, Zoning.**

**Required health certificate information was provided to the state of Texas at the time of licensing.**

**The License fee of \$250 is also enclosed.**

**Lastly, we have enclosed Approval by the chief of police indicating compliance with section 22-225 of Watauga, TX Code of Ordinances.**

**Please have this application considered by the City Council at the next available regular council meeting (May, 23<sup>rd</sup>) or sooner if possible.**

**Sincerely,**

**Guifeng Wang**

CITY OF WATAUGA

REC#: 01857844 5/03/2016 9:47 AM  
OPER: SC TERM: 004  
REF#: 1099

TRAN: 360.0000 MISCELLANEOUS

GUIFENG WANG

MASSAGE LICENSE

OTHER REVENUE 250.00CR

TENDERED: 250.00 CHECK

APPLIED: 250.00-

CHANGE: 0.00

# Attachment 2

Sec. 22-252. - Required; application for license.

- (a) It shall be unlawful for any person, firm or corporation to operate a massage establishment as herein defined without first having obtained approval under chapter 115, Zoning. If zoning approval is properly secured, it shall then be necessary for the person, firm or corporation to file a formal written application, in letter form, with the city secretary. Said application shall include:
- (1) Health certificate information as required herein;
  - (2) Name and address of all employees;
  - (3) A statement that all zoning laws have been complied with;
  - (4) Name and address of the business establishment;
  - (5) License fee to be attached to the application;
  - (6) Approval by the chief of police indicating compliance with section 22-225; and
  - (7) Request to have the application considered by the city council at the next available regular council meeting.
- (b) Said application shall then be placed on the agenda for consideration by the city council at the next available council meeting. If approved, it shall be necessary for said application to be renewed by the applicant and approved by the council every 12 months, and failure to make application and/or secure council approval at the end of each 12-month period shall act as an automatic revocation of the applicant's right to operate a massage establishment within the city beyond the 12 months for which approval was obtained.
- (c) If council approval is not obtained, then no application may be filed by the same person, firm or corporation for a period of six months from the date of rejection by the city council. The license fee attached to the application shall be returned to the applicant upon rejection of said application.

(Code 2001, § 4.602; Code 2010, § 4.11.002)



## AGENDA MEMORANDUM

**DATE:** May 16, 2016

**TO:** Honorable Mayor and Members of the City Council

**FROM:** Greg Vick, City Manager 

**SUBJECT:** Atmos Rate Review Mechanism (RRM) Settlement-2016

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### **BACKGROUND/INFORMATION:**

The City of Watauga, along with other similarly situated cities served by Atmos Energy Corp., Mid-Tex Division ("Atmos Mid-Tex" or "Company"), is a member of the Atmos Cities Steering Committee ("ACSC"). The RRM Tariff was originally adopted by ACSC member cities in 2007 as an alternative to the Gas Reliability Infrastructure Program ("GRIP"), the statutory provision that allows Atmos to bypass the City's rate regulatory authority to increase its rates annually to recover capital investments. The RRM Tariff has been modified several times, most recently in 2013.

The 2016 RRM filing is the fourth RRM filing under the renewed RRM Tariff. On March 1, 2016, Atmos made a filing requesting \$35.4 million additional revenues on a system-wide basis. Because the City of Dallas has a separate rate review process, exclusion of Dallas results in the Company requesting \$28.6 million from other municipalities. The attached Ordinance reflects an agreement to reduce the Company's request by \$5.5 million, such that the Ordinance approving new rates reflects an increase of \$29.9 million on a system-wide basis, or \$21.9 million for Mid-Tex Cities, exclusive of the City of Dallas.

The monthly residential customer charge will be \$19.10. The consumption charge will be \$0.11378 per Ccf. The monthly bill impact for the typical residential customer consuming 46.8 Ccf will be an increase of \$1.26, or about 2.43%. The typical commercial customer will see an increase of \$3.81, or 1.43%.

### **FINANCIAL IMPLICATIONS:**

N/A

### **RECOMMENDATION/ACTION DESIRED:**

Staff respectfully recommends approval of proposed ordinance regarding the settlement agreement with ATMOS.

### **ATTACHMENTS/SUPPORTING DOCUMENTATION:**

- 1) City Attorney Letter of Approval
- 2) Proposed Ordinance regarding settlement agreement

# Attachment 1

LAW OFFICES  
**EVANS, DANIEL, MOORE, EVANS & BIGGS**  
(NOT A PARTNERSHIP)

MARK G. DANIEL

BOARD CERTIFIED - CRIMINAL LAW  
TEXAS BOARD OF LEGAL SPECIALIZATION

CRIMINAL TRIAL SPECIALIST-BOARD CERTIFIED  
NATIONAL BOARD OF TRIAL ADVOCACY

SUNDANCE SQUARE  
115 WEST SECOND STREET, SUITE 202  
FORT WORTH, TEXAS 76102

(817) 332-3822  
FACSIMILE (817) 332-2763

OF COUNSEL

TIM EVANS  
TIM MOORE  
LANCE T. EVANS  
WILLIAM R. BIGGS

April 29, 2016

Via Email

Ms. Zolaina Parker, City Secretary  
City of Watauga  
7105 Whitley Road  
Watauga, Texas 76148

Re: *Ordinance regarding Rate Schedule for Atmos Energy Corp*

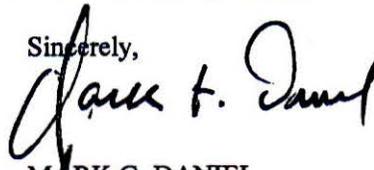
Dear Ms. Parker:

Pursuant to your request, I have reviewed the enclosed Ordinance of the City Council for the City of Watauga approving a negotiated settlement between the Atmos Cities Steering Committee ("ACSC") and Atmos Energy Corp., Mid-Tex Division regarding the Company's 2016 Rate Review Mechanism filings, declaring existing rates to be unreasonable, adopting tariffs that reflect rate adjustments consistent with the negotiated settlement, finding the rates to be set by the settlement tariffs to be just and reasonable and in the public interest, requiring the company to reimburse ACSC's reasonable ratemaking expenses and requiring delivery of this Ordinance to the Company and the ACSC's legal counsel. I have also reviewed Attachments A, B and C to the Ordinance and the Model Staff Report supporting the Ordinance. I approve of these documents and would recommend that this Ordinance and attachments be submitted to the Council for consideration at its next City Council meeting.

Please do not include the April 28, 2016 memo from Geoffrey M. Gay in the packet that is shared with the public as it is privileged.

Thank you for your attention to the above and the opportunity to be of assistance. If you have any questions regarding this matter, please do not hesitate to contact my office.

Sincerely,



MARK G. DANIEL  
City Attorney for the City of Watauga

MGD/tp

cc: Mayor Hector Garcia  
Mr. Greg Vick, City Manager

# Attachment 2

**CITY OF WATAUGA, TEXAS  
ORDINANCE NO. \_\_\_\_\_**

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

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

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

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

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

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

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

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

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

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

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

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

**Section 3.** That the existing rates for natural gas service provided by Atmos Mid-Tex are unreasonable. The new tariffs attached hereto and incorporated herein as Attachment A, are just

and reasonable, and are designed to allow Atmos Mid-Tex to recover annually an additional \$29.9 million in revenue over the amount allowed under currently approved rates, as shown in the Proof of Revenues attached hereto and incorporated herein as Attachment B; such tariffs are hereby adopted.

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

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

**Section 6.** That to the extent any resolution or ordinance previously adopted by the Council is inconsistent with this Ordinance, it is hereby repealed.

**Section 7.** 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 8.** 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 9.** That consistent with the City Ordinance that established the RRM process, this Ordinance shall become effective from and after its passage with rates authorized by attached tariffs to be effective for bills rendered on or after June 1, 2016.

**Section 10.** That a copy of this Ordinance shall be sent to Atmos Mid-Tex, care of Chris Felan, Vice President of Rates and Regulatory Affairs Mid-Tex Division, Atmos Energy

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

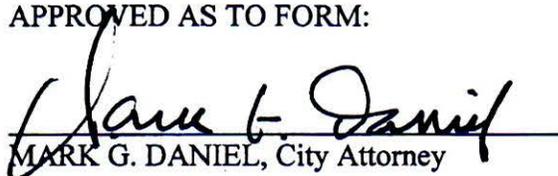
PASSED AND APPROVED this \_\_\_\_\_ day of \_\_\_\_\_, 2016.

\_\_\_\_\_  
HECTOR GARCIA, Mayor

ATTEST:

\_\_\_\_\_  
ZOLAINA R. PARKER, City Secretary

APPROVED AS TO FORM:

  
\_\_\_\_\_  
MARK G. DANIEL, City Attorney

**MID-TEX DIVISION  
ATMOS ENERGY CORPORATION**

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

**Application**

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

**Type of Service**

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

**Monthly Rate**

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

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

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

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

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

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

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

**Agreement**

An Agreement for Gas Service may be required.

**Notice**

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

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

**MID-TEX DIVISION  
ATMOS ENERGY CORPORATION**

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

**Application**

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

**Type of Service**

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

**Monthly Rate**

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

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

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

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

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

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

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

**Agreement**

An Agreement for Gas Service may be required.

**Notice**

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

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

**MID-TEX DIVISION  
ATMOS ENERGY CORPORATION**

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

**Application**

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

**Type of Service**

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

**Monthly Rate**

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

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

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

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

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

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

**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 midpoint price for the Katy point listed in *Platts Gas Daily* published for the applicable Gas Day in the table entitled "Daily Price Survey."

**Replacement Index**

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

**MID-TEX DIVISION  
ATMOS ENERGY CORPORATION**

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

**Agreement**

An Agreement for Gas Service may be required.

**Notice**

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

**Special Conditions**

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

**MID-TEX DIVISION  
ATMOS ENERGY CORPORATION**

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

**Application**

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

**Type of Service**

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

**Monthly Rate**

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

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

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

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

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

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

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

**Imbalance Fees**

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

**Monthly Imbalance Fees**

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

**MID-TEX DIVISION  
ATMOS ENERGY CORPORATION**

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

**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 midpoint price for the Katy point listed in *Platts Gas Daily* published for the applicable Gas Day in the table entitled "Daily Price Survey."

**Replacement Index**

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

**Agreement**

A transportation agreement is required.

**Notice**

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

**Special Conditions**

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

**MID-TEX DIVISION  
ATMOS ENERGY CORPORATION**

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

Provisions for Adjustment

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

Computation of Weather Normalization Adjustment

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

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

Where

- $i$  = any particular Rate Schedule or billing classification within any such particular Rate Schedule that contains more than one billing classification
- $WNAF_i$  = Weather Normalization Adjustment Factor for the  $i^{th}$  rate schedule or classification expressed in cents per Ccf
- $R_i$  = Commodity Charge rate of temperature sensitive sales for the  $i^{th}$  schedule or classification.
- $HSF_i$  = heat sensitive factor for the  $i^{th}$  schedule or classification divided by the average bill count in that class
- $NDD$  = billing cycle normal heating degree days calculated as the simple ten-year average of actual heating degree days.
- $ADD$  = billing cycle actual heating degree days.
- $BL_i$  = base load sales for the  $i^{th}$  schedule or classification divided by the average bill count in that class

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

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

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

**MID-TEX DIVISION  
ATMOS ENERGY CORPORATION**

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

Base Use/Heat Use Factors

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

Weather Normalization Adjustment (WNA) Report

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

File Date: March 1, 2016

**ATMOS ENERGY CORP., MID-TEX DIVISION**  
**PROPOSED TARIFF STRUCTURE (BEFORE RATE CASE EXPENSE RECOVERY)**  
**TEST YEAR ENDING DECEMBER 31, 2016**

	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)
1 Proposed Change In Rates:			\$ 29,803,205		Schedule A						
2 Proposed Change In Rates without Revenue Related Taxes:			\$ 27,447,850		Ln 1 divided by factor on WP_F-5.1						
3											
4											
5											
6		Revenue Requirements		Allocations							
7 Residential		\$ 338,431,486		77.95%		Per GUD 10170 Final Order					
8 Commercial		84,223,622		19.40%		Per GUD 10170 Final Order					
9 Industrial and Transportation		11,490,316		2.85%		Per GUD 10170 Final Order					
10 Net Revenue Requirements GUD No. 10170		<u>\$ 434,145,424</u>									

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

		Current	Prospective	Revenues
18 Residential Base Charge	\$	18.56	\$ 0.48	\$ 8,558,622
21 Residential Consumption Charge	\$	0.09831	\$ 0.01540	12,837,933
22 Commercial Base Charge	\$	39.87	\$ 1.81	2,662,423
23 Commercial Consumption Charge	\$	0.08020	\$ 0.00480	2,662,423
24 I&T Base Charge	\$	697.35	\$ 38.03	383,224
25 I&T Consumption Charge Tier 1 MMBTU	\$	0.2937	\$ 0.0168	172,187
26 I&T Consumption Charge Tier 2 MMBTU	\$	0.2151	\$ 0.0121	139,070
27 I&T Consumption Charge Tier 3 MMBTU	\$	0.0461	\$ 0.0026	51,988
				<u>\$ 27,447,850</u>

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

	Proposed Change	Proposed Change In Revenues	Proposed Rates	Proposed Revenues
Residential Base Charge	\$ 0.52	\$ 9,335,278	\$ 19.08	\$ 339,813,673
Residential Consumption Charge	\$ 0.01447	12,061,287	\$ 0.11378	84,839,970
Commercial Base Charge	\$ 1.83	2,697,162	\$ 41.70	61,360,268
Commercial Consumption Charge	\$ 0.00474	2,626,475	\$ 0.08494	47,065,984
I&T Base Charge	\$ 39.65	378,728	\$ 737.00	7,039,815
I&T Consumption Charge Tier 1 MMBTU	\$ 0.0159	165,150	\$ 0.3066	3,215,747
I&T Consumption Charge Tier 2 MMBTU	\$ 0.0116	132,888	\$ 0.2267	2,587,042
I&T Consumption Charge Tier 3 MMBTU	\$ 0.0025	49,955	\$ 0.0488	971,117
		<u>\$ 27,446,933</u>		<u>\$ 556,933,616</u>

File Date: March 1, 2016

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

Line No.	Description	Shared Services		Mid-Tex Direct			Adjustment Total
		Pension Account Plan ("PAP")	Post-Retirement Medical Plan ("FAS 106")	Pension Account Plan ("PAP")	Supplemental Executive Benefit Plan ("SERP")	Post-Retirement Medical Plan ("FAS 106")	
	(a)	(b)	(c)	(d)	(e)	(f)	(g)
1	Fiscal Year 2016 Towers Watson Report as adjusted (1), (3)	\$ 5,101,680	\$ 2,896,450	\$ 7,840,683	\$ 150,433	\$ 4,466,430	
2	O&M Expense Factor (2)	96.41%	96.41%	37.42%	20.77%	37.42%	
3	Fiscal Year 2016 Actuarially Determined O&M Benefits (Ln 1 x Ln 2)	\$ 4,918,540	\$ 2,792,473	\$ 2,933,599	\$ 31,249	\$ 1,671,119	
4	Allocation to Mid-Tex (2)	40.56%	40.56%	71.52%	100.00%	71.52%	
5	Mid-Tex Benefits Expense Included In Rates - Proposed (Ln 3 x Ln 4)	\$ 1,995,016	\$ 1,132,659	\$ 2,098,222	\$ 31,249	\$ 1,195,248	\$ 6,452,393
6							
7	Mid-Tex Benefits Expense per GUD 10359 and RRM Test Year Ending December 31, 2014 Benchmark (4)	\$ 2,831,859	\$ 2,013,260	\$ 2,925,600	\$ 34,809	\$ 2,695,721	\$ 10,501,250
8							
9	Test Year Adjustment (Line 5 minus Line 7)	\$ (836,844)	\$ (880,601)	\$ (827,379)	\$ (3,561)	\$ (1,500,472)	\$ (4,048,856)
10							
11	Adjustment Summary:						
12	Account 922	\$ (836,844)	\$ (880,601)	\$ -	\$ -	\$ -	\$ (1,717,445)
13	Account 926	-	-	(827,379)	(3,561)	(1,500,472)	(2,331,412)
14	Total (Ln 12 plus Ln 13)	\$ (836,844)	\$ (880,601)	\$ (827,379)	\$ (3,561)	\$ (1,500,472)	\$ (4,048,856)

Notes:

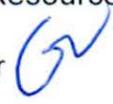
1. Studies not applicable to Mid-Tex or Shared Services are omitted.
2. The factors on Lines 2 and 4 are based on the factors in 2016 RRM (Test Year Ending December 31, 2015).
3. SSU amounts exclude cost centers which do not allocate to Mid-Tex for rate making purposes.
4. GUD No. 10359 is the benchmark for January-May which is the same benchmark as used in the RRM TYE December 31, 2014 for June-December.

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

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



## AGENDA MEMORANDUM

**DATE:** May 13, 2016  
**TO:** Honorable Mayor and Members of the City Council  
**FROM:** Marcia Reyna, Human Resources & Civil Service Director   
**THROUGH:** Greg Vick, City Manager   
**SUBJECT:** Personnel, Administration and Financial, Policies and Procedures Manual Revision #12

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### BACKGROUND/INFORMATION:

On March 23, 2015, the City Council was presented with a proposal outlining the Human Resources Department's plan to revise the Personnel, Administration and Financial, Policies and Procedures Manual (herein after "2014 Manual"). The new manual (herein after "2015 manual") includes an online platform and updated format.

This is the twelfth revision to the 2014 Manual. It is proposed that the following four (4) policies be added to the revised manual:

3.04 Fitness for Duty  
 6.07 Longevity Pay  
 8.01 Holidays  
 12.03 Employee Organizations

The revised policies were clarified, organized and simplified. Significant changes are described below.

3.04 Fitness for Duty – New policy better defines medical evaluation procedure and employees' responsibility.

6.07 Longevity Pay – New policy removed longevity amounts that no longer apply. It also better defines longevity pay after reinstatement.

8.01 Holidays – New policy defines the applicability of holiday pay when combined with other types of approved leave and during non-scheduled work days. It also defines policy for end of employment dates that fall on a holiday.

12.03 Employee Organizations – New policy includes Meet and Confer provision and the employee's ability to take time off to attend meetings with supervisor approval.

**FINANCIAL IMPLICATIONS:**

As included in each department's FY15-16 budget.

**RECOMMENDATION/ACTION DESIRED:**

It is requested that City Council approve the new policies as presented.

**ATTACHMENTS/SUPPORTING DOCUMENTATION:**

- 1) City Attorney Letter, Resolution and Proposed Policies

# Attachment 1

LAW OFFICES  
**EVANS, DANIEL, MOORE, EVANS & BIGGS**  
(NOT A PARTNERSHIP)

**MARK G. DANIEL**

BOARD CERTIFIED - CRIMINAL LAW  
TEXAS BOARD OF LEGAL SPECIALIZATION

CRIMINAL TRIAL SPECIALIST-BOARD CERTIFIED  
NATIONAL BOARD OF TRIAL ADVOCACY

SUNDANCE SQUARE  
115 WEST SECOND STREET, SUITE 202  
FORT WORTH, TEXAS 76102

(817) 332-3822  
FACSIMILE (817) 332-2763

OF COUNSEL

TIM EVANS  
TIM MOORE  
LANCE T. EVANS  
WILLIAM R. BIGGS

May 12, 2016

Ms. Marcia Reyna  
HR/Civil Service Director  
7105 Whitley Rd.  
Watauga, Texas 76148

*Via Email*

Ms. Zolaina Parker  
City of Watauga  
7105 Whitley Rd.  
Watauga, Texas 76148

*Re: Resolution to update The City of Watauga Personnel, Administration and Financial Policies and Procedures Manual*

Dear Ms. Reyna and Ms. Parker:

I have been requested to prepare a resolution amending The City of Watauga Personnel, Administration and Financial Policies and Procedures Manual effective February 24, 2014, (hereinafter "2014 Manual") and implementing revisions to the City of Watauga Personnel, Administration and Financial Policies and Procedures Manual continuing the process which began April 27, 2015 (hereinafter "2015 Manual").

Please find enclosed a resolution prepared by my office eliminating Sections 13.10, 13.11, 14.1, 18.6, and 20.2 of the 2014 Manual and replacing the same with policy Sections 3.04, 6.07, 8.01, and 12.03 of the 2015 Manual. The Resolution should be submitted to the Council for consideration at the next City Council meeting.

Thank you for your attention to the above and the opportunity to be of assistance. If you have any questions regarding this matter, please do not hesitate to contact my office.

Sincerely,



MARK G. DANIEL  
City Attorney

MGD/ajd

**CITY OF WATAUGA, TEXAS  
RESOLUTION NO. \_\_\_\_\_**

**A RESOLUTION BY THE CITY COUNCIL OF THE CITY OF WATAUGA, TEXAS ELIMINATING SECTION 13.10 OF THE CITY OF WATAUGA PERSONNEL, ADMINISTRATION AND FINANCIAL POLICIES AND PROCEDURES MANUAL EFFECTIVE FEBRUARY 24, 2014 (HEREINAFTER THE "2014 MANUAL") AND REPLACING THAT SECTION WITH POLICY SECTION 3.04 OF THE MANUAL WHICH BEGAN APRIL 27, 2015 (HEREINAFTER "2015 MANUAL"); ELIMINATING SECTIONS 14.1 AND 20.1 OF THE 2014 MANUAL AND REPLACING THOSE SECTIONS WITH POLICY SECTION 8.01 OF THE 2015 MANUAL; ELIMINATING SECTION 13.11 OF THE 2014 MANUAL AND REPLACING THAT SECTION WITH POLICY SECTION 12.03 OF THE 2015 MANUAL; PROVIDING THAT ALL RESOLUTIONS IN CONFLICT HERewith ARE HEREBY REPEALED TO THE EXTENT THAT THEY ARE IN CONFLICT; PROVIDING A SAVINGS CLAUSE; PROVIDING AN EFFECTIVE DATE**

**WHEREAS, at the March 23, 2015 City Council meeting, the Human Resources and Civil Service Director presented a request to update The City of Watauga Personnel, Administration and Financial Policies and Procedures Manual effective February 24, 2014 (hereinafter the "2014 Manual"); and**

**WHEREAS, the City Council indicated approval of updating the 2014 Manual; and**

**WHEREAS, that update of The City of Watauga Personnel, Administration and Financial Policies and Procedures Manual which began April 27, 2015 (hereinafter the "2015 Manual") is available via hyperlinks on the City's Official Website; and**

**WHEREAS, the Section 13.10 of the 2014 Manual and Section 3.04 of the 2015 Manual are substantively equivalent in nature and scope; and**

WHEREAS, the Section 18.6 of the 2014 Manual and Section 6.07 of the 2015 Manual are substantively equivalent in nature and scope; and

WHEREAS, the Sections 14.1 and 20.2 of the 2014 Manual and Section 8.01 of the 2015 Manual are substantively equivalent in nature and scope; and

WHEREAS, the Section 13.11 of the 2014 Manual and Section 12.03 of the 2015 Manual are substantively equivalent in nature and scope; and

WHEREAS, this proposed resolution constitutes the twelfth update in the process of converting the 2014 Manual to the 2015 Manual.

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

I.

The proposed policy Sections 3.04, 6.07, 8.01, and 12.03 of the 2015 Manual shall be adopted. A copy of those policy sections are attached as Exhibit "A" and is hereby adopted as fully set out therein.

Former Sections 13.10, 13.11, 14.1, 18.6, and 20.2 of the 2014 Manual are hereby eliminated.

II.

This Resolution shall be and is hereby cumulative of all other resolutions of the City of Watauga, Texas, and this Resolution shall not operate to repeal or affect any such other resolutions except insofar as the provisions thereof might be inconsistent or in conflict with the provisions of this Resolution, in which event, such conflicting provisions, if any, in such other resolutions are hereby repealed.

III.

If any section, sub-section, sentence, clause, or phrase of this Resolution shall for any reason be held to be invalid, such decision shall not affect the validity of the remaining portions of the Resolution.

IV.

This Resolution shall become effective and be in full force and effect from and after the date of passage and adoption by the City Council and upon approval thereof by the Mayor and the City of Watauga, Texas.

PASSED AND ADOPTED by the City Council of the City of Watauga, Texas this the 23rd day of May, 2016.



EXHIBIT  
"A"



**CITY OF WATAUGA – PERSONNEL, ADMINISTRATION AND FINANCIAL POLICIES AND PROCEDURES MANUAL**

<b>POLICY TITLE</b>	<b>Fitness for Duty</b>
<b>INITIAL EFFECTIVE DATE</b>	<b>May 23, 2016</b>
<b>LAST REVISION DATE</b>	<b>Replaces <i>Section 13.10</i>, of the Personnel, Administration and Financial Policies and Procedures Manual approved on February 24, 2014.</b>
<b>POLICY NUMBER</b>	<b>3.04</b>

**OBJECTIVE** The City of Watauga is committed to maintaining a safe and productive workplace. The City therefore requires that every employee report to work fit to perform their job.

**SCOPE** This policy applies to all employees of the City of Watauga. Police Officers and Fire Fighters are subject to the applicable provisions of Texas Local Government Code Chapter 143, the Rules of the City of Watauga Firefighters and Police Officers Civil Service Commission, and the general and special orders of the Police and Fire Departments, which may incorporate some or all of the provisions of this policy.

**POLICY**

The City of Watauga is committed to equal employment opportunity. The City prohibits discrimination against qualified individuals with disabilities. This policy is to be construed consistent with that commitment and in compliance with applicable laws, including the Americans with Disabilities Act.

**A. Employee's Responsibility**

All employees are required to report to work fit for duty and to be able to perform their job duties in a safe, appropriate, and effective manner. For purpose of this policy, "fitness for duty" refers to the readiness of an employee to perform the essential functions of the job.

The City encourages employees to voluntarily seek assistance for any emotional or personal problems, any physical or mental health conditions, and any controlled substance, drug or alcohol abuse/addictions before their work performance is adversely affected.

**B. Fitness for Duty**

Medical examinations may be used to ensure that employees remain in good physical condition in order to perform the demands of the job. As a condition of employment, no one who is given a medical examination shall be employed unless the examining physician certifies that the

person meets the minimum standards of physical fitness required for the position. **See Policy 3.02 Selection Process.**

Employees may be required to have a physical examination on other occasions, such as in-house promotion or whenever the employee's supervisor determines that a potential health problem may prevent an employee from performing their job duties.

The grounds for seeking a fitness for duty evaluation may become evident from a supervisor's observations and/or receipt of a reliable report of an employee's possible lack of fitness for duty. Observations or employee self-report may include, but are not limited to difficulties with manual dexterity, memory, coordination, alertness, speech, vision acuity, concentration, response to criticism, interactions with co-workers and supervisors, outbursts, hostility, violent behavior, suicidal or threatening statements and change in personal hygiene.

### **C. Medical Evaluation Procedure**

1. Physical examinations required by the City of Watauga for prospective, promoted, transferred, or current employees shall be paid for by the City of Watauga.
2. Time spent by an employee in waiting for and receiving a physical examination shall be considered hours worked for pay purposes.
3. Medical examinations paid for by the City of Watauga are the property of the City of Watauga and shall be confidential. A copy of the medical examination report shall be available to the employee upon written request.
4. When the City of Watauga requires a physical examination or physician's report concerning an illness or injury suffered by an employee, the examination shall be at the expense of the City of Watauga and performed by a physician selected by the City of Watauga. Such examinations may be authorized by the Director of Human Resources or their designee only. Employees who are not satisfied with the physician's determination may submit a report from a physician of their own choosing and at their own expense. In the event of conflicting opinions, the City of Watauga may employ a third physician to examine the employee. The City of Watauga will pay for this third physical examination. The reports of the physicians involved, along with the demands of the job and the employee's ability to perform the job duties, will be the basis for a decision.

### **D. Civil Service Employees**

In the case of rejection of a civil service applicant for appointment, or for promotion, Civil Service proceedings governed by Chapter 143 of the Texas Local Government Code shall apply if the applicant wishes to challenge the rejection.



**CITY OF WATAUGA – PERSONNEL, ADMINISTRATION AND FINANCIAL POLICIES AND PROCEDURES MANUAL**

<b>POLICY TITLE</b>	<b>Longevity Pay</b>
<b>INITIAL EFFECTIVE DATE</b>	<b>May 23, 2016</b>
<b>LAST REVISION DATE</b>	<b>Replaces <i>Section 18.6</i>, of the Personnel, Administration and Financial Policies and Procedures Manual approved on February 24, 2014.</b>
<b>POLICY NUMBER</b>	<b>6.07</b>

**OBJECTIVE** Longevity Pay is provided to encourage retention of employees by recognizing the value of long-term service with the City.

**SCOPE** This policy applies to all full time and eligible regular part time employees.

**POLICY**

**A. Longevity Pay Schedule**

1. Employees Hired Prior to October 1, 2013

Full time employees will receive longevity pay based on twelve dollars (\$12.00) per month of service up to a maximum of 25 years. Longevity pay is paid as a lump sum.

Employees hired before October 1, 2013 who are promoted to a full time position afterwards will receive longevity pay based on twelve dollars (\$12.00) per month of service up to a maximum of 25 years. Longevity pay will begin on the month of full time employment. Prior longevity, if any, will be calculated at the part time rate.

<b>Full Time Employees</b>	<b>Longevity Amount Per Month</b>
40 Hours + per week	\$12.00

Regular part time employees will receive longevity pay based on six dollars (\$6.00) per month of service up to a maximum of 25 years. Employees must average a minimum of 25 hours a week to qualify for longevity pay.

<b>Regular Part Time Employees</b>	<b>Longevity Amount Per Month</b>
Under 25 Hours per week	\$0
25 Hours to 29 Hours per week	\$6.00

2. Employees Hired After October 1, 2013

Full time employees will receive longevity pay based on four dollars (\$4.00) per month of service up to a maximum of 25 years. Longevity pay is paid as a lump sum.

Full Time Employees	Longevity Amount Per Month
40 Hours + per week	\$4.00

Regular part time employees will receive longevity pay based on four dollars (\$4.00) per month of service up to a maximum of 25 years. Employees must average a minimum of 25 hours a week to qualify for longevity pay.

Regular Part Time Employees	Longevity Amount Per Month
Under 25 Hours per week	\$0
25 Hours to 29 Hours per week	\$4.00

**B. Eligibility**

1. Employees employed for one (1) year or more will receive longevity pay in addition to their regular base pay in accordance with the schedule in Section A of this policy.
2. Months of service shall be based on the employee's annual anniversary date preceding December 1 of each year.
3. Longevity is paid in a lump sum between December 1 and December 15 of each year.
4. Employees must be active on the payroll through November 30 of each year to be eligible for the December payment.

**C. Separation from Service**

All employees who depart the City are eligible for a pro-rated share of longevity pay. The pro-rated amount will be based on the number of completed months since their last longevity check. At separation, the employee will also be paid for each complete month which was not calculated in their first longevity check.

**D. Longevity Pay and Re-Employment**

An employee who terminates employment with the City for any reason shall forfeit all prior service credit for purposes of longevity pay. A former employee who is re-hired begins earning service credit for longevity pay without reference to prior service. Credit for longevity will commence with a zero balance on the date reemployed.

Exceptions apply during a Reinstatement Following Reduction in Force or Lay Off as specified in **Policy 11.03 Types of Non-Disciplinary Separation** and during a reinstatement of a Police

**Officer as specified in Section 4.18 *Reappointment as a Police officer After Resignation of the City of Watauga Firefighters' and Police Officers' Civil Service Rules and Regulations.***



**CITY OF WATAUGA – PERSONNEL, ADMINISTRATION AND FINANCIAL POLICIES AND PROCEDURES MANUAL**

<b>POLICY TITLE</b>	<b>Holidays</b>
<b>INITIAL EFFECTIVE DATE</b>	<b>May 23, 2016</b>
<b>LAST REVISION DATE</b>	<b>Replaces <i>Section 14.1 and 20.2</i>, of the Personnel, Administration and Financial Policies and Procedures Manual approved on February 24, 2014.</b>
<b>POLICY NUMBER</b>	<b>8.01</b>

**OBJECTIVE** This policy provides procedures for administering official City Holidays.

**SCOPE** This policy applies to all employees.

**POLICY**

**A. Official City Holidays**

The City of Watauga recognizes thirteen (13) paid holidays each year:

<b>Official City Holidays</b>	
New Year's Day	Thanksgiving Day
President's Day	Friday after Thanksgiving
Good Friday	Christmas Eve
Memorial Day	Christmas Day
Independence Day	New Year's Eve Day
Labor Day	Personal Day*
Veteran's Day	

Holidays occurring on Saturday will be observed on the preceding Friday and holidays occurring on Sunday will be observed on the following Monday. Additional holidays may be declared by the City Council and inclement weather days may be declared by the Mayor or the City Manager and shall be observed in accordance with this policy.

\*Per Local Government, Section 142.0013(c), firefighters shall have one of the above holidays designated as September 11th. The City of Watauga has designated the Personal Day as September 11<sup>th</sup>.

**B. Personal Day**

Employees are not eligible to take their Personal Day until after the successful completion of an initial six (6) month probationary period. Personal Days are taken at the discretion of the employee with Supervisor approval. Personal Days must be taken by the third Friday in December. Personal Days do not carry over to the following year.

**C. Administrative Guidelines**

1. It is the City's intent for employees to be off on City approved holidays. However, due to operational needs, employees may be required to work. Holiday time off will be based on departmental needs and supervisor approval.
2. Seasonal and temporary employees will be paid their regular rates on a holiday only if required to work.
3. Full-time regular employees shall be entitled to paid holidays. Regular part-time employees shall receive prorated holiday pay time and receive prorated pay for the Personal Day as indicated below:

Employee Schedule	Holiday Pay Hours
20 Hours Per Week	3
21 to 25 Hours Per Week	4
26 to 29 Hours Per Week	5
40 Hours Per Week	8 or 10
Police Officers/Firefighters (12 or 24 Hour Shifts)	12

4. All non-exempt employees who are required to work a designated holiday shall be paid regular rates for the hours worked in addition to their regular pay.
  - a. (8) hours of holiday pay for employees scheduled to work (8) hours
  - b. (10) hours of holiday pay for employees scheduled to work (10) hours
  - c. (12) hours of holiday pay for employees scheduled to work (12) and (24) hours
5. When the holiday and regular day off occur on the same day, those non-exempt employees who are scheduled off duty on that day will be entitled to additional pay at regular rates.
6. For purposes of calculating overtime for non-exempt employees, holiday hours will not be counted as hours worked during the work week the holiday is observed by the City.
7. Holidays falling within an employee's vacation period, or within a period of absence properly chargeable to illness shall not be counted against vacation or sick leave.
8. Employees on any type of paid leave will not receive additional holiday pay. Only holiday pay will apply.
9. If the last day of employment falls on the holiday, the employee will not be paid for that holiday. Exceptions will be made for retirements.
10. An employee on workers' compensation or other extended approved paid leave, will receive holiday pay only when the employee would have normally been authorized to be paid for that holiday.

11. Employees on an extended unpaid leave status (authorized or unauthorized) will not receive holiday pay.
  
12. To receive holiday pay, an employee must be at work or on an authorized absence on the scheduled work days immediately preceding and immediately following the day on which the holiday is observed. If an employee is absent immediately preceding, during, or subsequent to a designated holiday because of an illness or injury, the City reserves the right to verify the reason for the absence before approving payment of the holiday. An employee that fails to report to work due to illness or injury under this section must use sick leave for an absence under this paragraph unless the employee is on approved Family Medical Leave.
  
13. Employees desiring to observe religious or other holidays not coinciding with official holidays may be given time off without pay or may be authorized to use accrued vacation leave.



**CITY OF WATAUGA – PERSONNEL, ADMINISTRATION AND FINANCIAL POLICIES AND PROCEDURES MANUAL**

<b>POLICY TITLE</b>	<b>Employee Organizations</b>
<b>INITIAL EFFECTIVE DATE</b>	<b>May 23, 2016</b>
<b>LAST REVISION DATE</b>	<b>Replaces <i>Section 13.11</i>, of the Personnel, Administration and Financial Policies and Procedures Manual approved on February 24, 2014.</b>
<b>POLICY NUMBER</b>	<b>12.03</b>

**OBJECTIVE** The City recognizes that employees have the right to join and associate with such organizations as they may choose. This policy provides guidelines for how employees may use City facilities and attend meetings if scheduled to work.

**SCOPE** This policy applies to all employees.

**POLICY**

The City recognizes that employees have the right to join an organization.

All employees also have the right not to join an organization. Coercing employees or issuing threats with regard to joining or not joining an employee organization is prohibited.

Employees of the City of Watauga are prohibited from engaging in employee organization meetings or participating in organizing or recruiting activities during their scheduled work time. With supervisor approval, employees may use vacation or compensatory time to attend meetings. Employees can also attend meetings during approved break times or meal periods.

An exception applies to employees covered under adopted Ground Rules for Meet and Confer, as specified.

With the approval of the Department Director, employees may use City facilities to engage in employee organization meetings or participate in organizing or recruiting activities.



## AGENDA MEMORANDUM

**DATE:** May 9, 2016

**TO:** Honorable Mayor and Members of the City Council

**FROM:** Sandra Gibson, Director of Finance and Administration  
 Marcia Reyna, Director of Human Resources and Civil Service

**THROUGH:** Greg Vick, City Manager

**SUBJECT:** Classification Plan for FY 2015-16

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### **BACKGROUND/INFORMATION:**

Article XVII Classification Plan of the Personnel, Administration and Financial, Policies and Procedures Manual requires that the Human Resources Department maintain the City's classification plan. The classification plan provides an occupational list of positions by title and the salary bands or ranges assigned to these positions. Employees' salaries are set based on the salary ranges listed on the classification plan.

The City of Watauga's Home Rule Charter Section 3.07(m) Specific Powers of the Council also states that the Council shall "fix the salaries and compensation of the City officers and employees." Furthermore, Section 17.3 of the Personnel, Administration and Financial, Policies and Procedures Manual states that the classification plan shall be approved by City Council, and as amended from time to time thereafter.

On October 26, 2015, City Council approved the Classification Plan for Fiscal Year 2015-2016. There is a need to amend the classification plan for part time and seasonal employees due to changes in the Finance Department.

In March 2016, the City decided not to fill the vacated Receptionist/Finance Clerk position. To assist during the busy budget season, the Finance Department has requested to hire a temporary intern position. The Summer Finance Intern (FIN 01-111) position would work 8-10 weeks during the summer months. This position would be funded using some of the savings of the Receptionist/Finance Clerk position. No additional funds are needed.

### **FINANCIAL IMPLICATIONS:**

As budgeted in the FY 2015-16 budget.

**RECOMMENDATION/ACTION DESIRED:**

City Administration respectfully requests that the City Council adopt the revised FY 2015-16 Classification Plan for Part Time/Seasonal Employees as presented effective May 23, 2016.

**ATTACHMENTS/SUPPORTING DOCUMENTATION:**

- 1) Approval Letter from Mark Daniel, City Attorney
- 2) Resolution
- 3) 2015-16 Classification Plan for Part Time/Seasonal employees

# Attachment 1

LAW OFFICES  
**EVANS, DANIEL, MOORE, EVANS & BIGGS**  
(NOT A PARTNERSHIP)

**MARK G. DANIEL**

BOARD CERTIFIED - CRIMINAL LAW  
TEXAS BOARD OF LEGAL SPECIALIZATION

CRIMINAL TRIAL SPECIALIST-BOARD CERTIFIED  
NATIONAL BOARD OF TRIAL ADVOCACY

SUNDANCE SQUARE  
115 WEST SECOND STREET, SUITE 202  
FORT WORTH, TEXAS 76102

(817) 332-3822  
FACSIMILE (817) 332-2763

OF COUNSEL

TIM EVANS  
TIM MOORE  
LANCE T. EVANS  
WILLIAM R. BIGGS

May 6, 2016

Ms. Marcia Reyna  
Human Resources & Civil Service Director  
City of Watauga  
7105 Whitley Road  
Watauga, Texas 76148

*Via Email*

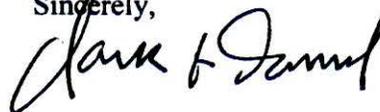
*Re: Resolution amending the 2015-2016 Classification Plan for Part-Time and Seasonal Employees*

Dear Ms. Reyna:

I have received and reviewed the proposed amendments to the City's Classification Plan for the 2015-16 fiscal year. Please find enclosed a Resolution prepared by my office approving the amendments to the Classification Plan. The Resolution may be submitted for consideration at the next City Council meeting.

Thank you for your attention to the above and the opportunity to be of assistance. Should you have any questions or need anything further, please do not hesitate to contact my office.

Sincerely,



MARK G. DANIEL  
City Attorney  
City of Watauga

Encl.

cc: Mayor Hector Garcia  
Mr. Greg Vick, City Manager  
Ms. Zolaina Reyes, City Secretary

# Attachment 2

**CITY OF WATAUGA, TEXAS  
RESOLUTION NO. \_\_\_\_\_**

**A RESOLUTION BY THE CITY COUNCIL OF THE CITY OF WATAUGA, TEXAS AMENDING THE CLASSIFICATION PLAN FOR PART-TIME AND SEASONAL EMPLOYEES; PROVIDING FOR THE ADDITION OF THE TITLE AND POSITION OF TEMPORARY, FIN 01-111 SUMMER FINANCE INTERN IN PAY GRADE 111; PROVIDING THAT ALL RESOLUTIONS IN CONFLICT HERewith ARE HEREBY REPEALED TO THE EXTENT THAT THEY ARE IN CONFLICT; PROVIDING A SAVINGS CLAUSE; PROVIDING AN EFFECTIVE DATE**

**WHEREAS, Section 17.2 of the City of Watauga Personnel, Administration, and Financial Policies and Procedures Manual provides that the Classification Plan shall be approved by the City Council and amended as necessary; and**

**WHEREAS, the City of Watauga approved the Classification Plan for Fiscal Year 2015-16 at the City Council meeting on the 26th day of October 2015; and**

**WHEREAS, the position of Receptionist/Finance Clerk was unfunded from the finance department; and**

**WHEREAS, an intern in the finance department would be beneficial to the intern, the department, and the City; and**

WHEREAS, a summer intern would work under the general direction of the Director of Finance to provide assistance with special projects, routine finance and accounting duties, and financial analysis; and

WHEREAS, the summer finance intern is a new position in the City, so the office of FIN 11-111 Summer Finance Intern is created; and

WHEREAS, this amendment does not affect the City Budget or the compensation plans previously approved by the City Council;

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

I.

The City of Watauga Classification Plan is amended for the 2015-16 fiscal year as described above and set forth in Exhibit "A" attached hereto and incorporated by reference above is hereby adopted.

II.

This Resolution shall be and is hereby cumulative of all other Resolutions of the City of Watauga, Texas, and this Resolution shall not operate to repeal or affect any such other Resolutions except insofar as the provisions thereof might be inconsistent or in conflict with the

provisions of this Resolution, in which event, such conflicting provisions, if any, in such other Resolutions are hereby repealed.

III.

If any section, sub-section, sentence, clause, or phrase of this Resolution shall for any reason be held to be invalid, such decision shall not affect the validity of the remaining portions of the Resolution.

IV.

This Resolution shall become effective and be in full force and effect from and after the date of passage and adoption by the City Council and upon approval thereof by the Mayor and the City of Watauga, Texas.

PASSED AND ADOPTED by the City Council of the City of Watauga, Texas this 23rd day of May, 2016

APPROVED:

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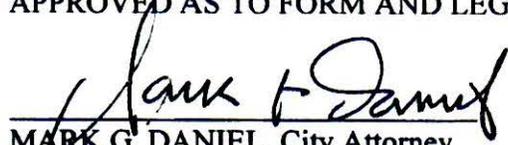
Hector F. Garcia, Mayor

ATTEST:

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ZOLAINA R. PARKER, City Secretary

APPROVED AS TO FORM AND LEGALITY:

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MARK G. DANIEL, City Attorney

# Attachment 3

Effective 05/23/16



**CLASSIFICATION PLAN  
FISCAL YEAR 2015-16**

**CITY OF WATAUGA, TEXAS  
PAY SCHEDULE - PART TIME/SEASONAL EMPLOYEES**

Type	Job Code	FLSA	Pay Frequency	Rate of Pay	Position Title
<b>FINANCE</b>					
PT/Temporary	FIN 01-111	NE	Hourly	\$ 12.00	Summer Finance Intern
<b>LIBRARY</b>					
PT/Regular	LIB 03-107	NE	Hourly	\$ 11.51	Library Assistant I-Circulation
PT/Regular	LIB 03-110	NE	Hourly	\$ 11.51	Library Assistant I-Technical Services
PT/Regular	LIB 03-108	NE	Hourly	\$ 11.51	Library Assistant-Reference
PT/Temporary	LIB 03-112	NE	Hourly	\$ 8.34	Library Aide
PT/Regular	LIB 03-113	NE	Hourly	\$ 8.34	Library School Intern
PT/Temporary	LIB 03-114	NE	Hourly	\$ 8.45	Literacy Program Assistant
Seasonal	LIB 03-116	NE	Hourly	\$ 9.50	Summer Library Assistant I
Seasonal	LIB 03-115	NE	Hourly	\$ 7.65	Summer Library Aide
<b>POLICE</b>					
Seasonal	PD 05-120	NE	Hourly	\$ 10.56	School Crossing Guard
PT/Regular	PD 05-119	NE	Hourly	\$ 10.36	Kennel Technician
PT/Regular	PD 05-115	NE	Hourly	\$ 13.81	Records Clerk
PT/Temporary	PD 05-106	NE	Hourly	\$ 21.12	Police Officer
<b>PUBLIC WORKS</b>					
Seasonal	PW 10-106	NE	Hourly	\$ 11.09	Summer Maintenance Worker I-Storm Drain
<b>PARKS &amp; COMMUNITY SERVICES</b>					
PT/Regular	PCS 04-106	NE	Hourly	\$ 9.78	Recreation Attendant
Seasonal	PCS 04-110	NE	Hourly	\$ 12.67	Pre-School Instructor
PT/Regular	PCS 04-111	NE	Hourly	\$ 9.78	PM Play Time Attendant
Seasonal	PCS 04-107	NE	Hourly	\$ 15.57	Summer Recreation Coordinator
Seasonal	PCS 04-108	NE	Hourly	\$ 9.50	Summer Recreation Instructor
Seasonal	PCS 04-109	NE	Hourly	\$ 8.45	Summer Recreation Assistant
Seasonal	PCS 09-106	NE	Hourly	\$ 11.09	Summer Maintenance Worker I-Parks



## AGENDA MEMORANDUM

**DATE:** May 11, 2016  
**TO:** Honorable Members of the City Council  
**FROM:** Hector F. Garcia, Mayor  
**SUBJECT:** Reappointment to WIN



A handwritten signature in blue ink, appearing to read 'Hector F. Garcia'.

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### Background/Information

In May 2014, Mrs. Sandra Gibson was appointed to serve on the Watauga Improving Neighborhoods Committee (WIN) and serve on an as needed basis. Mrs. Gibson has indicated that she is willing to serve an additional two-year term.

### Financial Implications:

N/A

### Recommendation/Action Desired

I request your approval of my reappointment of Mrs. Sandra Gibson to Place 1 on the WIN Committee.

### Attachment

1. Letter of Intent

# Attachment 1



May 11, 2016

Sandra Gibson  
7105 Whitley Road  
Watauga, Texas 76148

Dear Mrs. Gibson:

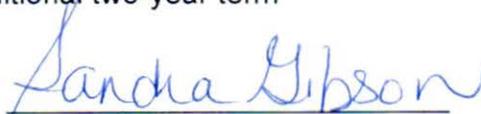
On May 19, 2014, you were appointed by Council to serve on the Watauga Improving Neighborhoods Committee and attend meetings on a monthly basis. Your current term is scheduled to expire on May 31, 2016.

Please indicate below if you **are** or **are not** willing to complete an additional two-year term. After marking your selection, sign your name in the space provided and return the form to me as soon as possible. For your convenience, a self-addressed stamped envelope has been provided.

If you choose to serve an additional two-year term, your reappointment will be considered by the City Council at the Regular Meeting scheduled on May 23, 2016. Upon approval of your reappointment, you will be contacted to schedule a day and time to receive your Oath of Office. This process will take approximately 10 minutes.

Should you have any questions or concerns, I can be reached at (817) 514-5825 or by e-mail at [zparker@cowtx.org](mailto:zparker@cowtx.org).

- I **am** willing to serve an additional two-year term
- I **am not** willing to serve an additional two-year term

  
Sandra Gibson, Place 1

Sincerely,

Zolaina R. Parker  
City Secretary

Enclosure



## AGENDA MEMORANDUM



**DATE:** May 11, 2016  
**TO:** Honorable Members of the City Council  
**FROM:** Hector F. Garcia, Mayor  
**SUBJECT:** Reappointment to WIN

A handwritten signature in blue ink, appearing to read 'Hector F. Garcia'.

### Background/Information

In May 2014, Mrs. Summer Nelson was appointed to serve on the Watauga Improving Neighborhoods Committee (WIN) and serve on an as needed basis. Mrs. Nelson has indicated that she is willing to serve an additional two-year term.

### Financial Implications:

N/A

### Recommendation/Action Desired

I request your approval of my reappointment of Mrs. Summer Nelson to Place 2 on the WIN Committee.

### Attachment

1. Letter of Intent

# Attachment 1



May 11, 2016

Summer Nelson  
7105 Whitley Road  
Watauga, Texas 76148

Dear Mrs. Nelson:

On May 19, 2014, you were appointed by Council to serve on the Watauga Improving Neighborhoods Committee and attend meetings on a monthly basis. Your current term is scheduled to expire on May 31, 2016.

Please indicate below if you **are** or **are not** willing to complete an additional two-year term. After marking your selection, sign your name in the space provided and return the form to me as soon as possible. For your convenience, a self-addressed stamped envelope has been provided.

If you choose to serve an additional two-year term, your reappointment will be considered by the City Council at the Regular Meeting scheduled on May 23, 2016. Upon approval of your reappointment, you will be contacted to schedule a day and time to receive your Oath of Office. This process will take approximately 10 minutes.

Should you have any questions or concerns, I can be reached at [\(817\) 514-5825](tel:8175145825) or by e-mail at [zparker@cowtx.org](mailto:zparker@cowtx.org).

- I am willing to serve an additional two-year term
- I am not willing to serve an additional two-year term

A handwritten signature in blue ink that reads "Summer Nelson".

Summer Nelson, Place 2

Sincerely,

Zolaina R. Parker  
City Secretary



## AGENDA MEMORANDUM



APPROVED

**DATE:** May 11, 2016  
**TO:** Honorable Members of the City Council  
**FROM:** Hector F. Garcia, Mayor   
**SUBJECT:** Reappointment to WIN

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### Background/Information

In December 2014, Ms. Stephanie Flores was appointed to serve on the Watauga Improving Neighborhoods Committee (WIN) and serve on an as needed basis. Ms. Flores has indicated that she is willing to serve an additional two-year term.

### Financial Implications:

N/A

### Recommendation/Action Desired

I request your approval of my reappointment of Ms. Stephanie Flores to Place 3 on the WIN Committee.

### Attachment

1. Letter of Intent

# Attachment 1



May 11, 2016

Stephanie Flores  
7105 Whitley Road  
Watauga, Texas 76148

Dear Ms. Flores:

On December 15, 2014, you were appointed by Council to serve on the Watauga Improving Neighborhoods Committee and attend meetings on a monthly basis. Your current term is scheduled to expire on May 31, 2016.

Please indicate below if you **are** or **are not** willing to complete an additional two-year term. After marking your selection, sign your name in the space provided and return the form to me as soon as possible. For your convenience, a self-addressed stamped envelope has been provided.

If you choose to serve an additional two-year term, your reappointment will be considered by the City Council at the Regular Meeting scheduled on May 23, 2016. Upon approval of your reappointment, you will be contacted to schedule a day and time to receive your Oath of Office. This process will take approximately 10 minutes.

Should you have any questions or concerns, I can be reached at (817) 514-5825 or by e-mail at [zparker@cowtx.org](mailto:zparker@cowtx.org).

- I **am** willing to serve an additional two-year term
- I **am not** willing to serve an additional two-year term

  
Stephanie Flores, Place 3

Sincerely,

Zolaina R. Parker  
City Secretary

Enclosure



## AGENDA MEMORANDUM



**DATE:** May 11, 2016  
**TO:** Honorable Members of the City Council  
**FROM:** Hector F. Garcia, Mayor   
**SUBJECT:** Reappointment to WIN

---

### Background/Information

In August 2014, Mr. Andrew Ivey Jr. was appointed to serve on the Watauga Improving Neighborhoods Committee (WIN) and serve on an as needed basis. Mr. Ivey has indicated that he is willing to serve an additional two-year term.

### Financial Implications:

N/A

### Recommendation/Action Desired

I request your approval of my reappointment of Mr. Andrew Ivey Jr., to Place 4 on the WIN Committee.

### Attachment

1. Letter of Intent

# Attachment 1



May 11, 2016

Andrew Ivey Jr.  
7105 Whitley Road  
Watauga, Texas 76148

Dear Mr. Ivey:

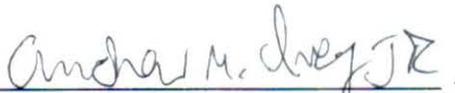
On August 18, 2014, you were appointed by Council to serve on the Watauga Improving Neighborhoods Committee and attend meetings on a monthly basis. Your current term is scheduled to expire on May 31, 2016.

Please indicate below if you **are** or **are not** willing to complete an additional two-year term. After marking your selection, sign your name in the space provided and return the form to me as soon as possible. For your convenience, a self-addressed stamped envelope has been provided.

If you choose to serve an additional two-year term, your reappointment will be considered by the City Council at the Regular Meeting scheduled on May 23, 2016. Upon approval of your reappointment, you will be contacted to schedule a day and time to receive your Oath of Office. This process will take approximately 10 minutes.

Should you have any questions or concerns, I can be reached at (817) 514-5825 or by e-mail at [zparker@cowtx.org](mailto:zparker@cowtx.org).

- I **am** willing to serve an additional two-year term
- I **am not** willing to serve an additional two-year term

  
Andrew Ivey Jr., Place 4

Sincerely,

Zolaina R. Parker  
City Secretary

Enclosure



## AGENDA MEMORANDUM

**DATE:** May 11, 2016  
**TO:** Honorable Members of the City Council  
**FROM:** Hector F. Garcia, Mayor  
**SUBJECT:** Reappointment to WIN



APPROVED

A handwritten signature in blue ink, appearing to read 'Hector F. Garcia'.

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### Background/Information

In May 2014, Mrs. Marcia Reyna was appointed to serve on the Watauga Improving Neighborhoods Committee (WIN) and serve on an as needed basis. Mrs. Reyna has indicated that she is willing to serve an additional two-year term.

### Financial Implications:

N/A

### Recommendation/Action Desired

I request your approval of my reappointment of Mrs. Marcia Reyna to Place 5 on the WIN Committee.

### Attachment

1. Letter of Intent

# Attachment 1



May 11, 2016

Marcia Reyna  
7105 Whitley Road  
Watauga, Texas 76148

Dear Mrs. Reyna:

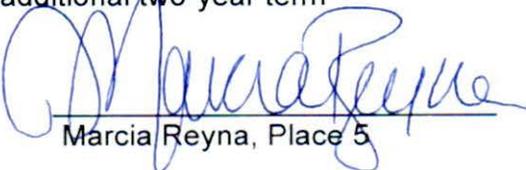
On May 19, 2014 you were appointed by Council to serve on the Watauga Improving Neighborhoods Committee and attend meetings on a monthly basis. Your current term is scheduled to expire on May 31, 2016.

Please indicate below if you **are** or **are not** willing to complete an additional two-year term. After marking your selection, sign your name in the space provided and return the form to me as soon as possible. For your convenience, a self-addressed stamped envelope has been provided.

If you choose to serve an additional two-year term, your reappointment will be considered by the City Council at the Regular Meeting scheduled on May 23, 2016. Upon approval of your reappointment, you will be contacted to schedule a day and time to receive your Oath of Office. This process will take approximately 10 minutes.

Should you have any questions or concerns, I can be reached at (817) 514-5825 or by e-mail at [zparker@cowtx.org](mailto:zparker@cowtx.org).

- I **am** willing to serve an additional two-year term
- I **am not** willing to serve an additional two-year term

  
Marcia Reyna, Place 5

Sincerely,

Zolaina R. Parker  
City Secretary

Enclosure



## AGENDA MEMORANDUM

**DATE:** May 11, 2016  
**TO:** Honorable Members of the City Council  
**FROM:** Hector F. Garcia, Mayor  
**SUBJECT:** Reappointment to WIN



APPROVED

A handwritten signature in blue ink, appearing to read "Hector F. Garcia".

---

### Background/Information

In November 2015, Ms. Leigh Ann Boardman was appointed to serve on the Watauga Improving Neighborhoods Committee (WIN) and serve on an as needed basis. Mrs. Boardman has indicated that she is willing to serve an additional two-year term.

### Financial Implications:

N/A

### Recommendation/Action Desired

I request your approval of my reappointment of Ms. Leigh Ann Boardman to Place 6 on the WIN Committee.

### Attachment

1. Letter of Intent

# Attachment 1



May 11, 2016

Leigh Ann Boardman  
7404 Glen Drive  
Watauga, Texas 76148

Dear Ms. Boardman:

On November 16, 2015 you were appointed by Council to serve on the Watauga Improving Neighborhoods Committee and attend meetings on a monthly basis. Your current term is scheduled to expire on May 31, 2016.

Please indicate below if you **are** or **are not** willing to complete an additional two-year term. After marking your selection, sign your name in the space provided and return the form to me as soon as possible. For your convenience, a self-addressed stamped envelope has been provided.

If you choose to serve an additional two-year term, your reappointment will be considered by the City Council at the Regular Meeting scheduled on May 23, 2016. Upon approval of your reappointment, you will be contacted to schedule a day and time to receive your Oath of Office. This process will take approximately 10 minutes.

Should you have any questions or concerns, I can be reached at (817) 514-5825 or by e-mail at [zparker@cowtx.org](mailto:zparker@cowtx.org).

- I **am** willing to serve an additional two-year term
- I **am not** willing to serve an additional two-year term

  
Leigh Ann Boardman, Place 6

Sincerely,

Zolaina R. Parker  
City Secretary

Enclosure



**AGENDA MEMORANDUM**



**DATE:** May 11, 2016

**TO:** Honorable Members of the City Council

**FROM:** Hector F. Garcia, Mayor

A handwritten signature in blue ink, appearing to read "Hector F. Garcia", is written over the "FROM:" line.

**SUBJECT:** Reappointment to WIN

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**Background/Information**

In May 2015, Mr. Rick DeVoss was appointed to serve on the Watauga Improving Neighborhoods Committee (WIN) and serve on an as needed basis. Mr. DeVoss has indicated that he is willing to serve an additional two-year term.

**Financial Implications:**

N/A

**Recommendation/Action Desired**

I request your approval of my reappointment of Mr. Rick DeVoss to Place 7 on the WIN Committee.

**Attachment**

1. Letter of Intent



May 11, 2016

Rick DeVoss  
6628 Ridgewood Trail  
Watauga, Texas 76148

Dear Mr. DeVoss:

On May 18, 2015 you were appointed by Council to serve on the Watauga Improving Neighborhoods Committee and attend meetings on a monthly basis. Your current term is scheduled to expire on May 31, 2016.

Please indicate below if you **are** or **are not** willing to complete an additional two-year term. After marking your selection, sign your name in the space provided and return the form to me as soon as possible. For your convenience, a self-addressed stamped envelope has been provided.

If you choose to serve an additional two-year term, your reappointment will be considered by the City Council at the Regular Meeting scheduled on May 23, 2016. Upon approval of your reappointment, you will be contacted to schedule a day and time to receive your Oath of Office. This process will take approximately 10 minutes.

Should you have any questions or concerns, I can be reached at (817) 514-5825 or by e-mail at [zparker@cowtx.org](mailto:zparker@cowtx.org).

- I **am** willing to serve an additional two-year term
- I **am not** willing to serve an additional two-year term

  
Rick DeVoss, Place 7

Sincerely,

Zolaina R. Parker  
City Secretary

Enclosure



## AGENDA MEMORANDUM APPROVED

**DATE:** May 13, 2016  
**TO:** Honorable Members of the City Council  
**FROM:** Hector F. Garcia, Mayor   
**SUBJECT:** Selection of Mayor Pro Tem

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### **BACKGROUND/INFORMATION:**

Each year after the regular City Council Election, the Council must choose a member of the governing body to serve as the Mayor Pro Tem for the next year.

Resolution 02-12-09-03 recommends that the Mayor Pro Tem position be rotated among Council Members.

As part of our financial internal control, we desire checks to be signed by authorized signers other than the Director of Finance and Administration. Authorized check signers are designated as a combination of two of the following: the Mayor, Mayor Pro Tem, City Secretary, and Director of Finance and Administration. Our preferred combination is the Mayor and Mayor Pro Tem.

### **FINANCIAL IMPLICATIONS:**

N/A

### **RECOMMENDATION/ACTION DESIRED:**

Selection of a Mayor Pro Tem for the term of one (1) year

### **ATTACHMENTS/SUPPORTING DOCUMENTATION:**

- 1) Resolution 02-12-09-03

# Attachment 1

CITY OF WATAUGA, TEXAS  
RESOLUTION NO. 02-12-09-03

A RESOLUTION BY THE CITY COUNCIL FOR THE CITY OF WATAUGA, TEXAS ENCOURAGING CITY COUNCIL MEMBERS TO ROTATE PERSONS WHOM IT SELECTS TO SERVE AS MAYOR PRO TEM; PROVIDING THAT ALL RESOLUTIONS IN CONFLICT HERewith ARE HEREBY REPEALED TO THE EXTENT THAT THEY ARE IN CONFLICT; PROVIDING A SAVINGS CLAUSE; PROVIDING AN EFFECTIVE DATE.

**WHEREAS**, the City Council of the City of Watauga recognizes that the position of Mayor Pro tem is a position that should be rotated among all members of the City Council; and

**WHEREAS**, the City Council of the City of Watauga recognizes that each member of the City Council should have the opportunity to serve as Mayor Pro tem.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Watauga, Texas as follows:

I.

In selecting a Mayor Pro tem in accordance of Section 3.06(d) of the City of Watauga Home Rule Charter, members of the City Council are encouraged to select the individual City Council members who have not yet served as Mayor Pro tem.

II.

All Resolutions, or portions thereof, of the City of Watauga in conflict with the provisions of this Resolution to the extent that such are in conflict, are hereby repealed. To the extent that such Resolution or portions thereof are not in conflict herewith, the same shall remain in full force and effect.

III.

If any section, subsection, sentence, clause or phrase of this Resolution shall for any reason

be held to be invalid, such decision shall not affect the validity of the remaining portions of the Resolution which shall remain in full force and effect.

IV.

This Resolution shall become effective and shall be in full force and effect from and after the date of passage and adoption by the City Council of the City of Watauga, Texas, and upon approval thereof by the Mayor of the City of Watauga, Texas and publication hereof as prescribed by law.

PASSED AND APPROVED by the City Council of the City of Watauga, Texas on this the 9th day of December, 2002.

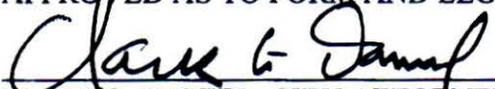
APPROVED:

  
HENRY J. JEFFRIES, MAYOR

ATTEST:

  
NANCY L. MEADOWS, CITY SECRETARY

APPROVED AS TO FORM AND LEGALITY:

  
MARK G. DANIEL, CITY ATTORNEY



# Watauga Improving Neighborhoods Spring Blitz 2016

# Properties for Revitalization

- The Watauga Improving Neighborhoods Committee approved seven homes for revitalization efforts this spring. Homes were located on;
- Heather Dr.
- High Meadow Ct. (2)
- North Park Dr.
- Philadelphia Ct.
- Plum St. (ATMOS-CPR Bonus House)
- Stardust Dr.

# Heather Drive



# High Meadow Court



# High Meadow Court



# North Park Drive



# Philadelphia Court



# Plum Street



# Stardust Drive



# Property Conditions Survey

March 2016

## How Developed?

- Meetings, discussion and on-site training with the City of Farmers Branch, led to Watauga staff implementing the use of the Residential Property Conditions Survey.
- 2016 Marks the completion of the second Residential Property Conditions Survey and Watauga's first opportunity for comparison to the previous map of 2014.

# Overview

- The conditions survey map gives city staff a tool to identify properties with specific type maintenance issues.
- Normal inspection procedures may then be used to notify property owners of the need for maintenance to stay in compliance with city ordinances.

# Property Conditions Survey Criteria

## PROPERTY CONDITION SURVEY CRITERIA

### STRUCTURE RATING- USE SEPARATELY FOR MAIN BUILDING AND ACCESSORY BUILDINGS.

<b>A</b>	Adequate weather protection, no deterioration to roof, exterior surfaces, eaves, siding, windows or screens.
<b>B</b>	Slight deterioration of weather protection, roof, exterior surfaces, or eaves. A few broken or loose siding pieces. A cracked window or torn screens.
<b>C</b>	Inadequate weather protection (exposed or unpainted wood), greater than 25% of wall area needs paint. Missing or loose roof material. Some deterioration of eaves. Slight waves in roof line. One broken window with missing glass.
<b>D</b>	Obvious waves or dips in roof line. Eaves and fascia need to be replaced. Large amounts of roofing missing. 25% of the siding pieces missing or decayed. Two or more broken windows.

# Property Conditions Maps



# Residential Main Structure Condition Survey Results

	<u>2014</u>	<u>2016</u>
○ ■	6933	7405
○ ■	1225	796
○ ■	84	47
○ ■	6	6

# Non-Owner Occupied Property Inspections

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# Non-Owner Occupied Property Ordinance Changes

- In May of 2015 Council approved an ordinance change to eliminate the requirement for an annual inspection as long as the same tenant is residing within the residence. Inspections are now required at initial registration and at the time of a new tenant move in.

# Rental Inspection Procedure

- Owner/Property Management applies for Rental Registration
- Registrar sets an inspection time with Public Works and agrees to be on site for the inspection
- If the inspection passes, tenant may apply for water service in their name
- If the inspection fails a re-inspection is required\* (water may be released to owner if home is in need of major repairs. Tenant may not receive service unless inspection passes)
- Inspection is required at initial registration and new tenant move in

- 1.  Accessory structures need repair
- 2.  Address not posted
- 3.  Brick or wall material damaged
- 4.  Broken or missing doors
- 5.  Broken or missing windows
- 6.  Carport needs repair
- 7.  Chimney cover missing
- 8.  Defacement of property
- 9.  Door locks broken or missing
- 10.  Driveway/parking area needs repair
- 11.  Eave or fascia material rotted / rusted
- 12.  Electric meter base damaged

- EXTERIOR**
- 13.  Electrical riser loose or unsecured
  - 14.  Exterior plugs need to be GFCI type
  - 15.  Fence/gate needs repair
  - 16.  Foundation walls need repair
  - 17.  Hazardous pool/spa conditions
  - 18.  Improper electrical disconnects
  - 19.  Improper structural conditions
  - 20.  Inoperative vehicle / recreation vehicle stored at location
  - 21.  Missing cleanout lid(s)
  - 22.  Need double check valve assembly
  - 23.  Need gas pressure test
  - 24.  Overhang extensions need repair

- 25.  Patio cover needs repair
- 26.  Refrigerator illegally stored or discarded on premise
- 27.  Rodent Harborage must be disposed of
- 28.  Roof drains need repair
- 29.  Roof defects need repair
- 30.  Stairways, decks, porch, or balcony needs repair
- 31.  Unsanitary conditions
- 32.  Vacuum breaker(s) needed
- 33.  Walls, doors or exterior surfaces need paint or weather protection

**INTERIOR**

**Building**

- 35.  Doors broken or missing
- 36.  Holes in ceiling, walls or floor need repair
- 37.  Improper stairway or handrail conditions
- 38.  Improper structural conditions
- 39.  Unsanitary conditions

**Electrical**

- 40.  GFCI outlet(s) needed
- 41.  Hazardous lighting conditions
- 42.  Hazardous wiring conditions
- 43.  Improper use of extension cords
- 44.  Improperly sized breakers
- 45.  Missing panel blanks
- 46.  Panel circuits not properly labeled

**Plumbing**

- 47.  Double check valve assembly needed
- 48.  Improper gas cutoff valve
- 49.  Improper gas lines
- 50.  Improper toilet ball cock assembly

**Mechanical**

- 51.  Exhaust fan needs repair
- 52.  Furnace conditions need repair
- 53.  Improper duct conditions
- 54.  Improper equipment location
- 55.  Improper gas venting of appliance / equipment
- 56.  Smoke detector(s) missing or need repair

Inspection:  has passed-Tenant Release

failed; please see below

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# Non-Owner Occupied Property Inspections

○ <u>Type Inspection</u>	2015	2016
○ Initial Registration Insp.	259	88
○ Tenant Change Insp.	394	121
○ Total Registrations	1312	454

# Questions?