

ORDINANCE NO. 2008-02

AN ORDINANCE CALLING FOR AN ELECTION WITH A COMBINED BALLOT PURSUANT TO SECTION 321.409 OF THE TEXAS TAX CODE TO DETERMINE WHETHER THE CITIZENS DESIRE TO ABOLISH THE CURRENT ONE-HALF OF ONE PERCENT SALES AND USE TAX ALLOCATED FOR PROPERTY TAX RELIEF AND ADOPT A SECTION 4B SALES AND USE TAX OF ONE-HALF OF ONE PERCENT TO UNDERTAKE PROJECTS FOR THE PURPOSE OF ECONOMIC DEVELOPMENT AS DESCRIBED IN SECTION 2(11) AND SECTION 4B OF ARTICLE 5190.6 OF TEXAS REVISED CIVIL STATUTES; SETTING THE DATE AND THE POLLING PLACE FOR THE ELECTION; CONTAINING A REPEALING CLAUSE, A SAVINGS CLAUSE AND PROVIDING FOR THE EFFECTIVE DATE OF THIS ORDINANCE.

WHEREAS, the Development Corporation Act of 1979, being Section 5190.6 of the Texas Revised Civil Statutes (herein after "Act") provides for a city located in a county with a population of 500,000 or fewer by ordinance to levy a sales and use tax for the benefit of a corporation under Section 4B of the Act of authorized by a majority of the qualified voters of the eligible city voting at an election call and held for that purpose in accordance with Chapter 321, Texas Tax Code;

WHEREAS, the City of Tulia, Texas (herein after "City") is an eligible city as defined in the Act;

WHEREAS, the City Council of the City, being the governing body of said city, believes that the establishment of a 4B corporation for economic development as described in the Act and the allocation of one-half of one percent of the sales and use tax to support economic development projects by such corporation as authorized under said Act is in the best interest of the citizens;

WHEREAS, due to limitations on sales and use tax under Texas law, the City cannot both legally establish a 4B corporation under the Act and collect sales and use taxes of one-half of one percent for the benefit of said corporation and continue collection of the sales and use taxes of one-half of one percent for property tax relief; and

WHEREAS, the City Council of the City deems it in the best interest of the citizens to have an election to determine whether the citizens desire to abolish the current one-half of one percent sales and use tax allocated for property tax relief and adopt a Section 4B sales and use tax of one-half of one percent to undertake projects for the purpose of economic development as described in Section 2(11) and Section 4B of article 5190.6 of Texas Revised Civil Statutes;

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF TULIA, TEXAS:

Section 1. The statements made in the foregoing preamble being true and correct and being hereby adopted as findings of fact, a special election shall be held in the City of Tulia, Texas, on Saturday, May 10, 2008, such date being a uniform election date as defined in Section 41.001 of the Texas Election Code, as amended.

Section 2. The official ballots for said election shall be prepared in accordance with the Texas Election Code so as to permit the electors to vote "For" or "Against" the proposition, with the ballots to contain such provisions, markings and language as required by law, and with such proposition to be expressed substantially as follows:

PROPOSITION

The abolition of the current one-half (½) of one percent sales and use tax allocated for property tax relief; and the adoption of a Section 4B sales and use tax of one-half (½) of one percent to undertake projects for the purpose of economic development as described in Section 2(11) and Section 4B of Article 5190.6 of Texas Revised Civil Statutes.

FOR

AGAINST

Section 3. Election day voting shall be held at the following polling place:

Swisher County Courthouse
119 South Maxwell, Tulia, Texas

as provided in Joint Election Agreement entered into pursuant to Section 271.002 and 271.003 Texas Election Code.

Section 4. The election shall be held in accordance with the Constitution of the State of Texas and the Texas Election Code, and all resident qualified voters of the City shall be eligible to vote at the election.

Section 5. Upon adoption of this Ordinance, the City Secretary is directed to immediately give notice of the election to the Texas Comptroller of Public Accounts by delivering a fully executed copy of the Ordinance to the Comptroller.

Section 6. The Mayor and City Secretary are authorized and directed to take all action necessary to comply with the provisions of the Texas Election Code, the Texas Tax Code, the City Charter and the City Code in carrying out and conducting the election, whether expressly authorized by this Ordinance, including such submissions as are deemed necessary to the United States Justice Department to seek preclearance as required by law.

Section 7. All ordinances or parts of ordinances inconsistent or in conflict with the provisions of this ordinance shall be, and the same are hereby repealed.

ORDINANCE NO. 2008-03

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF TULIA, TEXAS, ("CITY") ADOPTING THE RATE REVIEW MECHANISM TARIFF; ADOPTING A SAVINGS CLAUSE; DETERMINING THAT THIS ORDINANCE WAS PASSED IN ACCORDANCE WITH THE REQUIREMENTS OF THE TEXAS OPEN MEETINGS ACT; DECLARING AN EFFECTIVE DATE; AND REQUIRING DELIVERY OF THIS ORDINANCE TO THE COMPANY AND LEGAL COUNSEL.

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

WHEREAS, the City and similarly situated municipalities working together as the Steering Committee of Cities Served by Atmos West Texas ("Steering Committee") have been in continuing disagreement, dispute, and litigation with the Company over the application of Section 104.301 of the Texas Utilities Code and the interim rate adjustments ("GRIP rate increases") established by the Railroad Commission of Texas ("RRC" or the "Commission"); and

WHEREAS, pursuant to the terms of the agreement settling the Company's most recent GRIP rate increase, the Steering Committee has made good faith efforts to work with the Company to create an expedited rate review process that is a substitute for the GRIP rate increases;

WHEREAS, the Steering Committee and the Company have agreed upon the attached Rate Review Mechanism Tariff that provides for an expedited rate review process as a substitute to the current GRIP process instituted by the Legislature and allows cities to conduct a more

comprehensive review of all of the information regarding changes to the Company's revenues and expenses as well as its invested capital; and

WHEREAS, the expedited rate review process as provided by the Rate Review Mechanism Tariff eliminates piecemeal ratemaking, the Steering Committee's major objection to the current GRIP process.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF TULIA, 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 Rate Review Mechanism Tariff, which is attached hereto and incorporated herein as Exhibit A, is just and reasonable and is hereby adopted.

Section 3. That to the extent any resolution or ordinance previously adopted by the Council is inconsistent with this Ordinance, it is hereby repealed.

Section 4. 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.

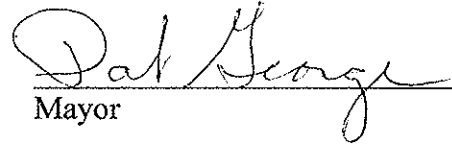
Section 5. That if any one or more sections or clauses of this Ordinance is adjudged to be unconstitutional or invalid, such judgment shall not affect, impair or invalidate the remaining provisions of this Ordinance and the remaining provisions of the Ordinance shall be interpreted as if the offending section or clause never existed.

Section 6. That this Ordinance shall become effective from and after its passage.

Section 7. That a copy of this Ordinance shall be sent to Atmos West Texas, care of C. W. "Bill" Guy, at Atmos Energy Corporation, 5110 80th Street, Lubbock, Texas 79424, and to


Geoffrey Gay, legal counsel to Atmos West Texas Steering Committee Cities, at Lloyd Gosselink, 816 Congress Avenue, Suite 1900, Austin, Texas 78701.

PASSED AND APPROVED this 19th day of AUGUST, 2008.



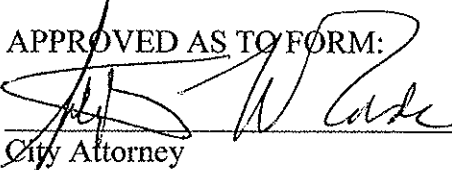
Mayor

ATTEST;



City Secretary

APPROVED AS TO FORM:



City Attorney

ORDINANCE NO. 2008-05

AN ORDINANCE AMENDING OF SUBSECTION (b) OF SECTION 6.02.013 ENTITLED "REMOVAL OF GARBAGE; CHARGES FOR REMOVAL" OF ARTICLE 6.02 ENTITLED "GARBAGE AND OTHER REFUSE", OF CHAPTER 6 ENTITLED "HEALTH AND SANITATION", OF THE CODE OF ORDINANCES, 2004, CITY OF TULIA, TEXAS, AS AMENDED, BY AMENDING THE CHARGES FOR GARBAGE COLLECTION SERVICE; CONTAINING A REPEALING CLAUSE, A SAVINGS CLAUSE AND PROVIDING FOR THE EFFECTIVE DATE OF THIS ORDINANCE.

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF TULIA, TEXAS:

Section 1. That Subsection (b) of Section 6.02.013 entitled "Removal of garbage; charges for removal" of Article 6.02 entitled "Garbage and Other Refuse", of Chapter 6 entitled "Health and Sanitation", of the Code of Ordinances, 2004, City of Tulia, Texas, as amended, is hereby amended to read as follows:

(b) Fair and reasonable charges to the owner, occupant, tenant or lessee based on the type of customer shall be as follows:

(1) SCHEDULE A-COMMERCIAL

Small commercial is herein defined as commercial customers having one container and two scheduled pickups per week. Large commercial is herein defined as commercial customers having multiple containers and four scheduled pickups per week. Small commercial shared is herein defined as a small commercial customer sharing a container with one or more other small commercial customers.

(A) Small Commercial Shared: \$20.00 per commercial entity, with a scheduled collection frequency of 2 collections per week.

(B) Small Commercial: \$30.00, with a scheduled collection frequency of 2 collections per week.

(C) Large Commercial: \$20.00 per container, with a scheduled collection frequency of 4 collections per week.

(D) Outside City Commercial: \$45.00 per container, with a scheduled collection frequency of 2 collections per week.

High volume account commercial customer fees may be established by the City Manager, at a different rate.

Additional collections for all commercial shall be charged at the rate of \$30.00 per container per collection.

(2) SCHEDULE B-RESIDENTIAL

(A) Single family dwelling: \$15.00, with a collection frequency of 1 collection per week.

(B) Multi-family dwellings, apartments and trailer parks, per unit: \$15.00, with a collection frequency of 1 collection per week.

(C) Outside City residential: \$22.50 per container, with a collection frequency of 1 collection per week.

Additional collections for all residential shall be charged at the rate of \$30.00 per container per collection.

(3) Tulia Independent School District: \$500.00 per month, with the schedule of collection to be at the discretion of the City Manager

(4) MacKenzie Municipal Water Authority: \$200.00 per collection, with the schedule of collection to be at the discretion of the City Manager.

Section 2. All ordinances or parts of ordinances inconsistent or in conflict with the provisions of this ordinance shall be, and the same are hereby repealed.

Section 3. The invalidity of any section, subsection, paragraph, sentence, clause, phrase, word or words shall not invalidate any other part of this ordinance. It is the intention of the City Council in enacting this ordinance that the provisions are separable, and no provision hereof shall become inoperative or fail by reason of the invalidity of any other provision.

Section 4. This ordinance shall take effect and be in full force on passage and approval, with the rates herein set forth to be first utilized in calculation of the utility bills sent out during the November, 2008, billing cycle.

PASSED AND APPROVED this the 23rd day of September, 2008.



Pat George, Mayor, City of Tulia, Texas



Sheila Dunn, City Secretary

ORDINANCE NO. 2008-05

AN ORDINANCE AMENDING SUBSECTION (b) OF SECTION 6.02.013 ENTITLED "REMOVAL OF GARBAGE; CHARGES FOR REMOVAL" OF ARTICLE 6.02 ENTITLED "GARBAGE AND OTHER REFUSE" OF CHAPTER 6 ENTITLED "HEALTH AND SANITATION", OF THE CODE OF ORDINANCES, 2004, CITY OF TULIA, TEXAS, AS AMENDED, BY AMENDING THE CHARGES FOR GARBAGE COLLECTION SERVICE; CONTAINING A REPEALING CLAUSE, A SAVINGS CLAUSE AND PROVIDING FOR THE EFFECTIVE DATE OF THIS ORDINANCE

STATE OF TEXAS

COUNTY OF SWISHER

I, SHEILA DUNN, City Secretary of the City of Tulia, Texas do hereby certify that the above and foregoing is a true and exact copy of the caption of an ordinance duly passed and approved by the City Council of the City of Tulia, Texas on the 23rd day of September 2008.

Sheila Dunn
Sheila Dunn

STATE OF TEXAS

COUNTY OF SWISHER

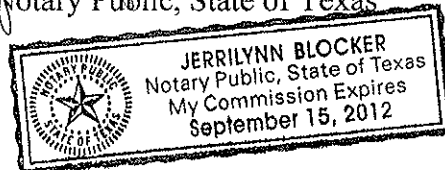
BEFORE ME, the undersigned authority, on this day personally appeared Chris Russett, who, on his oath stated:

I am the editor of the Tulia Herald, a newspaper published weekly in the City of Tulia, Swisher County, Texas, and know the facts in this affidavit. The printed matter attached hereto is a true and correct copy of the caption of an ordinance of the City of Tulia, Texas, as same was in the Tulia Herald on the 2ND day of OCT., 2008.

Chris Russett
Chris Russett

SUBSCRIBED AND SWORN TO before me by Chris Russett, this the 10th day of October, 2008.

Jerrilynn Blocker
Notary Public, State of Texas



Ordinance No. 2008-05
An ordinance amending subsection (b) of article 6.02 entitled "Removal of Garbage; Charges for Removal" of article 6.02 entitled "Garbage and Other Refuse" of Chapter 6 entitled "Health and Sanitation", of the code of ordinances, 2004, city of Tulia, Texas, as amended, by amending the charges for garbage collection service, containing a repealing clause, a savings clause and providing for the effective date of this ordinance.
State of Texas
County of Swisher
I, Sheila Dunn, City Secretary of the City of Tulia, Texas do hereby certify that the above and foregoing is a true and exact copy of the caption of an ordinance passed and approved by the City Council of the City of Tulia, Texas on the 23rd day of Sept. 2008.
Sheila Dunn 0840-1c

ORDINANCE NO. 2008-06

AN ORDINANCE AMENDING SUBSECTION (a) OF SECTION 13.03.001 ENTITLED "RATES FOR WATER SERVICE; TAPS" OF ARTICLE 13.03 ENTITLED "WATER SYSTEM", OF CHAPTER 13 ENTITLED "UTILITIES", OF THE CODE OF ORDINANCES, 2004, CITY OF TULIA, TEXAS, AS AMENDED, BY AMENDING THE CHARGES FOR WATER SERVICE; CONTAINING A REPEALING CLAUSE, A SAVINGS CLAUSE AND PROVIDING FOR THE EFFECTIVE DATE OF THIS ORDINANCE.

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF TULIA, TEXAS:

Section 1. That subsection (a) of Section 13.03.001 entitled "Rates for water services; taps" of Article 13.03 entitled "Water System", of Chapter 13 entitled "Utilities", of the Code of Ordinances, 2004, City of Tulia, Texas, as amended, is hereby amended to read as follows:

(a) The monthly water rate or charges for services furnished by the City Water Works System shall be as follows:

\$15.00 minimum monthly charge, including up to the first 2,000 gallons of water.

\$2.50 per 1,000 gallons for the next 48,000 gallons of water.

\$3.50 per 1,000 gallons for all water usage over 50,000 gallons of water.

Provided, however, the City of Tulia agrees to provide the Tulia Cemetery Association water only so long as existing Tulia City Wells #1 and #2 can provide such water, such water to be provided at a monthly water rate or charge for services furnished by the City Water Works System, as follows:

\$13.00 minimum monthly charge, including up to the first 2,000 gallons of water.

\$1.00 per 1,000 gallons for all water usage over 2,000 gallons of water.

Nothing herein shall require the City of Tulia to make expenditures or improvements to the wells to maintain them in operating condition.

Provided further, however, the City of Tulia shall pay for all water used by the City at the rate of 50 cents per 1000 gallons of water.

Section 2. All ordinances or parts of ordinances inconsistent or in conflict with the provisions of this ordinance shall be, and the same are hereby repealed.

Section 3. The invalidity of any section, subsection, paragraph, sentence, clause, phrase, word or words shall not invalidate any other part of this ordinance. It is the intention of the City Council in enacting this ordinance that the provisions are separable, and no provision hereof shall become inoperative or fail by reason of the invalidity of any other provision.

Section 4. This ordinance shall take effect and be in full force on passage and approval,

with the rates herein set forth to be first utilized in calculation of the utility bills sent out during the November, 2008, billing cycle.

PASSED AND APPROVED this the 23rd day of September, 2008.



Pat George, Mayor, City of Tulia, Texas



Sheila Dunn, City Secretary

AN ORDINANCE AMENDING SUBSECTION (a) OF SECTION 13.03.001 ENTITLED "RATES FOR WATER SERVICE; TAPS" OF ARTICLE 13.03 ENTITLED "WATER SYSTEM", OF CHAPTER 13 ENTITLED "UTILITIES", OF THE CODE OF ORDINANCES, 2004, CITY OF TULIA, TEXAS, AS AMENDED, BY AMENDING THE CHARGES FOR WATER SERVICE; CONTAINING A REPEALING CLAUSE, A SAVINGS CLAUSE AND PROVIDING FOR THE EFFECTIVE DATE OF THIS ORDINANCE

STATE OF TEXAS

COUNTY OF SWISHER

I, SHEILA DUNN, City Secretary of the City of Tulia, Texas, do hereby certify that the above and foregoing is a true and exact copy of the caption of an ordinance duly passed and approved by the City Council of the City of Tulia, Texas, on the 23rd day of September 2008.

Sheila Dunn
Sheila Dunn

STATE OF TEXAS

COUNTY OF SWISHER

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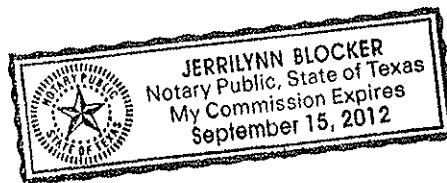
I am the editor of the Tulia Herald, a newspaper published weekly in the City of Tulia, Swisher County, Texas, and know the facts in this affidavit. The printed matter attached hereto is a true and correct copy of the caption of an ordinance of the City of Tulia, Texas, as same was in the Tulia Herald on the 2ND day of OCT. 2008.

Chris Russett
Chris Russett

SUBSCRIBED AND SWORN TO before me by Chris Russett, this the 10th day of October, 2008.

Jerrilynn Blocker
Notary Public, State of Texas

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2008-06
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his ordinance.
State of Texas
County of Swisher
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certify that the above and foregoing
is a true and exact copy of the cap-
tion of an ordinance passed and ap-
proved by the City Council of the
City of Tulia, Texas on the 23rd day
of Sept. 2008.
Sheila Dunn 0840-1c



ORDINANCE NO. 2008-07

AN ORDINANCE AMENDING OF SECTION 13.04.002 ENTITLED "MONTHLY RATES FOR SEWER SERVICES" OF ARTICLE 13.04 ENTITLED "SANITARY SEWERS", OF CHAPTER 13 ENTITLED "UTILITIES", OF THE CODE OF ORDINANCES, 2004, CITY OF TULIA, TEXAS, AS AMENDED, BY AMENDING THE CHARGES FOR SEWER SERVICE; CONTAINING A REPEALING CLAUSE, A SAVINGS CLAUSE AND PROVIDING FOR THE EFFECTIVE DATE OF THIS ORDINANCE.

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF TULIA, TEXAS:

Section 1. That Section 13.04.002 entitled "Monthly rates for sewer services" of Article 13.04 entitled "Sanitary Sewers", of Chapter 13 entitled "Utilities", of the Code of Ordinances, 2004, City of Tulia, Texas, as amended, is hereby amended to read as follows:

Sec. 13.04.002 Monthly rates for sewer services.

The monthly rates for furnishing of sewer service and sewer connections of the city shall be as follows:

<u>Type of Service</u>	<u>Monthly Charge</u>
(1) <u>Rates inside City.</u>	
(A) Residential	
(I) Single family unit	\$15.00 plus 20 cents per 1000 gallons (with a maximum of 20,000 gallons per month used in the calculation) of water furnished by the city waterworks system, with the monthly charge per 1000 gallons to be made to the person or entity in whose name the metered water supply is furnished and shall be calculated on the basis of the water meter reading for the month for which the sewer service charge is made.
(ii) Multi-family dwellings and trailer parks, each unit	\$15.00, plus 20 cents per 1000 gallons of water furnished by the city waterworks system, with the monthly charge per 1000 gallons to be made to the person or entity in whose name the metered water supply is

furnished and shall be calculated on the basis of the water meter reading for the month for which the sewer service charge is made.

Should a unit of a multiple family dwelling or a trailer park have a separate water and sewer connection, such unit shall have the same rate as a single family unit.

(B) Commercial

(I) Churches, offices and retail stores

\$17.00 plus 25 cents per 1000 gallons of water furnished by the City Water Works System, with the monthly charge per 1000 gallons being calculated on the basis of the water meter reading for the month for which the sewer service charge is made.

(ii) Schools, restaurants and motels

\$22.00 plus 45 cents per 1000 gallons of water furnished by the City Water Works System, with the monthly charge per 1000 gallons being calculated on the basis of the water meter reading for the month for which the sewer service charge is made.

(iii) Auto shops, car washes, hospitals and other commercial and industrial

\$27.00 plus 45 cents per 1000 gallons of water furnished by the City Water Works System, with the monthly charge per 1000 gallons being calculated on the basis of the water meter reading for the month for which the sewer service charge is made.

(iv) Septic Service Provider

\$45.00 minimum for the first 1000 gallons per discharge into the sewer system and \$30.00 per each 1000 gallons of sewage in excess of the minimum per discharge.

If a customer does not clearly fall into one of the service categories set forth herein, the City Manager shall determine the category in which said customer shall be placed for the purposes of sewer services charges.

(2) Rates outside the City

(A) Residential

- | | |
|--|---|
| (i) Single family unit | \$17.00 plus 25 cents per 1000 gallons (with a maximum of 20,000 gallons per month used in the calculation) of water furnished by the city waterworks system, with the monthly charge per 1000 gallons to be made to the person or entity in whose name the metered water supply is furnished and shall be calculated on the basis of the water meter reading for the month for which the sewer service charge is made. |
| (ii) Multi-family dwellings and trailer parks, each unit | \$17.00, plus 25 cents per 1000 gallons of water furnished by the city waterworks system, with the monthly charge per 1000 gallons to be made to the person or entity in whose name the metered water supply is furnished and shall be calculated on the basis of the water meter reading for the month for which the sewer service charge is made. |

Should a unit of a multiple family dwelling or a trailer park have a separate water and sewer connection, such unit shall have the same rate as a single family unit.

- (3) Persons or entities not using City water. Should there be a customer connected to the City sanitary sewer system who does not use the City water, or used the City water for only a portion of its total water usage, the sewer rate for such customer over the minimum monthly charge shall be calculated upon the estimated gallons of water used by said customer, said estimated gallons of water used to be determined by the Director of Public Works in a manner that is fair to both the City and the customer and approved by the City Treasurer.
- (4) Irrigation systems. Upon application by a customer, a sewer charge shall not be made for water used exclusively for yard watering or an irrigation system if the water for said exclusive purpose has a separate water meter. The Director of Public Works shall develop and administer an application procedure for exemption under this provision.
- (5) Sewer sampling and metering devices. Any customer who desires the installation of a sewer sampling and metering device may have one installed by the City for a fee to be determined by the Director of Public Works upon furnishing the City with such a device that meets specifications as may be determined by the Director of Public Works. After installation, the sewer sampling and metering equipment shall

become City property and shall be maintained by the City. Any such customer, after installation of the device, shall not be charged for sewer service under subparagraph (A) above, but shall instead be charged the basic fee per month for the service category applicable to said customer plus 49 cents per one thousand gallons of sewage passing through the metering device, plus additional charges for actual cost, if any, for chemicals or other treatment required for compliance with Art. 5 entitled "Industrial Water" of this Chapter 14 entitled "Public Utilities" of this Code.

- (6) Customers outside City limits. Except as set forth in Section 13.04.002 (1) (B) (iv) and Section 13.04.002 (2) above, the City of Tulia, Texas, shall collect for sewer service furnished to all customers connected outside the City limits of the City of Tulia, Texas, in addition to the charges for such sewer service as set out in subparagraphs (1) through (5) above, an additional charge equal to the basic rate for the category applicable to said customer.

Section 2. All ordinances or parts of ordinances inconsistent or in conflict with the provisions of this ordinance shall be, and the same are hereby repealed.

Section 3. The invalidity of any section, subsection, paragraph, sentence, clause, phrase, word or words shall not invalidate any other part of this ordinance. It is the intention of the City Council in enacting this ordinance that the provisions are separable, and no provision hereof shall become inoperative or fail by reason of the invalidity of any other provision.

Section 4. This ordinance shall take effect and be in full force on passage and approval, with the rates herein set forth to be first utilized in calculation of the utility bills sent out during the November, 2008, billing cycle.

PASSED AND APPROVED this the 23rd day of September, 2008.



Pat George, Mayor, City of Tulia, Texas



Sheila Dunn, City Secretary

ORDINANCE 2008 -08

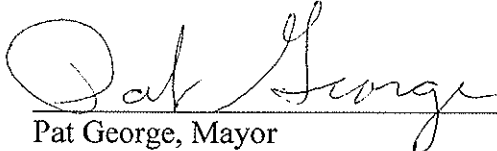
AN ORDINANCE APPROVING THE BUDGET SUBMITTED BY THE CITY MANAGER OF THE CITY OF TULIA, TEXAS, FOR THE FISCAL YEAR 2008-2009.

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF TULIA, TEXAS:

Section 1. That the operating budget and capital budget prepared by the City Manager of Tulia, Texas for the City of Tulia, Texas for the year commencing October 1, 2008 through and including September 30, 2009, is hereby approved and ordered filed with the City Secretary of the City of Tulia, Texas.

Section 2. The City Secretary is hereby ordered to file a copy of said budget with the Swisher County Clerk, Tulia, Texas.

PASSED AND APPROVED THE 23RD DAY OF SEPTEMBER, 2008.


Pat George, Mayor

ATTEST:


Sheila Dunn, City Secretary

AN ORDINACNE AMENDING SECTION 13.04.002 ENTITLED "MONTHLY RATES FOR SEWER SERVICES" OF ARTICLE 13.04 ENTITLED "SANITARY SEWERS", OF CHAPTER 13 ENTITLED "UTILITIES", OF THE CODE OF ORDINANCES, 2004, CITY OF TULIA, TEXAS, AS AMENDED, BY AMENDING THE CHARGES FOR SEWER SERVICE; CONTAINING A REPEALING CLAUSE, A SAVINGS CLAUSE AND PROVIDING FOR THE EFFECTIVE DATE OF THIS ORDINANCE

STATE OF TEXAS

COUNTY OF SWISHER

I, SHEILA DUNN, City Secretary of the City of Tulia, Texas, do hereby certify that the above and foregoing is a true and exact copy of the caption of an ordinance duly passed and approved by the City Council of the City of Tulia, Texas, on the 23rd day of September 2008.

Sheila Dunn
Sheila Dunn

STATE OF TEXAS

COUNTY OF SWISHER

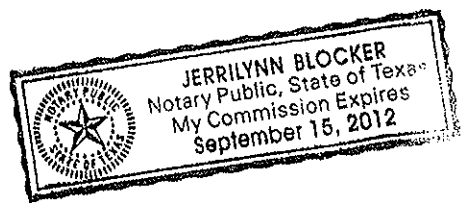
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I am the editor of the Tulia Herald, a newspaper published weekly in the City of Tulia, Swisher County, Texas, and know the facts in this affidavit. The printed matter attached hereto is a true and correct copy of the caption of an ordinance of the City of Tulia, Texas, as same was in the Tulia Herald on the 2ND day of OCT., 2008.

Chris Russett
Chris Russett

SUBSCRIBED AND SWORN TO before me by Chris Russett, this the 10th day of October 2008.

Jerrilynn Blocker
Notary Public, State of Texas



Public Notice
Ordinance No. 2008-07
amending section 13.04.002 entitled "Monthly Rates for Sewer Services" of article 13.04 entitled "Sanitary Sewers," of chapter 13 entitled "Utilities," of the code of ordinances, 2004, City of Tulia, Texas, as amended, by amending the charges for sewer service; containing a repealing clause, a savings clause and providing for the effective date of this ordinance.
State of Texas
County of Swisher
I, Sheila Dunn, City Secretary of the City of Tulia, Texas do hereby certify that the above and foregoing is a true and exact copy of the caption of an ordinance passed and approved by the City Council of the City of Tulia, Texas on the 23rd day of Sept. 2008.
Sheila Dunn 0840-1c

ORDINANCE NO. 2008-09
AN ORDINANCE PROVIDING FOR THE
ADOPTION OF DISCOUNTS FOR EARLY PAYMENT OF TAXES
AS PROVIDED IN SECTION 31.05(b), TEXAS PROPERTY TAX CODE,

WHEREAS, Under the authority of Article VIII, Section 20, of the Texas Constitution, the Texas Legislature enacted Section 31.05(b) of the Texas Property Tax Code which allows a taxing unit to adopt certain discounts for early payment of taxes; and


WHEREAS, the City Commission of the City of Tulia desires to encourage prompt payment of the ad valorem taxes assessed by the City of Tulia each year and wishes to reward its taxpayers with certain discounts for early payment of their ad valorem taxes, and

WHEREAS, the City Commission of the City of Tulia has in prior years adopted the discounts described in Section 31.05(b) of the Texas Property Tax Code; and

WHEREAS, said City Commission of the City of Tulia has held a public hearing after giving the appropriate notice, and has found that offering the discounts authorized in Section 31.05(b) of the Texas Property Tax Code is in the public interest of all taxpayers of the City of Tulia; and

NOW THEREFORE, BE IT RESOLVED by the City Commission of the City of Tulia that the City of Tulia does hereby state and declare its intention to continue to offer to its taxpayers the discounts described in Section 31.05(b) of the Texas Property Tax Code for the current year and each succeeding year thereafter.

PASSED AND APPROVED this 21st day of OCTOBER, 2008.



Mayor, City of Tulia
PAT GOERGE

Attest:



Secretary SHEILA DUNN

SWISHER COUNTY APPRAISAL DISTRICT

130 N ARMSTRONG
P.O. BOX 8
TULIA, TEXAS 79088

PHONE (806)995-4118
FAX (806)995-4079
Email scad@amaonline.com

October 3, 2008

Mr. Rick Crownover
City of Tulia
PO Box 847
Tulia, TX 79088

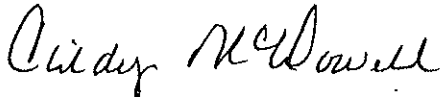
Dear Mr. Crownover:

Our appraisal district is currently preparing for an Appraisal Standards Review by the Property Tax Division of the Comptrollers office. As I've been checking all of the documents that they require, I have also found that there are many documents that need to be updated. The majority of the contracts, resolutions or ordinances, that are required, were prepared during the 1980's. Over the course of the next few months I may be sending you documents that I need for your governing body to adopt or approve.

At this time I am asking that you review the enclosed resolution or ordinance to continue to offer discounts, as you have in the past, as well as the current tax year.

If you have any questions, please feel free to contact me.

Sincerely,



Cindy McDowell
Chief Appraiser

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF TULIA, TEXAS, ("CITY") APPROVING A NEGOTIATED RESOLUTION BETWEEN THE ATMOS WEST TEXAS CITIES STEERING COMMITTEE AND ATMOS ENERGY CORP., WEST TEXAS DIVISION ("ATMOS WEST TEXAS" OR "THE COMPANY") REGARDING THE COMPANY'S RATE REVIEW MECHANISM FILING IN ALL CITIES EXERCISING ORIGINAL JURISDICTION; DECLARING EXISTING RATES TO BE UNREASONABLE; ADOPTING TARIFFS THAT REFLECT RATE ADJUSTMENTS CONSISTENT WITH THE NEGOTIATED SETTLEMENT AND FINDING THE RATES TO BE SET BY THE ATTACHED TARIFFS TO BE JUST AND REASONABLE; APPROVING ATMOS' PROOF OF REVENUES; ADOPTING A SAVINGS CLAUSE; DETERMINING THAT THIS ORDINANCE WAS PASSED IN ACCORDANCE WITH THE REQUIREMENTS OF THE TEXAS OPEN MEETINGS ACT; DECLARING AN EFFECTIVE DATE; AND REQUIRING DELIVERY OF THIS ORDINANCE TO THE COMPANY AND LEGAL COUNSEL.

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

WHEREAS, the City and similarly situated municipalities working together as the Steering Committee of Cities Served by Atmos West Texas ("Steering Committee") have been in continuing disagreement, dispute, and litigation with the Company over the application of Section 104.301 of the Texas Utilities Code and the interim rate adjustments ("GRIP rate increases") established by the Railroad Commission of Texas ("RRC" or the "Commission"); and

WHEREAS, pursuant to the terms of the agreement settling the Company's most recent GRIP rate increase, the Steering Committee and the Company worked collaboratively to develop

the Rate Review Mechanism ("RRM") tariff, ultimately authorized by the City earlier this year, that allows for an expedited rate review process controlled by Cities as a substitute to the current GRIP process;

WHEREAS, on or after August 29, 2008, Atmos West Texas filed with the City its first application pursuant to the RRM tariff to increase natural gas rates by approximately \$9.5 million, such increase to be effective in every municipality within its West Texas Division; and

WHEREAS, the Steering Committee, assisted by its attorneys and consultants, coordinated the review of Atmos' RRM filing and designated the Executive Committee to resolve issues regarding the Company's RRM filing; and

WHEREAS, the Company has filed evidence that existing rates are unreasonable and should be changed; and

WHEREAS, independent analysis by the Steering Committee's rate expert concluded that Atmos is able to justify a rate increase of up to \$5.37 million; and

WHEREAS, after negotiation and review, Atmos representatives and the Executive Committee were able to reach agreement that a \$3.9 million increase in the Company's revenue requirement is reasonable,

WHEREAS, the Executive Committee, as well as Steering Committee lawyers and consultants, recommend Steering Committee members approve the attached rate tariffs ("Attachment A" to this Ordinance) that will increase the Company's revenue requirement by \$3.9 million consistent with the negotiated resolution; and

WHEREAS, the attached tariffs implementing new rates and Atmos' Proof of Revenues ("Attachment B" to this Ordinance) are consistent with the negotiated resolution reached by the Steering Committee and are just, reasonable, and in the public interest; and

WHEREAS, it is the intention of the parties that Steering Committee members receive the benefit of any Settlement Agreement that Atmos enters into with other entities arising out of its RRM or any associated appeals of a decision entered by the Railroad Commission regarding the Company's request to increase rates. The Steering Committee acknowledges that the exercise of this right is conditioned upon the Steering Committee's acceptance of all rates, revenues, terms and conditions of any other Settlement Agreement or associated appeals arising out of the Company's RRM filing *in toto*; and

WHEREAS, the negotiated resolution of the Company's RRM filing and the resulting rates are, as a whole, is in the public interest.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF TULIA, 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 existing rates for natural gas service provided by Atmos West Texas are unreasonable and new tariffs and Atmos' proof of revenues, which are attached hereto and incorporated herein as Attachments A and B, are just and reasonable and are hereby adopted.

Section 3. That to the extent any resolution or ordinance previously adopted by the Council is inconsistent with this Ordinance, it is hereby repealed.

Section 4. 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 5. 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

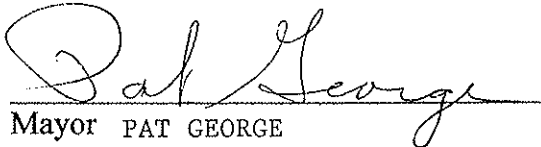
provisions of this Ordinance and the remaining provisions of the Ordinance shall be interpreted as if the offending section or clause never existed.

Section 6. That if the City determines any rates, revenues, terms and conditions, or benefits resulting from a Final Order or subsequent negotiated settlement approved in any proceeding addressing the issues raised in Atmos' RRM filing would be more beneficial to the City than the terms of the attached tariff, then the more favorable rates, revenues, terms and conditions, or benefits shall additionally accrue to the City. Exercise of this right is conditioned upon City's acceptance of all rates, revenues, terms and conditions of any other Settlement Agreement or associated appeals arising out of the Company's RRM filing *in toto*.

Section 7. That this Ordinance shall become effective from and after its passage with rates authorized by attached Tariffs to be effective for customer bills delivered on or after November 15, 2008.

Section 8. That a copy of this Ordinance shall be sent to Atmos West Texas, care of C. W. "Bill" Guy, at Atmos Energy Corporation, 5110 80th Street, Lubbock, Texas 79424, and to Geoffrey Gay, Steering Committee Counsel, at Lloyd Gosselink Rochelle & Townsend, P.C., P.O. Box 1725, Austin, Texas 78767-1725.

PASSED AND APPROVED this 18th day of NOVEMBER, 2008.

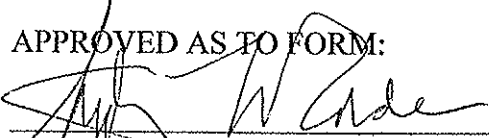

Mayor PAT GEORGE

ATTEST;



City Secretary SHEILA DUNN

APPROVED AS TO FORM:



City Attorney STEPHEN L. ROHDE

Ms. Doyle's Direct Line: (512) 322-5820
Email: kdoyle@lglawfirm.com

MEMORANDUM

TO: Atmos West Texas City Steering Committee Members

FROM: Geoffrey Gay
Kristen Doyle

DATE: October 16, 2008

RE: **FINAL ACTION BY NOVEMBER 15TH – Atmos RRM Settlement**

The Executive Committee for the Atmos West Texas Steering Committee, with the advice and input of Steering Committee consultants and lawyers, has worked to resolve the Company's pending \$9.5 million Rate Review Mechanism ("RRM") rate increase request without the necessity of a protracted and costly contested case proceeding. The attached tariff that reflects rates that will increase Atmos' revenues by \$3.9 million. The negotiated result reduces Atmos' requested rate increase by more than half. The monthly bill impact for an average residential customers is \$1.98.

The RRM process was created by Atmos and the Steering Committee to eliminate the piecemeal ratemaking GRIP process in favor of an expedited rate review controlled by cities. The Company's filing is the first filing pursuant to the agreed RRM process. The Executive Committee recommends approval of the negotiated resolution because it represents an outcome that is equal to or better than the outcome expected from a lengthy contested case proceeding, and maintains cities' role as a regulator of natural gas rates.

The agreement between the cities and Atmos West Texas regarding the RRM filing calls for an annual filing to be made on or before April 1st, with rates to be implemented in July. This first RRM filing occurred in an expedited manner. The 2009 filing will occur in the March/April 2009 time frame.

Please schedule consideration of the ordinance for your next available council meeting. Final council action to approve the ordinance must take place by November 15, 2008. To assist you, several documents are attached:

- An ordinance setting new rates. The approved Ordinance should include the attached Tariff ("Attachment A" to the Ordinance) and Proof of Revenues ("Attachment B")
- A model staff report
- RRM Fact Sheet (includes bill impacts by customer classes)

Please contact Kristen (512/322-5820, kdoyle@lglawfirm.com) if your city is unable to meet the November 15th deadline for final action. Once final action has been taken by your city, please forward a copy of the ordinance to Atmos West Texas and to our paralegal, Gary Stiffler (fax number: 512/472-0532, gstiffler@lglawfirm.com).

Rate Review Mechanism Fact Sheet

*The Rate Review Mechanism (RRM) was created as part of a collaborative agreement between the Steering Committee and Atmos. It replaces the unworkable and contentious Gas Reliability Infrastructure Program (GRIP) surcharge process.

*The RRM authorizes cities to meaningfully review and dispute the company's annual rate filings in an expedited rate proceeding at the city level. This authority was lacking under the GRIP process.

*The RRM will function as a substitute for future GRIP filings during the three-year trial period.

*The RRM permits the Company to seek an annual review of its revenues, estimated cost of operations, and capital investments. In most cases, the company cannot seek rate adjustments greater than 5 percent. The Company must provide evidence as part of the annual review process that Cities can assess and, if necessary, challenge.

*The RRM process allows Atmos to seek a surcharge from ratepayers if its anticipated expenses exceed its anticipated revenues for a 12 month period. However, if the Company's revenues exceed its authorized rate of return, it must issue refunds.

*The Company can make its next filing pursuant to the RRM tariff by April 1, 2009.

Costs Expressly Prohibited from Recovery Under the RRM:

First class air-fare, travel, meals or entertainment for employee's spouse, alcohol, sports events, entertainment, arts and cultural events, sponsorship of sports, arts or cultural events, and social club membership dues.

RRM Bill Impacts

Pursuant to the negotiated agreement between Atmos and the Steering Committee, the tariffs implementing the RRM will increase rates by \$3.9 million. In addition, monthly customer charges for residential and commercial customers are reduced effective November 15, 2008 (\$10.08 to \$7.37 per month for residential customers, \$18.52 to \$14.21 for commercial customers). The average monthly customer impact by class:

Residential (53.4 Ccf/month) -\$1.98/month increase (3.12 percent overall increase)

Commercial (225 Ccf/month) - \$6.27/month increase (2.67 percent overall increase)

Industrial/Transportation (3,371 Ccf/month) \$67.25/month increase (2.32 percent overall increase).

MODEL STAFF REPORT

The City is a member of the Steering Committee of Cities Served by Atmos West Texas ("Steering Committee"). Steering Committee membership includes almost all cities north of Midland-Odessa (except for Lubbock and Amarillo, which have separate rates and services) served by the West Texas Division of Atmos Energy ("Atmos" or "Company").

On or after August 29, 2008, Atmos filed with the City its first application to increase natural gas rates pursuant to the Rate Review Mechanism ("RRM") tariff approved by the City earlier this year. The Company's RRM filing seeks a \$9.5 million rate increase. The City worked with Steering Committee to analyze the schedules and evidence offered by Atmos to support its request to increase rates. The Ordinance and attached tariff approving rates that will increase the Company's revenues by \$3.9 million effective after November 15, 2008, are the result of negotiation between the Steering Committee and the Company to resolve issues raised by the Steering Committee during the review and evaluation of Atmos' RRM filing. The monthly bill impact for the average residential customer is \$1.98 (approximately 3 percent overall increase). The Executive Committee recommends that all Steering Committee cities adopt the ordinance implementing the rate change.

RRM Background:

The RRM tariff was approved by cities as part of the settlement agreement to resolve Atmos' 2007 GRIP filing. Atmos' rate request represents the first filing pursuant to the three-year trial project known as the RRM process. The RRM process was created collaboratively by the Steering Committee and Atmos as an alternative to the GRIP surcharge process. The RRM process allows for a more comprehensive rate review and annual adjustment that will function as a substitute for future GRIP filings during the three-year trial period specified by the tariff.

There are two components to the RRM adjustment. The prospective component adjusts rates for known and measurable changes in O&M and net plant investment. Atmos and the Steering Committee agreed to cap changes to expenses and invested capital at no more than five percent. The true up component evaluates whether the Company has over- or under-recovered its earnings for the previous year. For purposes of the RRM true up component, Atmos' rate of return on equity and its capital structure are frozen to avoid the parent company from manipulating the overall rate of return. Costs expressly prohibited from recovery through the RRM include first class air-fare, travel, alcohol, sports events, entertainment, arts and cultural events, sponsorship of sports, arts or cultural events, and social club membership dues.

Purpose of the Ordinance:

The purpose of the Ordinance is to approve rate tariffs (Attachment A) that reflect the negotiated rate change pursuant to the RRM process. The Ordinance also approves the Company's proof of revenues (Attachment B), a required part of the RRM filing. As a result of the negotiations, the Steering Committee was able to reduce the Company's requested \$9.5 million RRM increase by more than half. Approval of the Ordinance will result in rates that implement a \$3.9 million increase in Atmos' revenues effective after November 15, 2008.

Reasons Justifying Approval of the Negotiated Resolution:

During the time that the City has retained original jurisdiction in this case, consultants working on behalf of Steering Committee cities have investigated the support for the Company's requested rate increase. While the evidence does not support the \$9.5 million increase requested by the Company, Steering Committee consultants agree that the Company can potentially justify a revenue increase up to \$5.37 million.

A contested case proceeding before the RRC on the Company's current application will take several months and cost ratepayers millions of dollars in rate case expenses and would not likely produce a request more favorable than that to be produced by the negotiated resolution (\$3.9 million increase in revenues). The Executive Committee recommends that Steering Committee members take action to approve the ordinance authorizing new rate tariffs.

Explanation of "Be It Ordained" Paragraphs:

1. This paragraph approves all findings in the ordinance.
2. This section adopts the attached tariffs (Attachment A) and Company's proof of revenues (Attachment B) in all respects and finds the rates set pursuant to the attached tariffs to be just, reasonable and in the public interest. Note that only new tariffs or existing tariffs that are being revised are attached to the Ordinance. Existing tariffs that are not being changed in any way are not attached to the Ordinance.
3. This section repeals any resolution or ordinance that is inconsistent with this Ordinance.
4. This section finds that the meeting was conducted in compliance with the Texas Open Meetings Act, Texas Government Code, Chapter 551.
5. This section is a savings clause, which provides that if any section(s) is later found to be unconstitutional or invalid, that finding shall not affect, impair or invalidate the remaining provisions of this Ordinance. This section further directs that the remaining provisions of the Ordinance are to be interpreted as if the offending section or clause never existed.
6. This section is a "Most Favored Nations" clause, which protects the City by mandating that if a Final Order or subsequent agreement approved in any proceeding addressing the issues raised in Atmos' RRM filing results in rates or terms that would be more beneficial to the City than the terms of this tariff, the City may, at its option, implement such more favorable rates or terms. The exercise of this right is contingent upon the City agreeing to adopt the terms of the Final Order or subsequent agreement *in toto*.
7. This section provides for an effective date upon passage.
8. This paragraph directs that a copy of the signed resolution be sent to a representative of the Company and the Steering Committee's legal counsel.

ATTACHMENT A

Residential Gas Service

Availability

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

Monthly Rate

Customer Charge:	\$ 7.37
Commodity Charge:	
All Consumption	\$ 0.15983 per Ccf
True-up Charge:*	
All Consumption	\$ 0.03704 per Ccf

Rate Adjustment Provision

The West Texas System Gas Cost Adjustment Rider applies to this schedule except for service inside city limits of Odessa.

The Odessa Gas Cost Adjustment Rider applies to this schedule for service inside city limits of Odessa.

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

* The True-up Charge shown is for the period November 15, 2008 through July 31, 2009.

EFFECTIVE: Bills rendered on and after November 15, 2008 Inside City Limits

ISSUED BY: C.W. Guy, Vice President-Rates & Regulatory Affairs

Commercial Gas Service

Availability

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

Monthly Rate

Customer Charge:	\$ 14.21
Commodity Charge:	
All Consumption	\$ 0.11572 per Ccf
True-up Charge:*	
All Consumption	\$ 0.02784 per Ccf

Rate Adjustment Provision

The West Texas System Gas Cost Adjustment Rider applies to this schedule except for service inside city limits of Odessa.

The Odessa Gas Cost Adjustment Rider applies to this schedule for service inside city limits of Odessa.

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

* The True-up Charge shown is for the period November 15, 2008 through July 31, 2009.

EFFECTIVE: Bills rendered on and after November 15, 2008 Inside City Limits

ISSUED BY: C W Giv Vice President-Rates & Regulatory Affairs

Public Authority Gas Service

Availability

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

Monthly Rate

Customer Charge:	\$ 53.19
Commodity Charge:	
All Consumption	\$ 0.08300 per Ccf
True-up Charge:*	
All Consumption	\$ 0.01946 per Ccf

Rate Adjustment Provision

The West Texas System Gas Cost Adjustment Rider applies to this schedule except for service inside city limits of Odessa.

The Odessa Gas Cost Adjustment Rider applies to this schedule for service inside city limits of Odessa.

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

* The True-up Charge shown is for the period November 15, 2008 through July 31, 2009.

EFFECTIVE: Bills rendered on and after November 15, 2008 Inside City Limits

ISSUED BY: C.W. Guy, Vice President-Rates & Regulatory Affairs

State Institution Gas Service

Availability

This schedule is applicable to gas service to state agencies (as provided in Texas Utilities Code, Section 104.201) including, but not limited to, state college and universities, MHMR schools, agriculture, highway and public safety departments, prisons, and other facilities owned or operated by the State of Texas for the purpose of heating, cooking, refrigeration, water heating and other similar type uses.

Monthly Rate

Customer Charge:	\$ 59.72
Commodity Charge:	
All Consumption	\$ 0.08051 per Ccf
True-up Charge:*	
All Consumption	\$ 0.01850 per Ccf

Rate Adjustment Provision

The West Texas System Gas Cost Adjustment Rider applies to this schedule except for service inside city limits Odessa.

The Odessa Gas Cost Adjustment Rider applies to this schedule for service inside city limits of Odessa.

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

* The True-up Charge shown is for the period November 15, 2008 through July 31, 2009.

EFFECTIVE: Bills rendered on and after November 15, 2008 Inside City Limits

ISSUED BY: C.W. Guy, Vice President-Rates & Regulatory Affairs

Industrial Gas Service

Availability

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

Monthly Rate

Customer Charge: \$ 106.61

Commodity Charge:

0-1000 Ccf \$ 0.09650
All over 1000 Ccf \$ 0.07500

True-up Charge:*

All Consumption Ccf \$ 0.01995

Rate Adjustment Provision

The West Texas System Gas Cost Adjustment Rider applies to this schedule except for service inside city limits of Odessa.

The Odessa Gas Cost Adjustment Rider applies to this schedule for service inside city limits of Odessa.

* The True-up Charge shown is for the period November 15, 2008 through July 31, 2009.

EFFECTIVE: Bills rendered on and after November 15, 2008 Inside City Limits

ISSUED BY: C W Guy Vice President-Rates & Regulatory Affairs

ATTACHMENT B

Atmos Energy
WEST TEXAS DISTRIBUTION SYSTEM
REVENUE COMPARISON

	REVENUE AT PROPOSED RATES	CCF	REVENUE AT PRESENT RATES	Customers	DIFFERENCE AMOUNT
RESIDENTIAL	\$28,143,077	85,187,090	\$25,372,379	132,937	\$2,770,698
COMMERCIAL	\$6,576,374	33,584,198	\$5,810,944	12,020	\$765,430
INDUSTRIAL	\$1,186,671	9,583,201	\$1,045,545	237	\$151,127
PUBLIC AUTHORITY	\$2,255,734	12,590,500	\$2,043,287	1,558	\$212,447
Other Revenue	\$38,171,856	140,954,990	\$34,272,155	146,752	\$3,899,702
	\$1,890,844				
Total Revenues	<u>\$40,062,700</u>				

For Purposes of reporting, Public Authority and State Institutions are combined into one line.

ORDINANCE NO. 2008-12

AN ORDINANCE AMENDING CHAPTER 4, ENTITLED "BUSINESS REGULATIONS" OF THE CODE OF ORDINANCES, 2004, CITY OF TULIA, TEXAS, AS AMENDED, BY ADDING THERETO ARTICLE 4.08 ENTITLED "LIQUOR, WINE AND BEER SALES"; CONTAINING A REPEALING CLAUSE, A SAVINGS CLAUSE, A PENALTY CLAUSE AND PROVIDING FOR THE EFFECTIVE DATE OF THIS ORDINANCE.

WHEREAS, an election was properly held on November 4, 2008, in which the citizens of Tulia, Texas voted for the City of Tulia, Texas, to legalize the "sale of all alcoholic beverages for off premises consumption only, within the city limits of Tulia, Swisher County, Texas", and the results of the election, as canvassed by the Swisher County Commissioner's Court, were that a majority of the citizens of Tulia, Texas, voted to legalize the sale of such alcoholic beverages for off premises consumption;

WHEREAS, the City Council of the City of Tulia, Texas, desires to comply with the results of said election by adopting this Ordinance consistent with the authority granted to the City of Tulia, Texas, by the Texas Alcoholic Beverage Code, as amended;

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

Section 1. That Chapter 4, Entitled "Business Regulations" of the Code of Ordinances, 2004, City of Tulia, Texas, as amended, by adding thereto Article 4.08 Entitled "Liquor, Wine and Beer Sales" to read as follows:

Article 4.08 Liquor, Wine and Beer Sales

4.08.001 Sale of Alcoholic Beverages for Off Premises Consumption; Hours of Sale and Consumption.

(a) Sale of all alcoholic beverages for off premises consumption only, within the city limits of Tulia, Swisher County, Texas, is authorized subject to rules, regulations, permits and licenses and other provisions as provided by the Texas Alcoholic Beverage Code, this article and the zoning laws set forth in Chapter 14 of the Code of Ordinances, 2004, City of Tulia, Texas, as amended.

(b) The hours of sale of alcoholic beverages for off premises consumption, and for possession and consumption of alcoholic beverages shall be in accordance with the Texas Alcoholic Beverage Code, and in particular, Chapter 105 of said Code.

4.08.002. Definitions:

(a) All definitions as set forth in the Texas Alcoholic Beverage Code are hereby adopted in the construction of this Article 4.08.

(b) Child-Care Facility - In accordance with the Texas Human Resources Code Ann. Section 42.002 (Vernon's 2001), this facility must be licensed, certified, or registered by the Texas Department of Human Services to provide assessment, care, training, education, custody, treatment, or supervision for a child who is not related by blood, marriage, or adoption to the owner or operator of the facility, for all or part of the 24-hour day, whether or not the facility is operated for profit or charges for the services it offers.

(c) Day-Care Center - In accordance with the Texas Human Resources Code Ann. Section 42.002 (Vernon's 2001), this facility is a child-care facility that provides care for more than 12 children under 14 years of age for less than 24 hours a day.

(d) Public School - In accordance with the Texas Government Code Ann., Section 821.001 (Vernon's 2004), a public school is an educational institution or organization in this state that is entitled by law to be supported in whole or in part by state, county, school district, or other municipal corporation funds.

4.08.003 No Vested Right Conferred; Conflict with Law Not Allowed.

The sale of alcoholic beverages is a privilege, and this article is not intended to give any person a vested right to engage in such business. The Texas Alcoholic Beverage Code shall be controlling in the event any provisions of this Article 4.08 are in conflict with said Code.

4.08.004 License and Permit Fees.

(a) Except as otherwise provided in the Texas Alcoholic Beverage Code, each holder of a State permit or license issued pursuant to the Texas Alcoholic Beverage Code shall pay to the City a fee equal to one-half the fee paid to the State for such permit or license.

(b) All fees levied by this section are due and payable at the time in which the State license and permit fees are due.

(a) The Code Enforcement Officer shall notify the Texas Liquor Control Board of any person failing or refusing to pay the license or permit fee and request cancellation of the license or permit of such person in accordance with the Texas Alcoholic Beverage Code Ann., Section 61.36 (Vernon's 2007).

4.08.005 Sales Near Churches, Public Schools, Public Hospitals, Child Care Facilities

and Day-Care Centers.

(a) No person shall sell alcoholic beverages if the place of business is within three hundred (300) feet of any church, public school or public hospital.

(b) This subsection establishes additional criteria regarding the sale of alcoholic beverages and shall apply only to a permit or license holder, under Chapter 25 (Wine and Beer Retailer's Permit) of the Texas Alcoholic Beverage Code, who does not hold a food and beverage certificate. Except as provided in this subsection, no person shall sell alcoholic beverages in a place of business within three hundred (300) feet of a child-care facility or a day-care center, excluding the holder of the following:

(1) The permit or license holder and the child-care facility or day-care center are located on different stories of a multistory building; or

(2) The permit or license holder and the child-care facility or day-care center are located in separate buildings and either the permit or license holder or the child-care facility/day-care center is located on the second story or higher or a multistory building.

A child-care facility or day-care center does not apply to foster group homes, foster family homes, family homes, agency group homes, or agency homes as those terms are defined in the Texas Human Resources Code Ann., Section 42.002 (Vernon's 2001).

(c) The measurement of the distance between the place of business where alcoholic beverages are sold and a church or public hospital, day-care center or child-care facility shall be along the property lines of the street fronts and from the front door to front door, and in direct line across the intersections.

(d) The measurement of the distance between the place of business where alcoholic beverages are sold and a public school shall be in a direct line from the property line of the public school to the property line of the place of business and in a direct line across intersections, except that where the permit or license holder is located on or above the fifth floor of a multistory building, measurement shall be in a direct line from the property line of the public school to the property line of the place of business, in a direct line across intersections, and vertically up the building at the property line to the base of the floor on which the permit or license holder is located.

4.08.006. Wholesalers, Distributors and Manufacturers. Wholesalers, distributors and manufacturers of alcoholic beverages for off premises consumption shall be governed by the permit and licenses requirements and other provisions of the Texas Alcoholic

Beverage Code which regulates their activities. The provisions of 4.08.004 regarding license and permits fees payable to the City are applicable to wholesalers, distributors and manufacturers of alcoholic beverages for off premises consumption.

4.08.007. Possession and consumption of alcoholic beverages in designated city park prohibited. It shall be unlawful for any person to possess and/or consume any alcoholic beverage as defined by the Texas Alcoholic Beverage Code while in or upon any designated city park. Section 1.05.006 of Code of Ordinances, 2004, City of Tulia, Texas, as amended, is hereby repealed.

4.08.008. Penalties. A person commits an offense if the person, in violation of this article or the Texas Alcoholic Beverage Code, sells, offers for sale, consumes, possesses or permits the consumption or possession of an alcoholic beverage during prohibited hours, without any required permit or license or within the areas prohibited for such sale, possession or consumption as provided in this article or the Texas Alcoholic Beverage Code. Such offenses are punishable as provided in the Texas Alcoholic Beverage Code or other applicable law or ordinance.

Section 2. All ordinances or parts of ordinances inconsistent or in conflict with the provisions of this ordinance shall be, and the same are hereby repealed.

Section 3. The invalidity of any section, subsection, paragraph, sentence, clause, phrase, word or words shall not invalidate any other part of this ordinance. It is the intention of the City Council in enacting this ordinance that the provisions are separable, and no provision hereof shall become inoperative or fail by reason of the invalidity of any other provision.

Section 4. This ordinance shall take effect and be in full force from and after its passage, approval and publication as required by law.

PASSED AND APPROVED this the 2nd day of December, 2008.

Pat George, Mayor, City of Tulia, Texas

Sheila Dunn, City Secretary

ORDINANCE NO. 2008-13

AN ORDINANCE AMENDING CHAPTER 14, ENTITLED "ZONING" OF THE CODE OF ORDINANCES, 2004, CITY OF TULIA, TEXAS, AS AMENDED, BY MODIFYING SECTION 14.06.037 (46) TO ADD WHOLESALE SALES, DISTRIBUTION AND MANUFACTURE OF LIQUOR, BEER AND WINE AS A PERMITTED USE IN A C-1 (RETAIL BUSINESS) DISTRICT; CONTAINING A REPEALING CLAUSE, A SAVINGS CLAUSE AND PROVIDING FOR THE EFFECTIVE DATE OF THIS ORDINANCE.

WHEREAS, Section 14.06.037 (46) of the Tulia City Code provides for liquor, wine and beer sales as permitted uses in C-1 (Retail Business) District; and,

WHEREAS, the City Council of the City of Tulia, Texas, desires to modify said permitted uses by adding thereto the wholesale sale, distribution and manufacture of liquor, beer and wine thereto;

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

Section 1. That item (46) of Section 14.06.037, entitled "Permitted Uses", of Chapter 14, entitled "Zoning" of the Code of Ordinances, 2004, City of Tulia, Texas, as amended, is hereby amended to read as follows:

14.06.037. Permitted uses

(46) Sales, wholesale sales, distribution and manufacture of liquor, beer and wine.

Section 2. All ordinances or parts of ordinances inconsistent or in conflict with the provisions of this ordinance shall be, and the same are hereby repealed.

Section 3. The invalidity of any section, subsection, paragraph, sentence, clause, phrase, word or words shall not invalidate any other part of this ordinance. It is the intention of the City Council in enacting this ordinance that the provisions are separable, and no provision hereof shall become inoperative or fail by reason of the invalidity of any other provision.

Section 4. This ordinance shall take effect and be in full force on passage and approval as required by law.

PASSED AND APPROVED this the 2nd day of December, 2008.

Pat George, Mayor, City of Tulia, Texas

Sheila Dunn, City Secretary