



City of Denton

City Hall
215 E. McKinney Street
Denton, Texas
www.cityofdenton.com

AGENDA INFORMATION SHEET

DEPARTMENT: Finance

DCM: Bryan Langley

DATE: December 12, 2017

SUBJECT

Consider approval of a resolution of the City Council of the City of Denton, Texas, authorizing an agreement between the City of Denton and member cities of the “Atmos Cities Steering Committee” (ACSC); finding and determining that the meeting at which this resolution was passed was in accordance with the requirements of the Texas Open Meetings Act; making other findings and provision related to the subject; and declaring an effective date.

BACKGROUND

On May 23, 2017, the City Council approved Resolution No. R2017-021 approving a change in the rates of Atmos Energy Corporation as a result of a settlement between Atmos and the Atmos Texas Municipalities (“ATM”) under the Rate Review Mechanism. During consideration of this resolution, the City Council directed staff to discuss the City’s membership options for future Atmos rate filings with the Audit/Finance Committee (“Committee”).

On October 24, 2017, the City Council held a work session discussion regarding the City’s options for joining one of two coalitions of cities for Atmos related rate filings and other regulatory matters. The City Council directed staff to present a resolution at a future City Council meeting for the City to join the Atmos Cities Steering Committee (“ACSC”) coalition.

ACSC is represented by the law firm of Lloyd, Gosselink, Rochelle & Townsend, P.C., and is comprised of 171 member cities with approximately 1,053,840 meters (975,406 residential and 78,434 commercial). This coalition is funded through an annual membership assessment which is currently \$0.02 per capita for 2017. The assessment has historically been \$0.04 per capita and may return to that level based on the coalition’s activities. No formal approval of change in assessment is required but a city may opt to formally approve by resolution. The assessment pays for non-reimbursable expenses for other regulatory matters. Reimbursable expenses for rate filings and other regulatory matters, as applicable, are generally paid for by Atmos.

Within the city of Denton, Atmos currently serves 20,784 meters (18,606 residential and 2,178 commercial). The City’s annual membership assessment at \$0.02 per capita would be approximately \$2,500.

RECOMMENDATION

Staff recommends approval of the resolution.

PRIOR ACTION/REVIEW (Council, Boards, Commissions)

On October 24, 2017, the City Council held a work session discussion and directed staff to present a resolution at a future City Council meeting for the City to join the Atmos Cities Steering Committee (“ACSC”) coalition.

On September 12, 2017, the Audit/Finance Committee recommended that staff present this matter to the City Council in a work session.

STRATEGIC PLAN RELATIONSHIP

The City of Denton’s Strategic Plan is an action-oriented road map that will help the City achieve its vision. The foundation for the plan is the five long-term Key Focus Areas (KFA): Organizational Excellence; Public Infrastructure; Economic Development; Safe, Livable, and Family-Friendly Community; and Sustainability and Environmental Stewardship. While individual items may support multiple KFAs, this specific City Council agenda item contributes most directly to the following KFA and goal:

Related Key Focus Area: Organizational Excellence

Related Goal: 1.1 Manage financial resources in a responsible manner

EXHIBITS

1. Agenda Information Sheet
2. Resolution

Respectfully submitted:
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