This certification is given pursuant to Chapter XI, Section 9 of the City Charter for the City Council Addendum dated January 23, 2008. We hereby certify, as to those contracts, agreements, or other obligations on this Agenda authorized by the City Council for which expenditures of money by the City are required, that all of the money required for those contracts, agreements, and other obligations is in the City treasury to the credit of the fund or funds from which the money is to be drawn, as required and permitted by the City Charter, and that the money is not appropriated for any other purpose.

Mary K. Suhm
City Manager

1-18-2008
Date

Edward Scott
City Controller

1/18/08
Date
ADDITIONAL
CITY COUNCIL MEETING
WEDNESDAY, JANUARY 23, 2008
CITY OF DALLAS
1500 MARILLA
COUNCIL CHAMBERS, CITY HALL
DALLAS, TX 75201
9:00 A.M.

REVISED ORDER OF BUSINESS

Agenda items for which individuals have registered to speak will be considered no earlier than the time indicated below:

9:00 a.m.  INVOCATION AND PLEDGE OF ALLEGIANCE
OPEN MICROPHONE
CLOSED SESSION

MINUTES  Item 1

CONSENT AGENDA  Items 2 - 36
CONSENT ADDENDUM  Items 1 - 5

ITEMS FOR INDIVIDUAL CONSIDERATION

No earlier than 9:30 a.m.  Item 37

PUBLIC HEARINGS AND RELATED ACTIONS

1:00 p.m.  Items 38 - 44
ADDENDUM
CITY COUNCIL MEETING
JANUARY 23, 2008
CITY OF DALLAS
1500 MARILLA
COUNCIL CHAMBERS, CITY HALL
DALLAS, TEXAS 75201
9:00 A. M.

ADDITIONS:

Closed Session
Attorney Briefings (Sec. 551.071 T.O.M.A.)
- Paul Lavell Jennings v. Albert Martinez, et al., Civil Action No. 3:05-CV-2044-P

CONSENT ADDENDUM

Business Development & Procurement Services

1. Authorize a twenty-four-month lease agreement for two modular buildings to be used as Code Compliance district offices at Northeast (8789 Adlora) and Northwest (2502 Shorecrest) - Nortex Modular Space through the Texas Multiple Award Schedule - Not to exceed $166,118 - Financing: Current Funds

Department of Development Services

2. An ordinance amending Article I of the Dallas Development Code to establish a fee in the amount of $3,825, per application, for municipal utility district applications and annexation, disannexation, and waiver of extraterritorial jurisdiction applications - Financing: No cost consideration to the City

Office of Financial Services

3. An ordinance establishing residential, commercial and industrial rates for natural gas service to be charged by Atmos Energy Corporation - Financing: No cost consideration to the City

Public Works & Transportation

4. Authorize a contract with McCarthy Building Companies, Inc. for construction manager at risk design phase services for the City Performance Hall - Not to exceed $215,400 - Financing: 2006 Bond Funds

5. Authorize an increase in the contract with Big Sky Construction Company, Inc. for revisions to the foundation system due to unforeseen site conditions discovered during construction of the replacement facility for Fire Station No. 42 located at 3333 West Mockingbird Lane - $228,962, from $3,127,000 to $3,355,962 - Financing: 2003 Bond Funds
CORRECTION:

Economic Development

17. Authorize (1) an amendment to the Lease with Post Apartment Homes, L.P. to accelerate the reversion of the Wilson Building to Post Properties from December 31, 2012 to January 23, 2008, thereby terminating the Lease, (2) execution of deed restrictions and a separate agreement with Post-Amerus Wilson Building, L.P., to secure compliance with project contingencies, including affordable housing, and (3) acceptance of a termination fee equal to the cost of accelerated lease payments - Financing: No cost consideration to the City

DELETION:

Office of Environmental Quality

21. Authorize execution of a Memorandum of Agreement with the Texas Commission on Environmental Quality to delegate authority to the City to enforce Ordinance No. 26766, previously approved on May 23, 2007, which restricts idling by motor vehicles with a gross weight rating of over 14,000 pounds - Financing: No cost consideration to the City
## ADDENDUM DATE  January 23, 2008

<table>
<thead>
<tr>
<th>ITEM</th>
<th>OK</th>
<th>DEF</th>
<th>DISTRICT</th>
<th>TYPE</th>
<th>DOLLARS</th>
<th>LOCAL</th>
<th>MWBE</th>
<th>DESCRIPTION</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>10, 14</td>
<td>C</td>
<td>PBD, CCS</td>
<td>$166,118.00</td>
<td>NA</td>
<td>NA</td>
<td>Authorize a twenty-four-month lease agreement for two modular buildings to be used as Code Compliance district offices at Northeast (8789 Adlora) and Northwest (2502 Shorecrest)</td>
<td></td>
</tr>
<tr>
<td>2</td>
<td>All</td>
<td>C</td>
<td>DDS</td>
<td>NC</td>
<td>NA</td>
<td>NA</td>
<td>An ordinance amending Article I of the Dallas Development Code to establish a fee in the amount of $3,825, per application, for municipal utility district applications and annexation, disannexation, and waiver of extraterritorial jurisdiction applications</td>
<td></td>
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<tr>
<td>3</td>
<td>N/A</td>
<td>C</td>
<td>OFS</td>
<td>NC</td>
<td>NA</td>
<td>NA</td>
<td>An ordinance establishing residential, commercial and industrial rates for natural gas service to be charged by Atmos Energy Corporation</td>
<td></td>
</tr>
<tr>
<td>4</td>
<td>14</td>
<td>C</td>
<td>PWT, OCA</td>
<td>$215,400.00</td>
<td>100.00%</td>
<td>31.92%</td>
<td>Authorize a contract with McCarthy Building Companies, Inc. for construction manager at risk design phase services for the City Performance Hall</td>
<td></td>
</tr>
<tr>
<td>5</td>
<td>14</td>
<td>C</td>
<td>PWT, FIR</td>
<td>$228,961.77</td>
<td>100.00%</td>
<td>33.66%</td>
<td>Authorize an increase in the contract with Big Sky Construction Company, Inc. for revisions to the foundation system due to unforeseen site conditions discovered during construction of the replacement facility for Fire Station No. 42 located at 3333 West Mockingbird Lane</td>
<td></td>
</tr>
</tbody>
</table>

**GRAND TOTAL**  $610,479.77
SUBJECT

Authorize a twenty-four-month lease agreement for two modular buildings to be used as Code Compliance district offices at Northeast (8789 Adlora), and Northwest (2502 Shorecrest) - Nortex Modular Space through the Texas Multiple Award Schedule - Not to exceed $166,118 - Financing: Current Funds

BACKGROUND

This lease agreement will allow the City to lease two modular structures to serve as Code Compliance district offices at Northeast (8789 Adlora) and Northwest (2502 Shorecrest). Pre-existing structures will serve as district offices for the Central, Southeast and Southwest districts in the City.

On November 26, 2007, the Quality of Life & Government Services Council Committee was briefed on changes being implemented in Code Compliance to enhance service to its customers. One of the changes outlined was the plan to strategically place offices in each of the newly formed Code Compliance district by April 30, 2008. These offices will be more geographically aligned to better address the customer service needs of the community. Staff explored housing opportunities in permanent structures in the Northeast and Northwest districts that were both currently owned by the City or by private sector. However, budgetary concerns and a tight timeline limited the availability of facilities that provided the necessary secure parking and the ability to handle the day to day volume of traffic that will be generated by these offices.

In order to meet the time-line outlined above, the City will utilize the State of Texas Cooperative Agreement process for obtaining and securing these structures. The cooperative agreement process allows the City to receive bids from manufactures and dealers throughout the United States. The City requested competitive pricing from two dealers for this lease agreement. This cooperative agreement will allow the City to secure the structures in an expedient manner that will be beneficial to the City and the residents in the affected districts.
BACKGROUND (Continued)

The structures will be 2,800 square feet (40’ x 70’) with all the amenities necessary to serve four to five administrative staff and approximately twenty-five field officers in these districts. These structures will serve as temporary quarters for approximately twenty-four months until more permanent housing is available.

PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

On November 26, 2007, the Quality of Life & Government Services Council Committee was briefed.

FISCAL INFORMATION

$166,118.00 - Current Funds

<table>
<thead>
<tr>
<th>Council District</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>10</td>
<td>$83,059.00</td>
</tr>
<tr>
<td>14</td>
<td>$83,059.00</td>
</tr>
<tr>
<td>Total</td>
<td>$166,118.00</td>
</tr>
</tbody>
</table>

OWNER

Nortex Modular Space

Sherry Stewart, President
Jim Attrell, Vice President
Joe Smith, Chief Financial Officer
BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF DALLAS:

Section 1. That the City Manager is authorized to execute a lease agreement with Nortex Modular Space (339222) for two modular buildings to be used as Code Compliance district offices at Northeast (8789 Adlora), and Northwest (2502 Shorecrest) for a term of twenty-four months in an amount not to exceed $166,118.00, upon approval as to form by the City Attorney.

Section 2. That the City Controller is authorized to disburse funds from the following appropriations in an amount not to exceed $166,118.00:

<table>
<thead>
<tr>
<th>FUND</th>
<th>DEPT</th>
<th>UNIT</th>
<th>OBJ</th>
<th>AMOUNT</th>
</tr>
</thead>
<tbody>
<tr>
<td>0001</td>
<td>CCS</td>
<td>3617</td>
<td>2310</td>
<td>$166,118.00</td>
</tr>
</tbody>
</table>

Section 3. That this resolution shall take effect immediately from and after its passage in accordance with the provisions of the Charter of the City of Dallas and it is accordingly so resolved.

DISTRIBUTION:

Business Development and Procurement Services, 3FN
Code Compliance
SUBJECT

An ordinance amending Article I of the Dallas Development Code to establish a fee in the amount of $3,825, per application, for municipal utility district applications and annexation, disannexation, and waiver of extraterritorial jurisdiction applications - Financing: No cost consideration to the City

BACKGROUND

In an effort to recover the cost of processing these requests, a fee for municipal utility district applications and annexation, disannexation, and waiver of extraterritorial jurisdiction applications is being proposed. The proposed fee for the city to review and consent to the creation of, or amendment to, a municipal utility district or other district created under Article 16 Section 59 of the Texas Constitution is $3,825.00. The proposed fee for applications relating to annexation, disannexation, boundary adjustment agreements and waiver of extraterritorial jurisdiction is $3,825.00. If an annexation, disannexation, boundary adjustment agreement, or waiver of extraterritorial jurisdiction is initiated by the City of Dallas, no fee is required.

PRIOR ACTION / REVIEW (COUNCIL, BOARDS, COMMISSIONS)

On January 7, 2008, the Economic Development Committee was briefed.

FISCAL INFORMATION

No cost consideration to the City.
An ordinance amending Chapter 51A, "Dallas Development Code: Ord. No. 19455, as amended," of the Dallas Development Code by amending Section 51A-1.105; establishing a fee for special district applications; establishing a fee for annexation, disannexation, boundary adjustment agreements, and waiver of extraterritorial jurisdiction applications; providing a penalty not to exceed $2,000; providing a saving clause; providing a severability clause; and providing an effective date.

WHEREAS, the city council, in accordance with the Charter of the City of Dallas, the state law, and the ordinances of the City of Dallas, have given the required notices regarding this amendment to the Dallas City Code; Now, Therefore,

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF DALLAS:

SECTION 1. That Section 51A-1.105, "Fees," of Article I, "General Provisions," of Chapter 51A, "Dallas Development Code: Ordinance No. 19455, as amended," of the Dallas City Code is amended by adding a new Subsection (v), "Fee for the City's Review and Consent to the Creation of or Amendment to a Municipal Utility District or Any Other District Created Under Article 16 Section 59 of the Texas Constitution," to read as follows:

"(v) Fee for the city's review and consent to the creation of or amendment to a municipal utility district or any other district created under Article 16 Section 59 of the Texas Constitution.

1. The fee shall be paid to the director when the application is filed. An application will not be processed until the fee has been paid.

2. The director shall deposit fees in the official city depository not later than the next business day following receipt of the fees.

3. No refund of a fee may be made.
(4) Fee schedule.

<table>
<thead>
<tr>
<th>Type of Application</th>
<th>Application Fee</th>
</tr>
</thead>
<tbody>
<tr>
<td>City’s review and consent to the creation of or amendment to a municipal utility district or any other district created under Article 16 Section 59 of the Texas Constitution:</td>
<td>$3,825.00</td>
</tr>
</tbody>
</table>


“(w) Fees for annexation, disannexation, boundary adjustment agreements, and waiver of extraterritorial jurisdiction applications,

(1) The fee shall be paid to the director when the application is filed. An application will not be processed until the fee has been paid.

(2) The director shall deposit fees received in the official city depository not later than the next business day following receipt of the fees.

(5) No refund of a fee may be made.

(6) If an annexation, disannexation, boundary adjustment agreement, or waiver of extraterritorial jurisdiction is initiated by the city, no fee is required.

(7) Fee schedule.

<table>
<thead>
<tr>
<th>Type of Application</th>
<th>Application Fee</th>
</tr>
</thead>
<tbody>
<tr>
<td>All applications relating to annexation, disannexation, boundary adjustment agreements, and waiver of extraterritorial jurisdiction:</td>
<td>$3,825.00</td>
</tr>
</tbody>
</table>
SECTION 3. That a person violating a provision of this ordinance, upon conviction, is punishable by a fine not to exceed $2,000.

SECTION 4. That Chapter 51A of the Dallas City Code shall remain in full force and effect, save and except as amended by this ordinance.

SECTION 5. That the terms and provisions of this ordinance are severable and are governed by Section 1-4 of Chapter 1 of the Dallas City Code, as amended.

SECTION 6. That this ordinance shall take effect immediately from and after its passage and publication in accordance with the provisions of the Charter of the City of Dallas, and it is accordingly so ordained.

APPROVED AS TO FORM:

THOMAS P. PERKINS, JR., City Attorney

By. ________________________________
   Assistant City Attorney

Passed ________________________________
SUBJECT

An ordinance establishing residential, commercial and industrial rates for natural gas service to be charged by Atmos Energy Corporation - Financing: No cost consideration to the City

BACKGROUND

Pursuant to the Texas Utilities Code and City Ordinance No. 16240, as amended (granting a franchise to Lone Star Gas Company to provide natural gas service in Dallas), the City of Dallas has original jurisdiction to regulate retail gas distribution rates in the city.

On September 20, 2007, Atmos Energy Corporation (Atmos) (successor to TXU Lone Star Gas Company) filed notice of intent to increase gas rates with the City Manager. Current gas rates were set by the Railroad Commission of Texas (RRC) in June 2007 (RRC Gas Utilities Docket (GUD) No. 9670). That decision was appealed by Atmos and the City to Travis County District Court. Those appeals are still pending. In addition, appeals by both sides from an earlier gas rate case, GUD 9400, also are still pending in Travis County District Court as well.

On October 24, 2007, the City Council by Resolution No. 07-3155 suspended the rates that Atmos requested on September 20, 2007, for 90 days. The City must take final action by January 23, 2008, or the requested rates will go into effect pursuant to the Utilities Code. Diversified Utility Consultants, Inc. (DUCI) was retained by the City to review the rate filing. DUCI has expertise in gas utility regulation and assisted the City in providing testimony in the last two rate cases before the RRC. DUCI is still assisting the City in the various appeals of those prior cases in Travis County District Court.

After thorough review of the latest filing, DUCI identified several issues of concern with the rate request. DUCI suggested numerous adjustments to the rate request to ensure that rates set by the City would be fair and reasonable. DUCI has determined that Atmos has not justified a rate increase and that in fact a rate reduction is warranted.
**BACKGROUND** (Continued)

This Ordinance establishes fair and reasonable rates to be charged by Atmos in accordance with staff’s recommendations.

**PRIOR ACTION/REVIEW (Council, Boards, Commissions)**

Authorized an extension of the decision deadline for Atmos Energy Corporation’s proposed new gas rate schedules for 90 days on October 24, 2007, by Resolution No. 07-3155.

Authorized a professional services contract with Diversified Utility Consultants, Inc. to conduct a review of Atmos Energy Corporation’s filing and make recommendations for fair and reasonable rates on October 24, 2002, by Resolution No. 07-3156.

Briefed to the Finance, Audit & Accountability Committee regarding filing and the consultant's report on January 14, 2008.

**FISCAL INFORMATION**

No cost consideration to the City
ORDINANCE NO. ____________

An ordinance providing for rates for natural gas service to be supplied by Atmos Energy Corp., Mid-Tex Division, a division of Atmos Energy Corporation (successor to TXU Gas, TXU /Lone Star Gas and Lone Star Gas Company, a Division of ENSERCH Corporation) to residential commercial and industrial consumers in the City of Dallas; providing for the manner in which the rates may be changed, adjusted, and amended; providing for a tariff and schedule of rates and service charges; providing for an effective date for billing of the changed tariff, rates and service charges; providing for the repeal of conflicting, prior ordinances; and providing an effective date.

WHEREAS, Atmos Energy Corp., Mid-Tex Division, a division of Atmos Energy Corporation (Successor to TXU Gas, TXU /Lone Star Gas and Lone Star Gas Company, a Division of ENSERCH Corporation), ("Company" herein) provides natural gas service to all classes of customers within the City of Dallas in accordance with the terms and conditions of Ordinance No. 16240, dated May 30, 1979, as extended by Ordinance Nos. 22049 and 22155, and as amended by Ordinance No. 22245, dated October 26, 1994 (collectively, the "Ordinance"); and

WHEREAS, the Ordinance was granted to Lone Star Gas Company, a Division of ENSERCH Corporation, which was acquired by TXU in August 1997, which formed TXU Gas to perform the franchised functions previously performed by Lone Star Gas Company; and
WHEREAS, TXU Gas was acquired by Atmos Energy Corporation in October, 2004; and

WHEREAS, Lone Star Gas Company accepted the Ordinance and the Company in its acquisition is presently operating there under; and

WHEREAS, the Tariff and Schedule of Rates set by the Railroad Commission of Texas in GUD 9670 is presently in effect; and

WHEREAS, on May 31, 2007, pursuant to §104.301 of the Texas Utilities Code, (providing for interim adjustment of gas rates for changes in investment, commonly called GRIP), the Company filed with the City a request to implement an Interim Rate Adjustment (IRA); and

WHEREAS, the City by official action denied the IRA on June 27, 2007; and

WHEREAS, the Company appealed the denial of the IRA to the Railroad Commission of Texas on or about July 11, 2007; and

WHEREAS, the Company implemented the IRA without prior approval of the City, Railroad Commission of Texas or any other lawful authority; and

WHEREAS, on September 20, 2007, Company filed a statement of intent requesting approval to increase its existing Tariff and Schedule of Rates in accordance with the provisions of the Ordinance and Section 104.102 of the Texas Utilities Code.; and

WHEREAS, on October 24, 2007, the city council extended the time for consideration of Company’s proposed Tariff and Schedule of Rates to January 23, 2008; and
WHEREAS, the City Council of the City of Dallas has hired a consultant, Diversified Utility Consultants, Inc., to review Company's Statement of Intent and make recommendations concerning the same; and

WHEREAS, the City Council has: (i) studied the consultant's report and the testimony and the exhibits filed by the parties, (ii) received further comments in open session, and (iii) determined that, subject to the terms and condition contained herein, the existing Tariff and Schedule of Rates should be replaced with a new Tariff and a new Schedule of Rates for natural gas service; and

WHEREAS, the statutory deadline to take action on the requested rates prevents further investigation at this time; Now, Therefore,

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF DALLAS:

SECTION 1. Schedule of Rates - Adopted

The Tariff and Schedule of Rates approved and adopted by the Railroad Commission of Texas in GUD 9670 is hereby repealed and, subject to the terms and conditions set forth herein, the new Tariff and Schedule of Rates, attached hereto as Exhibit A, incorporated by reference herein and made a part hereof as though fully written word for word, including the specified Residential, Commercial and Industrial Rates ("Rates"), are hereby adopted and approved. The Rates include all costs and expenses associated with this rate case. The Company is prohibited from collecting and not authorized to collect any moneys from any customer except as expressly authorized in Exhibit A.
SECTION 2. Effective Date of Rates

The Rates shall have become effective and applicable for billing for natural gas service furnished after the next regular meter reading dates from and after 30 days from the effective date of this ordinance.

SECTION 3. Authority To Regulate - Retained

As to the City, any gas company, or any other person or corporation, nothing herein shall be construed as waiving, modifying, altering, changing, diminishing, or abrogating the several terms, provisions, covenants and conditions of the Ordinance; or in any manner limiting, modifying, or abrogating the right and power of the City Council under the Charter and ordinances of the City of Dallas, the Constitution and laws of the State and of the United States, as those laws now read or may be hereafter changed or amended, to regulate the rates and services by Company within the City of Dallas.

SECTION 4. Franchise Compliance

For so long as the Ordinance remains in effect and in accordance with the Ordinance, Company agrees to obtain prior, written approval from the City Chief Financial Officer, for any change which could possibly affect the independence of Company's Dallas Division, the degree of regulatory supervision by the City, or customer service of the Dallas Division.

SECTION 5. Rate Filing Package

The City Manager is hereby authorized and directed to prepare and maintain complete, detailed and systematic set of requirements for use by Company in any future filings of
applications to change rates. This set of requirements shall be called the "Rate Filing Package," and may include, but is not limited to, such schedules of information as are required by the Commission and the Railroad Commission of Texas, in other public utility ratemaking proceedings. Company is hereafter required to file with the City Controller all schedules and information required by the Rate Filing Package contemporaneously with the filing by Company of any statement of intent to change rates submitted in accordance with Section 104.102 of the Texas Utilities Code. The information contained in the Rate Filing Package, along with the statement of intent to change rates, pre filed direct testimony of witnesses and other information, if any, required to be filed by the City Controller, shall, taken together, constitute Company's application. Failure by Company to file all information required by the Rate Filing Package on the same day as the filing of the statement of intent to change rates shall cause the effective day of such changed rates to be delayed until such filing is complete, subject to such further suspensions as may be provided by law.

SECTION 6. Rate Ordinance Limitations

Nothing in this ordinance shall be construed as establishing any rate which is beyond the authority of the City of Dallas to establish; nor shall anything in this ordinance be construed as prohibiting any customer from entering into a contract for rates that are available to such customers pursuant to Commission regulations or state law. Nothing in this ordinance sets aside any contract in existence at the time of the ordinance's adoption.
SECTION 7. Advertising Expense – Limitations

Advertising expenses may be allowed in the cost of service for ratemaking purposes to the extent permitted by the rules established by the Railroad Commission of Texas ("Commission"), except that the base used for percentage limitations based on revenues or receipts shall be gross revenues derived from utility services, excluding revenues from the sale of gas for electrical generation.

SECTION 8. General Merchandising Expenses – Disallowed

Revenues and expenses related to general merchandising activities, such as the sale of gas appliances, including advertising expenses associated therewith, and revenues and expenses associated with servicing customer-owned equipment, excluding those classes of service normally considered to be integral with the furnishing of modern gas utility service, shall be disallowed in the determination of regulated earnings.

SECTION 9. Club Expense – Disallowed

Expenditures made in support of or for membership in social, recreational, fraternal, service, or religious clubs or organizations shall not be allowed in the cost of service for ratemaking purposes.

SECTION 10. Lobbying Expense – Disallowed

Expenditures made for the purpose of influencing public opinion with respect to legislative, administrative, or electoral matters or controversial issues of public importance shall not be allowed in the cost of service for ratemaking purposes.
SECTION 11. Effective Date

This ordinance shall take effect immediately from and after its passage in accordance with the provisions of the Charter of the City of Dallas, and it is accordingly so ordained.

RECOMMENDED BY:

__________________________________
Chief Financial Officer

APPROVED AS TO FORM:
Tom Perkins, City Attorney

By __________________________________________
Assistant City Attorney

Passed and correctly enrolled
TARIFF FOR GAS SERVICE ATMOS ENERGY CORP., MID-TEX DIVISION
RATE SCHEDULE: Rate R - Residential Sales
APPLICABLE TO: Customers in the City of Dallas

RATE R - RESIDENTIAL SALES

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 Mcf charges to the amounts due under the riders listed below:

<table>
<thead>
<tr>
<th>Charge</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Customer Charge per Bill</td>
<td>$ 10.58 per month</td>
</tr>
<tr>
<td>Commodity Charge – All Mcf</td>
<td>$ 1.2143 per Mcf</td>
</tr>
</tbody>
</table>

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 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.
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.
RATE SCHEDULE: Rate C - Commercial Sales
APPLICABLE TO: Customers in the City of Dallas

RATE C - COMMERCIAL SALES

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 3,000 Mcf.

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 Mcf charges to the amounts due under the riders listed below:

<table>
<thead>
<tr>
<th>Charge</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Customer Charge per Bill</td>
<td>$ 20.08 per month</td>
</tr>
<tr>
<td>Commodity Charge – All Mcf</td>
<td>$ 0.5945 per Mcf</td>
</tr>
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</table>

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 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.

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.
TARIFF FOR GAS SERVICE ATMOS ENERGY CORP., MID-TEX DIVISION

RATE SCHEDULE: Rate I - Industrial Sales

APPLICABLE TO: Customers in the City of Dallas

RATE I - INDUSTRIAL SALES
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:

<table>
<thead>
<tr>
<th>Charge</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Customer Charge per Meter</td>
<td>$ 341.27 per month</td>
</tr>
<tr>
<td>First 0 MMBtu to 1,500 MMBtu</td>
<td>$ 0.2066 per MMBtu</td>
</tr>
<tr>
<td>Next 3,500 MMBtu</td>
<td>$ 0.1507 per MMBtu</td>
</tr>
<tr>
<td>All MMBtu over 5,000 MMBtu</td>
<td>$ 0.0323 per MMBtu</td>
</tr>
</tbody>
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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.

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

Surcharge: 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.

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.

TARIFF FOR GAS SERVICE ATMOS ENERGY CORP., MID-TEX DIVISION

RATE SCHEDULE: Rate T - Transportation
APPLICABLE TO: Customers in the City of Dallas

RATE T - TRANSPORTATION

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:
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<tr>
<th>Charge</th>
<th>Amount</th>
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<tr>
<td>Customer Charge per Meter</td>
<td>$ 341.27 per month</td>
</tr>
<tr>
<td>First 0 MMBtu to 1,500 MMBtu</td>
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<tr>
<td>Next 3,500 MMBtu</td>
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<td>All MMBtu over 5,000 MMBtu</td>
<td>$ 0.0323 per MMBtu</td>
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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.

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.

**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.
RIDER GCR - GAS COST RECOVERY

Pursuant to the Final Order in GUD 9670 Order Date: 03/29/07

Effective: 04/03/07

Application
Applicable to Rate R, Rate C, and Rate I for all gas sales made by Company, and applicable to Rate R, Rate C, Rate I, and Rate T for recovery of Pipeline System costs. The total gas cost recovery amount due is determined by adding the gas cost calculated in Section (a) below and the pipeline cost calculated in Section (b) below.

The amount due for gas cost (Section (a)) is determined by multiplying the Gas Cost Recovery Factor (GCRF) by the Customer's monthly volume. For Customers receiving service under Rate R and Rate C, monthly volume will be calculated on an Mcf basis. For Customers receiving service under Rate I, monthly volume will be calculated on an MMBtu basis and the quantities will be adjusted as necessary to recover actual costs.

The amount due for pipeline cost (Section (b)) is determined by multiplying the Pipeline Cost Factor (PCF) by the Customer's monthly volume. For Customers receiving service under Rate R and Rate C, monthly volume will be calculated on an Mcf basis. For Customers receiving service under Rate I and Rate T, monthly volume will be calculated on an MMBtu basis and the quantities will be adjusted as necessary to recover actual costs.

(a) Gas Cost Method of Calculation
The monthly gas cost adjustment is calculated by the application of a Gas Cost Recovery Factor (GCRF), as determined with the following formula: GCRF = Estimated Gas Cost Factor (EGCF) + Reconciliation Factor (RF) + Taxes (TXS) + Adjustments (ADJ)

EGCF = Estimated cost of gas, including lost and unaccounted for gas attributed to residential, commercial, and industrial sales, and any reconciliation balance of unrecovered gas costs, divided by the estimated total residential, commercial, and industrial sales.

RF = Calculated by dividing the difference between the Actual Gas Cost Incurred, inclusive of interest, over the preceding twelve-month period ended June 30 and the Actual Gas Cost Billed over that same twelve-month period by the estimated total residential, commercial, and industrial sales for the succeeding October through June billing months.

Actual Gas Cost Incurred = The sum of the costs booked in Atmos Energy Corp., Mid-Tex Division account numbers 800 through 813 and 858 of the NARUC Uniform System of Accounts, including the net impact of injecting and withdrawing gas from storage. Also includes a credit or debit for any out-of-period adjustments or unusual or
nonrecurring costs typically considered gas costs and a credit for amounts received as Imbalance Fees or Curtailment Overpull Fees.

Actual Gas Cost Billed = EGCF multiplied by the monthly volumes billed to Residential, Commercial and Industrial Sales customers.

TXS = Any statutorily imposed assessments or taxes applicable to the purchase of gas divided by the estimated total residential, commercial, and industrial sales.
ADJ = Any surcharge or refund ordered by a regulatory authority, inclusive of interest, divided by the estimated total residential, commercial, and industrial sales. Any differences between the amount actually collected under Section (a) of Rider GCR and the amount of Rider GCR plus interest on the remaining monthly total balance will be maintained in the reconciliation balance and included in the EGCF in the calculation of the succeeding Rider GCR amount.

(b) Pipeline Cost Method of Calculation
Each month, a Pipeline Cost Factor (PCF) is calculated separately for each Pipeline Cost Rate Class listed below. The formula for the PCF is:
PCF = PP / S, where:
P = Estimated monthly cost of pipeline service calculated pursuant to Rate CGS
D = Pipeline service allocation factor for the rate class as approved in the Company's most recent rate case, as follows:

Pipeline Cost Rate Class - Allocation Factor (D)
Rate R - Residential Service .627262
Rate C - Commercial Service .297022
Rate I - Industrial Service and Rate T - Transportation Service .075717

A = Adjustment applied in the current month to correct for the difference between the actual and estimated pipeline cost revenue of the second preceding month, calculated by the formula:
A = R - ( C - A2), where:
R = Actual revenue received from the application of the PP component in the second preceding month.
C = Actual pipeline costs for the second preceding month.
A2 = The adjustment (A) applied to the PP component in the second preceding month.
S = Estimated Mcf or MMBtu for the rate class for the current billing month.

The PCF is calculated to the nearest 0.0001 cent. The Pipeline Cost to be billed is determined by multiplying the Mcf or MMBtu used by the appropriate PCF. The Pipeline Cost is determined to the nearest whole cent.
RIDER WNA - WEATHER NORMALIZATION ADJUSTMENT
Pursuant to the Final Order in GUD 9670 Order Date: 03/29/07
Effective: 04/03/07

B1WNA equals the adjusted consumption revenue. This would be added to the customer charge or meter charge as well as the appropriate GCR and Riders to determine the total bill for a customer. These adjustments would apply to the consumption block rates for Rate Schedules R and C during the revenue months of November through April.

\[
B1WNA = \frac{(Q1 - Vb) \times (R1 \times (Hsf) \times (NDD-ADD))}{(Hsf)(ADD)},
\]

WHERE:
- B1WNA = Weather adjusted revenue for the single block rate schedule
- Q1 = Volume in the single block rate schedule for particular billing cycle
- Vb = Baseload volume in the single block rate schedule (Residential: 0-1.5 Mcf, Commercial: 0-20 Mcf)
- R1 = Consumption rate for the single block rate schedule (Residential and Commercial)
- Hsf = Heat sensitive factor for rate schedule - will always be 1.000
- NDD = Heating degree-days for particular billing cycle based on 10 year normal weather at DFW weather station.
- ADD = Actual heating-degree days for particular billing cycle based on weather at DFW weather station.
RIDER SUR - SURCHARGES Rev. 2 - Updating Recovery Factors per Pitner Letter of 10/30/06
Amendment Date: 10/30/06
Effective: 11/01/06

Application
Applicable to customer classes as authorized by the state or any governmental entity, a municipality, or a regulatory authority pursuant to any statute, ordinance, order, rule, contract, or agreement.

Monthly Calculation
Surcharges will be calculated in accordance with the applicable statute, ordinance, order, rule, contract, or agreement.

Pipeline Safety Fee Please see Rate Component PSF Rate Case Expense GUD 9517 - Systemwide Rate Case GUD9400 Rate case expense recovery surcharge of:
Residential 0.0677 per mcf
Commercial 0.0258 per Mcf
Industrial/Transportation 0.0140 per MMBtu
RIDER TAX - TAX ADJUSTMENT Rev. 0 Date:
05/25/04 Effective Date: 05/25/04

Application
Applicable to Customers taking service under Rate R, Rate C, Rate I, Rate T, Rate CGS, and Rate PT, except for exempt State Agency Customers, to the extent of state gross receipts taxes only. Each monthly bill shall be adjusted for state gross receipts taxes imposed by Sections 182-021 - 182-025 of the Texas Tax Code. Each monthly bill shall also be adjusted by an amount equivalent to the amount of all applicable taxes and any other governmental impositions, rentals, fees, or charges (except state, county, city, and special district ad valorem taxes and taxes on net income) levied, assessed, or imposed upon or allocated to Company with respect to the Gas Service provided to Customer by Company, and any associated facilities involved in the performance of such Gas Service. Each monthly bill shall also be adjusted by an amount equivalent to the proportionate part of any increase or decrease of any tax and any other governmental imposition, rental, fee, or charge (except state, county, city, and special district ad valorem taxes and taxes on net income) levied, assessed, or imposed subsequent to the effective date of this tariff, upon or allocated to Company's operations, by any new or amended law, ordinance, or contract.

Abbott 0.00000 Abilene 0.02037 Addison 0.02037 Alba 0.00000 Albany 0.00584 Allen 0.02037 Alma 0.00000 Alvarado 0.01081 Alvord 0.00584 Angus 0.00000 Anna 0.00584 Annona 0.00000 Anson 0.01081 Archer City 0.00584 Argyle 0.00584 Arlington 0.02037 Athens 0.02037 Aubrey 0.00584 Aurora 0.00000 Austin 0.02037 Avery 0.00000 Azle 0.01081 Baird 0.00584 Balch Springs 0.02037 Ballinger 0.01081 Bandera 0.00000 Bangs 0.00584 Bardwell 0.00000 Barry 0.00000 Bartlett 0.00584 Bedford 0.02037 Bellevue 0.00000 Bellmead 0.01081 Bells 0.00000 Belton 0.02037 Benbrook 0.02037 Benjamin 0.00000 Bertram 0.00584 Beverly Hills 0.00584 Blackwell 0.00000 Blanket 0.00000 Blooming Grove 0.00000 Blossom 0.00584 Blue Mound 0.00584 Blue Ridge 0.00000 Blum 0.00000 Bogata 0.00584 Bonham 0.01081 Bowie 0.01081 Boyd 0.00584 Bremond 0.00000 Bridgeport 0.01081 Bronte 0.00584 Brownsboro 0.00000 Brownwood 0.02037 Bruceville- Eddy 0.00584 Bryan 0.02037 Buckholts 0.00000 Buffalo 0.00584 Buffalo Gap 0.00000 Burk Burnett 0.02037 Burleson 0.02037 Burnet 0.01081 Byers 0.00000 Caddo Mills 0.00584 Caldwell 0.01081 Calvert 0.00584 Cameron 0.01081 Campbell 0.00000 Canton 0.01081 Carbon 0.00000 Carrollton 0.02037 Cashion Community 0.00000 Cedar Hill 0.02037 Cedar Park 0.02037 Celeste 0.00000 Celina 0.00584 Centerville 0.00000 Chandler 0.00584 Chapel Hill 0.00000 Chico 0.00000 Childress 0.01081 Chillicothel 0.00000 Cisco 0.01081 Clarksville 0.01081 Cleburne 0.02037 Clifton 0.01081 Clyde 0.01081 Cockrell Hill 0.01081 Coleman 0.01081 College Station 0.02037 Colleyville 0.02037 Collinsville 0.00584 Colorado City 0.01081 Comanche 0.01081 Commerce 0.01081 Como 0.00000 Coolidge 0.00000 Cooper 0.00584 Coppell 0.02037 Copper Canyon 0.00584 Copperas Cove 0.02037 Corinth 0.02037 Corral City 0.00000
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Authorize a contract with McCarthy Building Companies, Inc. for construction manager at risk design phase services for the City Performance Hall - Not to exceed $215,400 - Financing: 2006 Bond Funds

BACKGROUND

In the 2003 Bond Program, the voters of Dallas approved $2,251,018 for the design of the City Performance Hall, addressing the performance space needs of Dallas' many small and medium sized arts groups. The City Performance Hall is one of the five major components, or venues, to be constructed as part of the Dallas Center for the Performing Arts, composed of the Margot and Bill Winspear Opera House, the Charles and Dee Wyly Theater, a Grand Plaza, the Annette Strauss Artists Square, and the City Performance Hall.

On June 9, 2004, Resolution No. 04-1810 authorized a professional services contract with Corgan Associates, Inc. for the programming phase for the City Performance Hall. The programming process involved over 70 arts groups and identified a 124,000 square feet, multi-phase facility that includes a 750-seat, large theater for music and dance, two flexible theaters for theatrical groups, and a full complement of public and support spaces identified by the potential user groups.

On May 10, 2006, Resolution No. 06-1372 authorized Supplemental Agreement No. 1 to the contract with Corgan Associates, Inc. for the schematic design phase services for the full multi-phase facility identified in the programming phase.
BACKGROUND (Continued)

Approval of the 2006 Bond Program provided $38.2 million to complete the design and construct the first phase 41,000 square feet performance space for small and mid-sized organizations in the Arts District. This performance space is a 750-seat, large hall which includes a fly tower over the stage allowing scenery to be lifted out of the audiences view and necessary support spaces to operate the facility.

The first of two bond sales for this project occurred in June 2007, in the amount of $7,412,459. The next sale is currently scheduled for November 2008. The November 2008 sale will provide $30.8 million for the construction contract.

On June 13, 2007, Resolution No. 07-1832 authorized Supplemental Agreement No. 2 to the contract with Corgan Associates, Inc. for the design development, construction documents, bidding and construction administration phases of the contract for the City Performance Hall.

This action will authorize a contract with McCarthy Building Companies, Inc. for construction manager at risk design phase services. The construction manager will join the project design team to perform design services which will include project scheduling, cost estimating, constructibility reviews, value analysis, sustainability reviews, construction sequencing planning and procurement sequencing. The construction manager at risk design phase services will culminate in providing the City with a guaranteed maximum price (GMP) for the construction of the City Performance Hall project. Acceptance of the GMP will require future council action authorizing a contract for construction phase services with the construction manager at risk in the form of a supplemental agreement to this design phase contract.

ESTIMATED SCHEDULE OF PROJECT

<table>
<thead>
<tr>
<th>Event</th>
<th>Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>Began Design</td>
<td>July 2004</td>
</tr>
<tr>
<td>Complete Design</td>
<td>November 2008</td>
</tr>
<tr>
<td>Begin Construction</td>
<td>January 2009</td>
</tr>
<tr>
<td>Complete Construction</td>
<td>January 2011</td>
</tr>
</tbody>
</table>

PRIOR ACTION / REVIEW (COUNCIL, BOARDS, COMMISSIONS)

Briefed the Cultural Affairs Committee on January 17, 2002.

Briefed the Arts, Education & Libraries Committee on January 22, 2002.

Briefed City Council on Office of Cultural Affairs' proposed bond projects on April 15, 2002.

Authorized a professional services contract with Corgan Associates, Inc. on June 9, 2004, by Resolution No. 04-1810.
PRIOR ACTION / REVIEW (COUNCIL, BOARDS, COMMISSIONS) (Continued)

Briefed to the Quality of Life Committee on March 27, 2006.

Authorized Supplemental Agreement No. 1 to the professional services contract with Corgan Associates, Inc. on May 10, 2006, by Resolution No. 06-1372.

Briefed Quality of Life Committee on architectural conceptual design on February 12, 2007.

Authorized Supplemental Agreement No. 2 to the contract with Corgan Associates, Inc. on June 13, 2007, by Resolution No. 07-1832.

Briefed City Council on project status on August 1, 2007.

Briefed to the Quality of Life Committee on January 14, 2008.

FISCAL INFORMATION

2006 Bond Funds - $215,400

<table>
<thead>
<tr>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>$ 2,251,018</td>
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<tr>
<td>$38,235,104</td>
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<tr>
<td>Total Project Cost $40,486,122</td>
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M/WBE INFORMATION

See attached.

ETHNIC COMPOSITION

McCarthy Building Companies, Inc.

<table>
<thead>
<tr>
<th>Ethnicity</th>
<th># Female</th>
<th># Male</th>
</tr>
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<tbody>
<tr>
<td>Hispanic Female</td>
<td>3</td>
<td>287</td>
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<tr>
<td>African-American Female</td>
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<td>Other Female</td>
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<tr>
<td>White Female</td>
<td>15</td>
<td>100</td>
</tr>
</tbody>
</table>
OWNER(S)

McCarthy Building Companies, Inc.

Texas Division

Mike McWay, Division President
Mike Krueger, Senior Vice President - Operations
Chris Peck, Vice President - Business Development
Gary Akin, Vice President - Project Director

Corporate Officers

Mike Boien, CEO
Derek Glanvill, President and COO
George Scherer, CFO

MAP

Attached.
GOOD FAITH EFFORT PLAN SUMMARY

PROJECT: Authorize a contract with McCarthy Building Companies, Inc. for construction manager at risk design phase services for the City Performance Hall in an amount not to exceed $215,400 - Financing:  2006 Bond Funds

McCarthy Building Companies, Inc. is a local, non-minority firm, has signed the "Good Faith Effort" documentation, and proposes to use the following sub-contractors.

PROJECT CATEGORY: Professional Services

LOCAL/NON-LOCAL CONTRACT SUMMARY

<table>
<thead>
<tr>
<th>Contract Type</th>
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<th>Percent</th>
</tr>
</thead>
<tbody>
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<td>Total local contracts</td>
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<td>100.00%</td>
</tr>
<tr>
<td>Total non-local contracts</td>
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<td>0.00%</td>
</tr>
<tr>
<td><strong>TOTAL CONTRACT</strong></td>
<td><strong>$215,400.00</strong></td>
<td><strong>100.00%</strong></td>
</tr>
</tbody>
</table>

LOCAL/NON-LOCAL M/WBE PARTICIPATION

Local Contractors / Sub-Contractors

<table>
<thead>
<tr>
<th>Certification</th>
<th>Amount</th>
<th>Percent</th>
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<tr>
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<tr>
<td>MS Dallas Reprographics</td>
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<tr>
<td><strong>Total Minority - Local</strong></td>
<td><strong>$68,750.00</strong></td>
<td><strong>31.92%</strong></td>
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Non-Local Contractors / Sub-Contractors

None

TOTAL M/WBE CONTRACT PARTICIPATION

<table>
<thead>
<tr>
<th></th>
<th>Local</th>
<th>Percent</th>
<th>Local &amp; Non-Local</th>
<th>Percent</th>
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<tbody>
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<td>20.31%</td>
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<td>$0.00</td>
<td>0.00%</td>
</tr>
<tr>
<td>Asian American</td>
<td>$0.00</td>
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</tr>
<tr>
<td>Native American</td>
<td>$0.00</td>
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<td>$0.00</td>
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<tr>
<td>WBE</td>
<td>$25,000.00</td>
<td>11.61%</td>
<td>$25,000.00</td>
<td>11.61%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$68,750.00</strong></td>
<td><strong>31.92%</strong></td>
<td><strong>$68,750.00</strong></td>
<td><strong>31.92%</strong></td>
</tr>
</tbody>
</table>
WHEREAS, in the 2003 Bond Program, the voters of Dallas approved Proposition No. 5, which approved funding for the design of the City Performance Hall; and,

WHEREAS, on June 9, 2004, Resolution No. 04-1810 authorized a professional services contract with Corgan Associates, Inc. for architectural and engineering services, commencing with the pre-design programming phase of the contract for the design of the City Performance Hall; and,

WHEREAS, on May 10, 2006, Resolution No. 06-1372 authorized Supplemental Agreement No. 1 to the contract with Corgan Associates, Inc. for schematic design master planning services for the Dallas Center for the Performing Arts, City Performance Hall; and,

WHEREAS, in the 2006 Bond Program, the voters of Dallas approved Proposition No. 5, which approved funding to complete the design and construction of the first phase of the City Performance Hall; and,

WHEREAS, on June 13, 2007, Resolution No. 07-1832 authorized Supplemental Agreement No. 2 to the contract with Corgan Associates, Inc. for design development, construction documents, bidding and construction administration services for the Dallas Center for the Performing Arts, City Performance Hall; and,

WHEREAS, a two-step selection process, as provided by Section 271.118, Texas Local Government Code, as amended, was used to select the Construction Manager at Risk for the City Performance Hall; and,

WHEREAS, the selection process concluded that McCarthy Building Companies, Inc. offers the best value to provide Construction Manager at Risk services for this project; and,

WHEREAS, it is desirable to authorize a professional services contract with McCarthy Building Companies, Inc. for construction manager at risk design phase services for the City Performance Hall in an amount not to exceed $215,400.

Now, Therefore,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF DALLAS:

Section 1. That the City Manager is hereby authorized to execute a contract with McCarthy Building Companies, Inc. for construction manager at risk design phase services for the City Performance Hall in an amount not to exceed $215,400, after it has been approved as to form by the City Attorney.
Section 2. That the City Controller is hereby authorized to disburse funds in accordance with the terms and conditions of the contract from:

Cultural Arts Facilities Fund
Fund 6T49, Dept. PBW, Unit T696, Act. CULF
Obj. 4116, Program #PB06T696, CT PBW06T696C1
Vendor #VS0000006905, in an amount not to exceed $215,400

Section 3. That this resolution shall take effect immediately from and after its passage in accordance with the provisions of the Charter of the City of Dallas, and it is accordingly so resolved.

Distribution: Public Works and Transportation, Jean Mitchell, OCMC, Room 101
Public Works and Transportation, Tom Wurtz, OCMC, Room 321
Office of Cultural Affairs
City Attorney
Office of Financial Services
SUBJECT
Authorize an increase in the contract with Big Sky Construction Company, Inc. for revisions to the foundation system due to unforeseen site conditions discovered during construction of the replacement facility for Fire Station No. 42 located at 3333 West Mockingbird Lane - $228,962, from $3,127,000 to $3,355,962 - Financing: 2003 Bond Funds

BACKGROUND
Fire Station No. 42 was constructed in 1957 on a site located on the edge of Dallas Love Field at 3333 West Mockingbird Lane. The citizens approved funding in the 2003 Bond Program for a replacement facility, to be located on the site of the existing station. Bond sales for this project included $1,350,000 sold in November 2004. In November 2005, bonds were sold in the amount of $378,725 and in November 2006, in the amount of $2,615,016 for a total of $4,343,741.

The existing station was demolished prior to the start of the new facility. The Fire Rescue personnel and equipment were relocated during construction to Fire Station No. 21 at 3210 Love Field Drive, on the north side of Love Field. The replacement facility will have two full bays and two half bays, will be approximately 12,000 sq. ft. and will be built for Leadership in Energy and Environmental Design (LEED) Silver Certification.

On June 28, 2006, Resolution No. 06-1788 authorized a contract with PSA Dewberry Inc. to provide architectural services, civil engineering, structural engineering, MEP engineering, landscape architecture, cost estimating, fundamental LEED commissioning, and re-platting as needed for permitting.

On September 12, 2007, Resolution No. 07-2583 authorized a contract with Big Sky Construction Company, Inc. to build the replacement facility in an amount not to exceed $3,127,000.
BACKGROUND (Continued)

This action will authorize Change Order No. 1 to the construction contract with Big Sky Construction Company, Inc. for the construction of the Alternate No. 1, deep straight shaft concrete pier foundation system in the amount of $228,961.77, increasing the contract from $3,127,000 to $3,355,961.77. Differences in rainfall contributed to groundwater level fluctuations when pier drilling began in December 2007, requiring that the shallow belled piers be replaced with a deeper straight pier foundation. The original test borings were taken in December of 2006 and groundwater levels were encountered at depths ranging from 12 to 14 feet below the ground surface. During recent pier drilling operations, groundwater was encountered at depths of 8.5 to 9 feet below the excavated grade, making the shallow belled pier foundation unfeasible. The deep, straight pier foundation has pier depths that vary from 58 feet to 63 feet, compared to the shallow belled pier foundation depths ranging from 8 feet to 11 feet.

ESTIMATED SCHEDULE OF PROJECT

Began Design July 2006
Completed Design May 2007
Began Construction October 2007
Complete Construction November 2008

PRIOR ACTION / REVIEW (COUNCIL, BOARDS, COMMISSIONS)

Authorized a contract for professional services with PSA Dewberry, Inc. to provide design services and preparation of construction documents on June 28, 2006, by Resolution No. 06-1788.

Authorized a construction contract with Big Sky Construction Company, Inc. on September 12, 2007, by Resolution No. 07-2583.

FISCAL INFORMATION

2003 Bond Funds - $228,961.77

Design $ 329,500
Construction 3,127,000
Project Expenses 887,241

Total Project Cost $4,343,741

MWBE INFORMATION

See attached.
ETHNIC COMPOSITION

Big Sky Construction Company, Inc.

<table>
<thead>
<tr>
<th>Ethnicity</th>
<th>Female</th>
<th>Male</th>
</tr>
</thead>
<tbody>
<tr>
<td>Hispanic Female</td>
<td>0</td>
<td>2</td>
</tr>
<tr>
<td>African-American Female</td>
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<tr>
<td>White Female</td>
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</tr>
</tbody>
</table>

OWNER(S)

Big Sky Construction Company, Inc.

Robert C. Long, President
Cathy L. Long, Vice President/Secretary

MAP

Attached.
GOOD FAITH EFFORT PLAN SUMMARY

PROJECT: Authorize an increase in the contract with Big Sky Construction Company, Inc. for revisions to the foundation system due to unforeseen site conditions discovered during construction of the replacement facility for Fire Station No. 42 located at 3333 West Mockingbird Lane - $228,962, from $3,127,000 to $3,355,962 - Financing: 2003 Bond Funds

Big Sky Construction Company, Inc. is a local, non-minority firm, has signed the "Good Faith Effort" documentation, and proposes to use the following sub-contractors.

PROJECT CATEGORY: Construction

LOCAL/NON-LOCAL CONTRACT SUMMARY - THIS ACTION ONLY

<table>
<thead>
<tr>
<th></th>
<th>Amount</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Local contracts</td>
<td>$228,961.77</td>
<td>100.00%</td>
</tr>
<tr>
<td>Non-local contracts</td>
<td>$0.00</td>
<td>0.00%</td>
</tr>
<tr>
<td>TOTAL THIS ACTION</td>
<td>$228,961.77</td>
<td>100.00%</td>
</tr>
</tbody>
</table>

LOCAL/NON-LOCAL M/WBE PARTICIPATION THIS ACTION

Local Contractors / Sub-Contractors

<table>
<thead>
<tr>
<th>Certification</th>
<th>Amount</th>
<th>Percent</th>
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<tr>
<td>ConSys Concrete</td>
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<tr>
<td>Total Minority - Local</td>
<td>$179,890.99</td>
<td>78.57%</td>
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</table>

Non-Local Contractors / Sub-Contractors

None

TOTAL M/WBE PARTICIPATION

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<tr>
<th></th>
<th>This Action</th>
<th>Participation to Date</th>
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</thead>
<tbody>
<tr>
<td></td>
<td>Amount</td>
<td>Percent</td>
</tr>
<tr>
<td>African American</td>
<td>$179,890.99</td>
<td>78.57%</td>
</tr>
<tr>
<td>Hispanic American</td>
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<td>0.00%</td>
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<td>Asian American</td>
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<td>Native American</td>
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<td>0.00%</td>
</tr>
<tr>
<td>WBE</td>
<td>$0.00</td>
<td>0.00%</td>
</tr>
<tr>
<td>Total</td>
<td>$179,890.99</td>
<td>78.57%</td>
</tr>
</tbody>
</table>
WHEREAS, Fire Station No. 42 was constructed in 1957 on a site located at 3333 West Mockingbird Lane in the Love Field area; and,

WHEREAS, the citizens approved funding in the 2003 Bond Program for a replacement facility; and,

WHEREAS, on June 28, 2006, Resolution No. 06-1788 authorized a contract with PSA Dewberry, Inc. to provide architectural services, civil engineering, structural engineering, MEP engineering, landscape architecture, cost estimating, fundamental LEED commissioning, and re-platting as needed for permitting in an amount not to exceed $329,500; and,

WHEREAS, it was determined that the proposal from Big Sky Construction Company, Inc. offered the best value for the City of Dallas; and,

WHEREAS, on September 12, 2007, Resolution No. 07-2583 authorized a contract for the construction of Fire Station No. 42 to be located at 3333 West Mockingbird Lane, with Big Sky Construction Company, Inc., in the amount of $3,127,000; and,

WHEREAS, it is now desirable to authorize Change Order No. 1 to the construction contract with Big Sky Construction Company, Inc. for revisions to the foundation system due to unforeseen site conditions discovered during construction of the replacement facility for Fire Station No. 42 located at 3333 West Mockingbird Lane, in the amount of $228,961.77, increasing the contract from $3,127,000 to $3,355,961.77.

Now, Therefore,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF DALLAS:

Section 1. That the City Manager is hereby authorized to execute Change Order No. 1 to the contract with Big Sky Construction Company, Inc. for revisions to the foundation system due to unforeseen site conditions discovered during construction of the replacement facility for Fire Station No. 42 located at 3333 West Mockingbird Lane in the amount of $228,961.77, increasing the contract from $3,127,000 to $3,355,961.77, after the contract has been approved as to form by the City Attorney.

Section 2. That the City Controller is hereby authorized to disburse funds in accordance with the terms and conditions of the contract from:

Fire Station Facilities Fund
Fund 4R41, Dept. PBW, Unit R943, Act. FIRF, Obj. 4310
Program #PB03R943, CT PBW03R943K1,
Vendor #VS0000016146, in an amount not to exceed $228,961.77
Section 3. That this resolution shall take effect immediately from and after its passage in accordance with the provisions of the Charter of the City of Dallas, and it is accordingly so resolved.

Distribution:  Public Works and Transportation, Jean Mitchell, OCMC, Room 101
Public Works and Transportation, Len Mills, OCMC, Room 321
City Attorney
Fire Rescue
Office of Financial Services
REVISED AGENDA ITEM # 17

KEY FOCUS AREA: Economic Vibrancy

AGENDA DATE: January 23, 2008

COUNCIL DISTRICT(S): 14

DEPARTMENT: Office of Economic Development

CMO: A. C. Gonzalez, 671-8925

MAPSCO: 45 L

SUBJECT

Authorize (1) an amendment to the Lease with Post Apartment Homes, L.P. to accelerate the reversion of the Wilson Building to Post Properties from December 31, 2012 to January 23, 2008, thereby terminating the Lease, (2) execution of deed restrictions and a separate agreement with Post-Amerus Wilson Building, L.P., to secure compliance with project contingencies, including affordable housing, and (3) acceptance of a termination fee equal to the cost of accelerated lease payments – Financing: No cost consideration to the City

BACKGROUND

On June 10, 1998, the City Council authorized a sale and lease-back agreement with Post Properties for the acquisition and lease of the historic Wilson Building located at 1623 Main Street in the City Center TIF District. The Agreement of Sale, executed on August 31, 1998, specified leasehold improvements and a lease term beginning on the date of execution of the lease and ending on December 31, 2012. The City’s purchase price, advanced by Post Properties, was $3,400,000 plus interest, as TIF increment became available. The Lease authorized the reversion of the Wilson Building to Post Apartment Homes, L.P. upon compliance with all terms and conditions of the Lease and expiration of the City Center TIF District (December 31, 2012).

The terms and conditions required for reversion of the property to Post Apartment Homes, L.P. include the following:
- Certificate of Occupancy on or before December 31, 2000 (including 135 apartment units, 10,000 square feet of retail space and 145 parking spaces);
- Investment of $16,000,000 in leasehold improvements;
- Maintenance of the building as a historic structure, eligible for listing in the National Register of Historic Places;
- Compliance with the ten percent affordable set-aside requirement (14 units);
- Lien-free property;
- Annual Lease payments of $1,000 annually plus interest if paid late; and
- Taxes paid each year must exceed $255,493.
BACKGROUND (continued)

Verification of each of the project contingencies has been validated or, in some instances, penalties as described in the Lease have been applied.

The early reversion and subsequent termination of the Lease will require expedited lease payments as a termination fee as well as deed restrictions and a separate agreement with Post-Amerus Wilson Building, L.P. to ensure continued compliance of the ten percent affordable housing set-aside requirement (14 units), the maintenance of the historic property, and minimum tax payments until December 31, 2012.

PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

On June 26, 1996, the City Council authorized the establishment of Tax Increment Financing Reinvestment Zone Five (City Center TIF District) in accordance with the Tax Increment Financing Act (V.T.C.A. Tax Code, Chapter 311, hereafter the “Act”) to promote development and redevelopment in the downtown area through use of tax increment financing by Ordinance No. 22802, as amended.

On February 12, 1997, the City Council authorized the Project Plan and Reinvestment Zone Financing Plan for the City Center TIF District by Ordinance No. 23034, as amended.

On June 10, 1998, the City Council authorized a sale and lease-back agreement with Post Properties for the acquisition and lease of the historic Wilson Building located at 1623 Main Street in the City Center TIF District and established appropriations for the advance of $3,400,000 from Post Properties to be reimbursed with interest from the City Center Tax Increment Financing Fund by Resolution No. 98-1751.

On January 17, 2008, the City Center TIF District Board of Directors reviewed and approved the amendments to the Lease with Post Apartment Homes, L.P.

FISCAL INFORMATION

No cost consideration to the City

OWNER

Post Properties

Post Apartment Homes, L.P.

David C. Ward
Executive Vice President

David C. Ward
Executive Vice President

MAP

Attached.
WHEREAS, the City recognizes the importance of its role in local economic development; and

WHEREAS, on June 26, 1996, the City Council authorized the establishment of Tax Increment Financing Reinvestment Zone Five (City Center TIF District) in accordance with the Tax Increment Financing Act, as amended (V.T.C.A. Tax Code, Chapter 311, hereafter the “Act”) to promote development and redevelopment in the City Center area through the use of tax increment financing as amended by Ordinance No. 22802; and

WHEREAS, on February 12, 1997, the City Council authorized the City Center TIF District Project Plan and Reinvestment Zone Financing Plan for the City Center TIF District by Ordinance No. 23034, as amended; and

WHEREAS, on June 10, 1998, the City Council authorized a sale and lease-back agreement with Post Properties for the acquisition and lease of the historic Wilson Building located at 1623 Main Street in the City Center TIF District and established appropriations for the advance of $3,400,000 from Post Properties to be reimbursed with interest from the City Center Tax Increment Financing Fund by Resolution No. 98-1751; and

WHEREAS, on January 17, 2008, the City Center TIF District Board of Directors reviewed and approved the amendments to the Lease with Post Apartment Homes, L.P.; and

WHEREAS, The City Center TIF District Project Plan and Reinvestment Zone Financing Plan was created to provide public infrastructure improvements which encourage a vital downtown and by increasing the amount street level activity in the district.

NOW, THEREFORE,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF DALLAS:

Section 1. That the City Manager, upon approval as to form by the City Attorney is hereby authorized to (1) execute an amendment to the Lease with Post Apartment Homes, L.P. to accelerate the reversion of the Wilson Building to Post Properties from December 31, 2012 to January 23, 2008, thereby terminating the Lease, (2) execute and record deed restrictions and a separate agreement with Post-Amerus Wilson Building, L.P., in consideration for accelerating the reversion and terminating the Lease and to secure compliance with project contingencies, including affordable housing, and (3) accept accelerated lease payments as the termination fee.
Section 2. That this resolution shall take effect immediately from and after its passage in accordance with the Charter of the City of Dallas, and it is accordingly so resolved.

Distribution: Office of Economic Development, Tenna Kirk – 5CS
Office of Economic Development, Dorcy Clark, 2CS
City Attorney's Office - Barbara Martinez
AGENDA ITEM # 18

KEY FOCUS AREA: Economic Vibrancy
AGENDA DATE: January 23, 2008
COUNCIL DISTRICT(S): 7
DEPARTMENT: Housing
CMO: A. C. Gonzalez, 671-8925
MAPSCO: 47N

SUBJECT
Authorize a 0% interest loan in the amount of $291,500 to South Dallas/Fair Park Innercity Community Development Corporation for the acquisition of unimproved properties within the Frazier Neighborhood Investment Program area to support residential development – Not to exceed $291,500 - Financing: 2004-05 HOME Funds ($282,000); 2006-07 HOME Funds ($9,500)

BACKGROUND
In 2004, the Dallas Housing Authority was awarded $20.0 M in HOPE VI funding from HUD and worked with Antonio DiMambo to create a masterplan for the Frazier Courts neighborhood that would guide the implementation of several development components. The Frazier Courts neighborhood development will consist of 234 new public housing units, 76 new townhouses and a new 51 single-family home Frazier Courts Homeownership Project development. The redevelopment of the Frazier Courts Public Housing Community will provide an impetus for spin-off development by catalyst projects within the Frazier Courts neighborhood.

On August 28, 2006, a partnership formed by South Dallas/Fair Park Innercity Community Development Corporation (CDC), Dallas Alliance for Habitat, both City of Dallas Community Housing Development Organizations (CHDO), with Townhaven Companies, LLC, submitted a development proposal to the City requesting funding for the Frazier Courts Homeownership Project.

The proposal requested infrastructure bond funds to prepare a 6.293 acre site in the Frazier Neighborhood Investment Program area for 51 single family homes. The property was purchased from the Dallas Housing Authority by Townhaven Companies, LLC, for this development. On October 3, 2006, the Economic Development and Housing Committee was briefed on this project and other Frazier Neighborhood Initiatives.
BACKGROUND (continued)

The City Council is being asked to approve making a 0% interest loan to South Dallas/Fair Park Innercity CDC in the amount of $291,500 to be used to fund the acquisition of eleven (11) lots in the Frazier Neighborhood Investment Program area from Townhaven Companies, LLC. Townhaven Companies, LLC will develop the infrastructure for the lots, and South Dallas/Fair Park Innercity CDC will construct single family homes on the lots for sale to low-income families.

The initial proposal also requested acquisition funds for South Dallas/Fair Park Innercity CDC to purchase eleven (11) developed lots from Townhaven Companies, LLC. South Dallas/Fair Park Innercity CDC will construct eleven (11) single family homes while Dallas Alliance for Habitat constructs forty (40) single family homes. Additional assistance will be provided from the Community Housing Development Organization (CHDO) Program and Mortgage Assistance Program.

PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

On June 2, 2004, the City Council was briefed on the FY2004-05 Consolidated Plan Budget for the U.S. Department of Housing and Urban Development (HUD).

On June 23, 2004, a public hearing was held to receive comments on the proposed use of funds by Resolution No. 04-2128.

On June 9, 2004, the City Council approved the preliminary FY2004-05 Consolidated Plan Budget for HUD and proposed FY2003-04 Reprogramming Budget by Resolution No. 04-1865.

On August 11, 2004, the City Council adopted the final FY2004-05 Consolidated Plan Budget for HUD and final FY2003-04 Reprogramming Budget, by Resolution No. 04-2308.

On February 22, 2006, the City Council authorized the use of $1,000,000 of available FY03 Single-Family Bond Infrastructure and carry-forward proceeds and also authorized the Public Works Department to provide infrastructure development with the remaining $1,195,614 for eligible Neighborhood Investment Program (NIP) census tracts, by Resolution No. 06-0631.

On October 3, 2006, the Economic Development and Housing Committee was briefed on current development initiatives in the Frazier Courts neighborhood, including the proposed use of the 2003 General Obligation Bond proceeds in the NIP for Single-Family Infrastructure development to support a single-family subdivision within the Frazier Courts Neighborhood.
PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS) (continued)

On October 25, 2006, the City Council authorized the use of $265,000 of available FY03 Single-Family Bond Infrastructure and carry-forward proceeds to support a single-family subdivision within the Frazier Courts Neighborhood, by Resolution No. 06-2967.

FISCAL INFORMATION

2004-05 HOME Funds - $282,000
2006-07 HOME Funds - $9,500

OWNERS

South Dallas/Fair Park Innercity Community Development Corporation

Diane Ragsdale, Executive Director

MAP

Attached
1 : Frazier Court Single Family Development
WHEREAS, on August 11, 2004, the City Council approved the FY2004-05 Consolidated Plan Budget for the U.S. Department of Housing and Urban Development Grant Funds in the amount of $41,372,781 and final FY2003-04 Reprogramming Budget in the amount of $779,018 included $282,000 for DHA Frazier Court Hope VI Project and $550,000 for Mortgage Assistance; and

WHEREAS, on February 22, 2006, the City Council authorized the use of $1,000,000 of available Bond and proceeds and also authorized the Public Works Department to provide infrastructure development with the remaining $1,195,614 for eligible Neighborhood Investment Program (NIP) census tracts; 25.00, 27.01, 27.02, 39.02, 101.01, 101.02, and 115.00 for the provision of additional street infrastructure improvements to include resurfacing/reconstruction and sidewalk improvements; and

WHEREAS, on August 28, 2006, South Dallas/Fair Park Innercity Community Development Corporation (ICDC) and Dallas Neighborhood Alliance for Habitat submitted a proposal requesting $265,000 in Bond financing to support infrastructure improvements and $291,500 for the acquisition of improved properties in the Frazier Neighborhood Investment Program (NIP) area for the development of single-family homes; and

WHEREAS, on October 3, 2006, the Economic Development and Housing Committee was briefed on current development initiatives in the Frazier Courts neighborhood, including the proposed use of the 2003 General Obligation Bond proceeds in the NIP for Single-Family Infrastructure development to support a single-family subdivision within the Frazier Courts Neighborhood; and

WHEREAS, on October 25, 2006, the Dallas City Council authorized the use of $265,000 of available Bond and proceeds for the Frazier Courts Homeownership Project with Townhaven Companies, LLC to support infrastructure improvements; and

WHEREAS, the City Council desires to authorize a 0% interest loan to ICDC in the amount of $291,500 in HOME Funds: NOW, THEREFORE,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF DALLAS:

Section 1. That the City Manager or designee, upon approval as to form by the City Attorney, is hereby authorized to execute a 0% interest loan to South Dallas/Fair Park Innercity Community Development Corporation for the acquisition of unimproved properties within the Frazier NIP area to support residential development.
Section 1. That the City Manager, upon approval as to form by the City Attorney, is hereby authorized to execute loan documents with South Dallas/Fair Park Innercity Community Development Corporation ("Borrower") to fund Borrower’s acquisition of real property within the Frazier NIP area for development of eleven single family homes for sale to low-income families. The loan terms include:

(a) The Borrower’s note is $291,500.00 interest free with a four year maturity; Borrower must complete and sell eleven homes to low-income families by the maturity date or be in default.

(b) Prior to the maturity date, Borrower will be released from $26,500 (1/11 of $291,500) liability on the Note at the same time the low-income family closes the purchase of the home and executes an assumption of the $26,500.00 pro-rata portion of the Note. The purchaser’s assumed loan will be interest free with a 10 year additional term; provided, however, the City will release pro-rata 1/10th of the loan amount each year on the anniversary date of the homebuyer’s assumption of the loan, if no default exists. Upon default, the sale or transfer of the property, or if the homebuyer no longer occupies the property as their principal place of residence, the remaining unamortized balance of the loan is due and payable in full.

(c) Borrower will execute a Deed of Trust and ten year Deed Restrictions on the lots.

Section 2. That the City Manager, upon approval as to form by the City Attorney, is authorized to execute a subordination of lien to a first lienholder who is providing construction or homebuyer mortgage loans on the property.

Section 3. That the City Manager, upon approval as to form by the City Attorney, is authorized to execute releases of liens and terminate the deed restrictions on the eleven lots upon compliance with the loan terms.

Section 24. That the Controller is hereby authorized to encumber and disburse funds in accordance with the terms and conditions of the contracts as follows:

South Dallas/Fair Park Inner City Development Corporation Vendor # 266539

CT HOU2669C002

Fund HMA4, Dept HOU, Unit 2669, Obj 3099, in an amount not to exceed $282,000

Fund HM06, Dept. HOU, Unit 3977, Obj 3099, in an amount not to exceed $9,500
Section 5. That nothing in this resolution shall be construed as a binding contract or agreement upon the City, that it is subject to available federal funding, and there will be no liability or obligation on the City until final loan documents are approved, executed and final closing completed.

Section 3. That this resolution shall take effect immediately from and after its passage in accordance with the Charter of the City of Dallas, and it is accordingly so resolved.

DISTRIBUTION:

Housing Department
City Attorney’s Office
Office of Financial Services/Community Development, 4FS
REVISED AGENDA ITEM # 35

KEY FOCUS AREA: Economic Vibrancy

AGENDA DATE: January 23, 2008

COUNCIL DISTRICT(S): 1, 2, 4, 5, 6, 7

DEPARTMENT: Sanitation Services

CMO: Ramon F. Miguez, P.E., 670-3308

MAPSCO: 33V 47S 47T 47W 47X 52F 54M 55T 65P 65Q 65T

SUBJECT

Authorize an economic development grant agreement with Keep Dallas Beautiful Inc., for services to promote economic development and revitalization in six neighborhoods within the southern sector of Dallas pursuant to Chapter 380 of the Texas Local Government Code - Not to exceed $435,000 - Financing: Current Funds

BACKGROUND

Keep Dallas Beautiful, Inc. is a 501(c) (3) non-profit environmental education organization and an affiliate of Keep Texas Beautiful and Keep America Beautiful. KDB was established in 2004 and has a mission “to empower the citizens of Dallas, through education, to take individual responsibility for enhancing their community environment”. KDB has worked in partnership with the private sector, governmental agencies and non-profit organizations at the grassroots level to provide educational resources for the reduction of litter, youth education, community improvement and beautification, solid waste management, as well as recycling efforts.

In the spring of 2007, KDB presented its “Pride in Your Neighborhood Program” to the City. This program was designed to enhance neighborhoods’ aesthetics by reducing litter, eliminating graffiti and illegal dumping. Its focus is on enforcement, education, cleanup and beautification projects that enlist the ongoing participation of local area residents, businesses and civic groups in the vicinity of the targeted neighborhoods, which will result in community revitalization, increased property values, as well as economic development.

In conjunction with various City departments (Sanitation Services, Code Compliance and Strategic Customer Services), KDB identified six (6) neighborhoods in the City of Dallas well suited to the “Pride” program. Prior to the final selection process, approximately fifteen (15) neighborhoods were evaluated using well established, national criteria that have already been successfully tested in the cities of Houston, Savannah and Indianapolis.
**BACKGROUND** (Continued)

Based on observations and review of documentation, Keep Dallas Beautiful recommended the following six (6) neighborhoods as participants in the “Pride in Your Neighborhood” Pilot Program:

- Arcadia Park (combined with Beverly Hills)
- Arlington Park
- Cedar Oaks
- Dixon Circle
- Fordham Road
- Singing Hills

KDB will have overall administrative duties and will be solely responsible for organizing, managing, recruiting and training community leaders/stakeholders participating in this program.

Per Chapter 380 of the Texas Local Government Code, the governing body of a municipality may establish and provide for the administration of one or more programs, including programs for making grants of public money and providing personnel and services of the municipality, to promote state and local economic development and to stimulate business and commercial activity in the municipality.

**ESTIMATED SCHEDULE OF PROJECT**

- Begin Pilot Program January 2008
- Complete Pilot Program March 2009

**PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)**

Briefed City Council on FY07-08 Budget on August 27, 2007, which included $435,000 for the “Pride in Your Neighborhoods Program”.

Briefed to the Quality of Life Council Committee on “Pride in Your Neighborhoods Program” on December 10, 2007.
FISCAL INFORMATION

$435,000 - Current Funds

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Total $435,000

OWNER(S)

Keep America Beautiful

G. Raymond Empson, President
WHEREAS, Keep Dallas Beautiful, Inc., (KDB) is a 501(c) (3) non-profit environmental organization, using educational means to enhance community environment; and

WHEREAS, Keep Dallas Beautiful, Inc., was designed to enhance neighborhoods’ aesthetics by reducing litter, eliminating graffiti and illegal dumping; and

WHEREAS, the Dallas City Council has allocated the necessary funds as part of the FY 2007 - 2008 adopted budget to implement the “Pride in Your Neighborhood” Pilot Program in six neighborhoods, and

WHEREAS, the City of Dallas herein has the opportunity to assist in offering funds to KDB in support of the “Pride in Your Neighborhood” Pilot Program, encouraging economic and commercial activity while improving property values in the southern sector;

NOW, THEREFORE,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF DALLAS:

Section 1. That the City Manager is hereby authorized to execute an economic development grant agreement with Keep Dallas Beautiful, Inc., for services to promote economic development and revitalization in six neighborhoods within the southern sector of Dallas pursuant to Chapter 380 of the Local Government Code.

Section 2. That the economic development grant agreement be for a period of fifteen months beginning in January 2008 and concluding on the last day March 2009.

Section 3. That the City Controller or designee be and is hereby authorized to set aside and disburse funds accordingly:

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<th>UNIT</th>
<th>OBJECT</th>
<th>ENCUMBRANCE</th>
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$435,000

Section 4. That this resolution shall take effect immediately from and after its passage in accordance with the provisions of the Charter of the City of Dallas, and it is accordingly so resolved.

DISTRIBUTION:

Office of Financial Services, 4FN
Department of Sanitation Services