# CITY OF TEXARKANA

## CITY COUNCIL

## MINUTES ● JANUARY 10, 2022

**Council Chambers** | **Regular Meeting** | **6:00 PM**

**220 TEXAS BLVD., TEXARKANA, TX 75501**

## I. CALL TO ORDER, ROLL CALL, ESTABLISHMENT OF QUORUM

| Attendee Name | Title | Status | Arrived |
|---|---|---|---|
| Bob Bruggeman | Mayor | Present | |
| Jean H. Matlock | Ward 1 | Present | |
| Mary Hart | Ward 2 | Present | |
| Betty Williams | Ward 3 | Present | |
| Christie Page | Ward 4 | Present | |
| Bill Harp | Ward 5 | Present | |
| Jay Davis | Ward 6 | Present | |

City Staff: City Manager David Orr, Jennifer Evans, Kristin Peeples, Dusty Henslee, Keith Beason, Lisa Thompson, Karey Parker, Eric Schlotter, Vashil Fernandez, Megan Price, Jennifer Strayhorn, and J.W. Bramlett.

Legal Counsel: Jeff Lewis.

## II. INVOCATION AND PLEDGE LED BY COUNCIL MEMBER BILL HARP

## III. MAYOR'S REMARKS AND ITEMS OF COMMUNITY INTEREST

**Upcoming City Council Meetings:**

Monday, January 24, 2022 at 6:00 p.m.
Monday, February 14, 2022 at 6:00 p.m.
Monday, February 28, 2022 at 6:00 p.m.

The annual Chamber of Commerce banquet, scheduled for Friday, January 21st, has been postponed due to COVID-19.

Congratulations were given to Council Member Matlock and Council Member Page who celebrated their birthdays on January 5th and January 7th, respectively.

## IV. OPEN FORUM: COMMENTS FROM THE PUBLIC

Per Council rules, comment time is limited to five minutes, or ten minutes if using a translator. Before comments are made, a speaker must complete an information sheet and give to the City Secretary. If your

comment pertains to an agenda item with a scheduled public hearing or public comment, the Council requires that you make your comment at that time; you do not need to complete an information sheet.

There were no public comments made at Open Forum.

## V. APPOINTMENTS TO BOARDS, COMMISSIONS, AND COMMITTEES

There were no appointments made to any board, commission, or committee.

## VI. ITEMS FOR CONSIDERATION

### *Consent Items*

(6:06 p.m.)

| | |
|---|---|
| **RESULT:** | **ADOPTED [UNANIMOUS]** |
| **MOVER:** | Mary Hart, Ward 2 |
| **SECONDER:** | Jean H. Matlock, Ward 1 |
| **AYES:** | Matlock, Hart, Williams, Page, Harp, Davis |
| **EXCUSED:** | Bruggeman |

1. Consider approval of the minutes of the Regular Meeting of the City Council held on December 13, 2021 at 6:00 PM.

### *Action Items*

2. Resolution No. 2021-112 approving a redistricting services contract based on the 2020 U.S. Census.

   Public Hearing:
   Council Vote: January 10, 2022

(6:07 p.m.)

| | |
|---|---|
| **RESULT:** | **ADOPTED [UNANIMOUS]** |
| **MOVER:** | Jay Davis, Ward 6 |
| **SECONDER:** | Christie Page, Ward 4 |
| **AYES:** | Matlock, Hart, Williams, Page, Harp, Davis |
| **EXCUSED:** | Bruggeman |

3. Resolution No. 2021-116 adopting evaluative factors and administrative procedures for low income housing tax credits resolution requests; containing a fact finding that the City has more than twice the state average of units per capita supported by housing tax credits or private activity bonds.

Public Hearing:
Council Vote: January 10, 2022

(6:08 p.m.)

| | |
|---|---|
| **RESULT:** | **ADOPTED [UNANIMOUS]** |
| **MOVER:** | Mary Hart, Ward 2 |
| **SECONDER:** | Bill Harp, Ward 5 |
| **AYES:** | Matlock, Hart, Williams, Page, Harp, Davis |
| **EXCUSED:** | Bruggeman |

4. Resolution No. 2021-119 authorizing the City Manager to amend the contract for exclusive ambulance service with Lifenet, Inc.

Public Hearing:
Council Vote: January 10, 2022

Eric Schlotter had one update stating the rate sheet was added to the contract.
(6:09 p.m.)

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|---|---|
| **RESULT:** | **ADOPTED [UNANIMOUS]** |
| **MOVER:** | Bill Harp, Ward 5 |
| **SECONDER:** | Jay Davis, Ward 6 |
| **AYES:** | Matlock, Hart, Williams, Page, Harp, Davis |
| **EXCUSED:** | Bruggeman |

## VII. FIRST BRIEFINGS

1. Ordinance No. 2022-001 amending PD-21-2 (O) for site plan approval an approximate 0.96-acre tract of land (being 336A/336C) in the George Brinlee HRS, A-18, located at 5302 North Kings Highway from Single Family-1 to Planned Development-Office. Shane Satterfield, owner.

Public Hearing: January 24, 2022
Council Vote: January 24, 2022

City Manager Orr briefed this agenda item.

| | | |
|---|---|---|
| **RESULT:** | **MOVED FORWARD** | **Next: 1/24/2022 6:00 PM** |

2. Resolution No. 2022-002 recognizing New Town Neighborhood Association as an official neighborhood association.

Public Hearing: January 24, 2022
Council Vote: January 24, 2022

Megan Price briefed this agenda item. Steve Matlock offered additional comments.

| | | |
|---|---|---|
| **RESULT:** | **MOVED FORWARD** | **Next: 1/24/2022 6:00 PM** |

3. Ordinance No. 2022-003 of public convenience and necessity, approving the assignment and transfer of a public utility franchise to Summit Utilities Arkansas, Inc., assignee of CenterPoint Energy Resources Corp., for the continued provision of and to maintain and operate a natural gas utility business system in the City. [City Charter requires this ordinance to be read at three regular meetings of the City Council.]

   Public Hearing: January 24, 2022
   Council Vote: February 14, 2022

   Jeff Lewis briefed this agenda item. Council Member Matlock made a motion for the **first reading** of the agenda caption. Council Member Harp seconded the motion. The vote was unanimous, six (6) to zero (0).
   (6:21 p.m.)

| | | |
|---|---|---|
| **RESULT:** | **FIRST READING - MOVED FORWARD** | **Next: 1/24/2022 6:00 PM** |

4. Ordinance No. 2022-004 amending Ordinance No. 2017-083, substituting Summit Utilities Arkansas, Inc., as the natural gas provider and franchise holder for the City, reauthorizing identical residential and commercial rate schedules previously authorized with exceptions, and ordering the rates to be charged by Summit for natural gas and natural gas service to the City's residential and commercial customers.

   Public Hearing: January 24, 2022
   Council Vote: February 14, 2022

   Jeff Lewis briefed this agenda item.

| | | |
|---|---|---|
| **RESULT:** | **MOVED FORWARD** | **Next: 1/24/2022 6:00 PM** |

## VIII. PUBLIC HEARINGS

1. Ordinance No. 2021-107 rezoning an approximate 1.89-acre tract of land (being Tract 139) in the J. W. Johnson HRS, A-308, located at the southwest corner of Jameson Street and Texarkana Avenue from Single Family-2 to Single Family-3. Anthony Lockhart and Latremont McCutchin, owners and John Lane, Agent.

   Public Hearing: January 10, 2022
   Council Vote: January 10, 2022

   There were no public comments made at this hearing.
   (6:28 p.m.)

| | |
|---|---|
| **RESULT:** | **ADOPTED [UNANIMOUS]** |
| **MOVER:** | Mary Hart, Ward 2 |
| **SECONDER:** | Bill Harp, Ward 5 |
| **AYES:** | Matlock, Hart, Williams, Page, Harp, Davis |
| **EXCUSED:** | Bruggeman |

2. Ordinance No. 2021-108 granting a Specific Use Permit to allow the location of a double-wide HUD code manufactured home as a residence on a 1.89-acre tract of land (being Tract 139) in the J.W. Johnson HRS, A-308, located at the southwest corner of Jameson Street and Texarkana Avenue. Anthony Lockhart and Latremont McCutchin, owners, and John Lane agent.

   Public Hearing: January 10, 2022
   Council Vote: January 10, 2022

   There were no public comments made at this hearing.
   (6:30 p.m.)

| | |
|---|---|
| **RESULT:** | **ADOPTED [UNANIMOUS]** |
| **MOVER:** | Mary Hart, Ward 2 |
| **SECONDER:** | Christie Page, Ward 4 |
| **AYES:** | Matlock, Hart, Williams, Page, Harp, Davis |
| **EXCUSED:** | Bruggeman |

3. Ordinance No. 2021-109 rezoning Lots 1, 2, and west part of 3, Block 13, Richmond Pines 3rd Addition, located north of the residence at 3202 Robin Lane from Single Family-1 to Planned Development-Townhouse. Jason Nguyen, owner and Brandon Taylor, 2B Builders, agent.

   Public Hearing: January 10, 2022
   Council Vote: January 10, 2022

   There were no public comments made at this hearing.
   (6:31 p.m.)

| | |
|---|---|
| **RESULT:** | **ADOPTED [UNANIMOUS]** |
| **MOVER:** | Jay Davis, Ward 6 |
| **SECONDER:** | Bill Harp, Ward 5 |
| **AYES:** | Matlock, Hart, Williams, Page, Harp, Davis |
| **EXCUSED:** | Bruggeman |

4. Ordinance No. 2021-110 approving an amendment to PD-21-3(TH) for site plan on Lots 1, 2, and west part of 3, Block 13, Richmond Pines 3rd Addition, located north of the residence at 3202 Robin Lane. Jason Nguyen, owner and Brandon Taylor, 2B Builders, agent.

Public Hearing: January 10, 2022
Council Vote: January 10, 2022

There were no public comments made at this hearing.
(6:32 p.m.)

| | |
|---|---|
| **RESULT:** | **ADOPTED [UNANIMOUS]** |
| **MOVER:** | Betty Williams, Ward 3 |
| **SECONDER:** | Mary Hart, Ward 2 |
| **AYES:** | Matlock, Hart, Williams, Page, Harp, Davis |
| **EXCUSED:** | Bruggeman |

5. Ordinance No. 2021-111 approving an amendment to PD-01-8 (MF-1) for site plan approval on Lot 1, 2, and 3, Block 2, Brookwood Acres Addition, located in the 500 block of Belt Road. Jason Nguyen, owner, and Brandon Taylor, 2B Builders, agent.

Public Hearing: January 10, 2022
Council Vote: January 10, 2022

There were no public comments made at this hearing.
(6:34 p.m.)

| | |
|---|---|
| **RESULT:** | **ADOPTED [UNANIMOUS]** |
| **MOVER:** | Christie Page, Ward 4 |
| **SECONDER:** | Bill Harp, Ward 5 |
| **AYES:** | Matlock, Hart, Williams, Page, Harp, Davis |
| **EXCUSED:** | Bruggeman |

6. Ordinance No. 2021-117 closing and abandoning an unopened twenty-five foot (25') street right-of-way of Bradley Street located north of Pacific Avenue, south of Greenview Drive, and east of Lots 49 and 57 in the Belmont Addition.

Public Hearing: January 10, 2022
Council Vote: January 10, 2022

There were no public comments made at this hearing.
(6:35 p.m.)

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|---|---|
| **RESULT:** | **ADOPTED [UNANIMOUS]** |
| **MOVER:** | Mary Hart, Ward 2 |
| **SECONDER:** | Betty Williams, Ward 3 |
| **AYES:** | Matlock, Hart, Williams, Page, Harp, Davis |
| **EXCUSED:** | Bruggeman |

7. Resolution No. 2021-118 authorizing the City Manager to enter into a Chapter 380 economic development agreement with WinCo Foods.

Public Hearing: January 10, 2022
Council Vote: January 10, 2022

Edward Gall spoke in opposition to this proposed resolution during the hearing.
(6:40 p.m.)

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|---|---|
| **RESULT:** | **ADOPTED [UNANIMOUS]** |
| **MOVER:** | Mary Hart, Ward 2 |
| **SECONDER:** | Bill Harp, Ward 5 |
| **AYES:** | Matlock, Hart, Williams, Page, Harp, Davis |
| **EXCUSED:** | Bruggeman |

## IX. ITEMS FOR DISCUSSION

City Manager's Report

**Sales Tax Update for December 2021**
Sales tax collections for December totaled $1,598,955.80, an increase of $279,476.70 (21.18%) over the prior year. Fiscal year to date collections are $4,929,020.99, up 13.25% compared to last year, while the twelve-month moving average is 16.57% higher than this time last year.

The city received a report from Zac Tax, a service used to analyze sales tax and property tax collections that includes a regional Northeast Texas comparison of cities. Interestingly, Texarkana outperformed its peer cities in year over year sales tax growth for 2021 by 16.57% for the year when compared to Tyler 15.75%, Longview 15.36%, Lufkin 14.71%, and Nacogdoches 8.68%.

**It’s important to note these current sales tax numbers differ from the city's budgeted sales tax collection numbers which report on an accrual basis two months behind when the funds are actually received from the state.

**Architect & Preservationist Karl Komatsu Visit**
Staff had a productive two-day visit Karl Komatsu former chair of Texas Historic Commission last week. Karl gave remarks at the Historic Landmark Preservation Committee. Karl also toured the Perot Theatre with the TSO’s new management, toured the Ace of Clubs house and met with our Arts & Historic Committee Thursday morning.

**POSTPONED**: Texarkana Chamber of Commerce Annual Celebration, January 21st at 6pm at the Texarkana, Arkansas Convention Center

**POSTPONED**: State of the City Breakfast will take place Wednesday, January 26th at 8am at First United Methodist Texarkana, Arkansas.

The city's newly-adopted Mission & Vision statement has been added to the cover page of the council's agenda.

## X. ADMINISTRATIVE COMMENTS

1. City Council

   Council had no administrative comments for staff.

2. City Staff

   City Manager Orr said Fire Chief Eric Schlotter was called away to an emergency and will provide a COVID-19 update at the next council meeting.

## XI. ADJOURNMENT

A motion was made to adjourn the meeting.
(6:44 p.m.)

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|---|---|
| **RESULT:** | **ADOPTED [UNANIMOUS]** |
| **MOVER:** | Jay Davis, Ward 6 |
| **SECONDER:** | Mary Hart, Ward 2 |
| **AYES:** | Matlock, Hart, Williams, Page, Harp, Davis |
| **EXCUSED:** | Bruggeman |

Jennifer Evans
City Secretary

Bob Bruggeman
Mayor

# CITY OF TEXARKANA

## CITY COUNCIL

## MINUTES • DECEMBER 13, 2021

**Council Chambers** | **Regular Meeting** | **6:00 PM**

**220 TEXAS BLVD., TEXARKANA, TX 75501**

## I. CALL TO ORDER, ROLL CALL, ESTABLISHMENT OF QUORUM

| Attendee Name | Title | Status | Arrived |
|---|---|---|---|
| Bob Bruggeman | Mayor | Present | |
| Jean H. Matlock | Ward 1 | Present | |
| Mary Hart | Ward 2 | Present | |
| Betty Williams | Ward 3 | Present | |
| Christie Page | Ward 4 | Present | |
| Bill Harp | Ward 5 | Present | |
| Jay Davis | Ward 6 | Present | |

City Staff: City Manager David Orr, Jennifer Evans, Kristin Peeples, J.W. Bramlett, Eric Schlotter, Keith Beason, Kevin Schutte, Mashell Daniel, Sherry Jackson Hawkins, Lisa Thompson, Jonathan Wade, Gary Smith, Vashil Fernandez, Alan Sikes, Lucas Shelton, Dustin Newman, Zach Flanagan, and Mitchel Wood.

Legal Counsel: Jeff Lewis.

## II. INVOCATION AND PLEDGE LED BY COUNCIL MEMBER JEAN MATLOCK

## III. SWEARING-IN CEREMONY FOR MAYOR, WARD 1, AND WARD 2

Municipal Judge Sherry Jackson performed the swearing-in ceremony for Mayor Bob Bruggeman, Ward 1 Council Member Jean Matlock, and Ward 2 Council Member Mary Hart.

Council Member Matlock thanked the residents of Ward 1 for their support. She said some times it's not easy, but she has learned so much serving as a council member.

Council Member Hart thanked the citizens of Ward 2 and said, "Ward 2 is a city of its own!" She also thanked staff for its support in answering her questions and providing help along the way. She is looking forward, during this next term, to working with the residents of Ward 2 and making new friends.

Mayor Bruggeman thanked the citizens across the city for their support. He said working in city government has been very rewarding, but it can also be very challenging. The city is in a great position and he is looking forward to working with council and city staff. He thanked

Minutes Acceptance: Minutes of Dec 13, 2021 6:00 PM (Consent Items)

his wife Jackie and daughter Olivia (accompanied by her boyfriend Caleb) for their ongoing support as he continues his public service.

## IV. MAYOR'S REMARKS AND ITEMS OF COMMUNITY INTEREST

**Upcoming City Council Meetings:**

Monday, January 10, 2022 at 6:00 p.m.
Monday, January 24, 2022 at 6:00 p.m.

The Intergovernmental Advisory Committee for the Bi-State Justice Center building will meet on Thursday, December 16, 2021, at 10:00 a.m. This meeting will be held at the Bi-State Justice Center, 100 North State Line Avenue, Texarkana, Arkansas, in the Texarkana Arkansas Police Department Training Room 101.

"Christmas on Main" will take place from 9:00 a.m. - 9:00 p.m. on December 18, 2021, at the Perot Theatre. Come enjoy The Polar Express, The Nightmare Before Christmas, and It's a Wonderful Life, as well as carriage rides, ice skating, a special visit from Santa Claus, food trucks, kids' crafts and a 100% chance of snow! For more ticket and activity information, call the Perot Box office at (903) 792.4992.

The annual Christmas Parade, held on Monday, December 6th, was a tremendous success! There were a lot of floats this year and a very large attendance. Many thanks to Judy Morgan who provided her personal vintage fire truck for both Mayors to ride on during the parade.

The "Unsung Heroes" luncheon will be held Friday, December 17th from 11:00 a.m. to 1:00 p.m. This luncheon is provided in recognition of those who do "little jobs" that the community depends on for support, but are often overlooked. These positions include school bus transportation, waste water and raw water treatment, sanitation, school maintenance and custodial duties, law enforcement, city road construction and fire fighting. These workers provide critical services that allow the city to thrive and survive. Thanks to all of the "Unsung Heroes" for what you do each day for the community!

## V. SPECIAL PRESENTATION - FIRE DEPARTMENT CAPTAIN LUCAS SHELTON

On the morning of December 11th, Captain Shelton and the crew of Quint 1 were called to the Arkansas viaduct, to assist Arkansas Police and Fire units with an individual who was threatening to jump off the bridge.

Captain Shelton was on the tip of the ladder and when the time was right, he reached out and grabbed the individual by her belt and pulled her to safety amidst a struggle with her.

Captain Shelton's actions embodies what it means to be a firefighter. His quick thinking combined with strength and determination, while risking his own safety, made a difference that day.

Captain Shelton was thanked for his bravery and a job well done! He was accompanied by his wife and son.

Minutes Acceptance: Minutes of Dec 13, 2021 6:00 PM (Consent Items)

## VI. OPEN FORUM: COMMENTS FROM THE PUBLIC

Per Council rules, comment time is limited to five minutes, or ten minutes if using a translator. Before comments are made, a speaker must complete an information sheet and give to the City Secretary. If your comment pertains to an agenda item with a scheduled public hearing or public comment, the Council requires that you make your comment at that time; you do not need to complete an information sheet.

Johnny Riley thanked the city for supporting community meeting discussions focused on housing, food deserts, and youth crimes. Concerned citizens are looking for open communication and want to work with the city in finding solutions to these neighborhood issues.

## VII. APPOINTMENTS TO BOARDS, COMMISSIONS, AND COMMITTEES

Council Members Annual Board Appointments Review

Council made no changes to current council member board appointments. There were no citizen appointments or reappointments to any board or commission.

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|---|---|
| **RESULT:** | **CLOSE ACTION** |

## VIII. ITEMS FOR CONSIDERATION

***Consent Items***

(6:34 p.m.)

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|---|---|
| **RESULT:** | **ADOPTED [UNANIMOUS]** |
| **MOVER:** | Mary Hart, Ward 2 |
| **SECONDER:** | Christie Page, Ward 4 |
| **AYES:** | Matlock, Hart, Williams, Page, Harp, Davis |
| **EXCUSED:** | Bruggeman |

1. Consider approval of the minutes of the Regular Meeting of the City Council held on October 25, 2021 at 6:00 PM.

2. Consider approval of the minutes of the Regular Meeting of the City Council held on November 8, 2021 at 6:00 PM.

3. Consider approval of the minutes of the Special Meeting of the City Council held on November 15, 2021 at 12:15 PM.

4. Resolution No. 2021-113 authorizing the City Manager to purchase one (1) Freightliner Vac-Con Dual Engine Truck, through the HGAC Buy Board, with budgeted funds in an amount not to exceed the Texas portion, $266,230.04 and the total amount not to exceed $434,448.50.

Minutes Acceptance: Minutes of Dec 13, 2021 6:00 PM (Consent Items)

Public Hearing:
Council Vote: December 13, 2021

5. Ordinance No. 2021-121 amending Ordinance 2021-064, concerning Fiscal Year 2022 city budget, to allow for a monetary donation of $1,000 to be added to the police department budget account number 101-1703-52207 (Minor Tools and Equipment) for the purpose of purchasing body armor for the department's single purpose drug dog, Absurd.

   Public Hearing:
   Council Vote: December 13, 2021

6. Resolution No. 2021-122 amending the master fee list to add a fee for a temporary landing permit.

   Public Hearing:
   Council Vote: December 13, 2021

***Action Items***

7. Resolution No. 2021-106 appointing a Mayor Pro Tem beginning December 13, 2021, until such time the City Council elects a successor Mayor Pro Tem.

   Public Hearing:
   Council Vote: December 13, 2021

   Council Member Jean Matlock was nominated and appointed as the next Mayor Pro Tem.
   (6:35 p.m.)

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|---|---|
| **RESULT:** | **ADOPTED [UNANIMOUS]** |
| **MOVER:** | Bill Harp, Ward 5 |
| **SECONDER:** | Mary Hart, Ward 2 |
| **AYES:** | Matlock, Hart, Williams, Page, Harp, Davis |
| **EXCUSED:** | Bruggeman |

8. Ordinance No. 2021-115 approving an amendment to the fiscal and personnel management agreement with the Texarkana Urban Transportation Study Policy Advisory Board.

   Public Hearing:
   Council Vote: December 13, 2021

Minutes Acceptance: Minutes of Dec 13, 2021 6:00 PM (Consent Items)

Vashil Fernandez briefed this agenda item.
(6:37 p.m.)

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|---|---|
| **RESULT:** | **ADOPTED [UNANIMOUS]** |
| **MOVER:** | Jean H. Matlock, Ward 1 |
| **SECONDER:** | Bill Harp, Ward 5 |
| **AYES:** | Matlock, Hart, Williams, Page, Harp, Davis |
| **EXCUSED:** | Bruggeman |

9. Ordinance No. 2021-120 terminating Disaster Declaration 2021-001, issued on February 15, 2021, related to the winter weather event.

Public Hearing:
Council Vote: December 13, 2021

Eric Schlotter briefed this agenda item.
(6:39 p.m.)

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|---|---|
| **RESULT:** | **ADOPTED [UNANIMOUS]** |
| **MOVER:** | Betty Williams, Ward 3 |
| **SECONDER:** | Jay Davis, Ward 6 |
| **AYES:** | Matlock, Hart, Williams, Page, Harp, Davis |
| **EXCUSED:** | Bruggeman |

## IX. FIRST BRIEFINGS

1. Ordinance No. 2021-107 rezoning an approximate 1.89-acre tract of land (being Tract 139) in the J. W. Johnson HRS, A-308, located at the southwest corner of Jameson Street and Texarkana Avenue from Single Family-2 to Single Family-3. Anthony Lockhart and Latremont McCutchin, owners and John Lane, Agent.

Public Hearing: January 10, 2022
Council Vote: January 10, 2022

Mashell Daniel briefed this agenda item.

| | | |
|---|---|---|
| **RESULT:** | **MOVED FORWARD** | **Next: 1/10/2022 6:00 PM** |

2. Ordinance No. 2021-108 granting a Specific Use Permit to allow the location of a double-wide HUD code manufactured home as a residence on a 1.89-acre tract of land (being Tract 139) in the J.W. Johnson HRS, A-308, located at the southwest corner of Jameson Street and Texarkana Avenue. Anthony Lockhart and Latremont McCutchin, owners, and John Lane agent.

Public Hearing: January 10, 2022
Council Vote: January 10, 2022

Minutes Acceptance: Minutes of Dec 13, 2021 6:00 PM (Consent Items)

Mashell Daniel briefed this agenda item.

| RESULT: | MOVED FORWARD | Next: 1/10/2022 6:00 PM |
|---|---|---|

3. Ordinance No. 2021-109 rezoning Lots 1, 2, and west part of 3, Block 13, Richmond Pines 3rd Addition, located north of the residence at 3202 Robin Lane from Single Family-1 to Planned Development-Townhouse. Jason Nguyen, owner and Brandon Taylor, 2B Builders, agent.

Public Hearing: January 10, 2022
Council Vote: January 10, 2022

Mashell Daniel briefed this agenda item.

| RESULT: | MOVED FORWARD | Next: 1/10/2022 6:00 PM |
|---|---|---|

4. Ordinance No. 2021-110 approving an amendment to PD-21-3(TH) for site plan on Lots 1, 2, and west part of 3, Block 13, Richmond Pines 3rd Addition, located north of the residence at 3202 Robin Lane. Jason Nguyen, owner and Brandon Taylor, 2B Builders, agent.

Public Hearing: January 10, 2022
Council Vote: January 10, 2022

Mashell Daniel briefed this agenda item.

| RESULT: | MOVED FORWARD | Next: 1/10/2022 6:00 PM |
|---|---|---|

5. Ordinance No. 2021-111 approving an amendment to PD-01-8 (MF-1) for site plan approval on Lot 1, 2, and 3, Block 2, Brookwood Acres Addition, located in the 500 block of Belt Road. Jason Nguyen, owner, and Brandon Taylor, 2B Builders, agent.

Public Hearing: January 10, 2022
Council Vote: January 10, 2022

Mashell Daniel briefed this agenda item.

| RESULT: | MOVED FORWARD | Next: 1/10/2022 6:00 PM |
|---|---|---|

6. Resolution No. 2021-112 approving a redistricting services contract based on the 2020 U.S. Census.

Public Hearing:
Council Vote: January 10, 2022

Minutes Acceptance: Minutes of Dec 13, 2021 6:00 PM (Consent Items)

City Manager Orr briefed this agenda item.

| RESULT: | MOVED FORWARD | Next: 1/10/2022 6:00 PM |
|---|---|---|

7. Resolution No. 2021-116 adopting evaluative factors and administrative procedures for low income housing tax credits resolution requests; containing a fact finding that the City has more than twice the state average of units per capita supported by housing tax credits or private activity bonds.

   Public Hearing:
   Council Vote: January 10, 2022

   Vashil Fernandez briefed this agenda item.

| RESULT: | MOVED FORWARD | Next: 1/10/2022 6:00 PM |
|---|---|---|

8. Ordinance No. 2021-117 closing and abandoning an unopened twenty-five foot (25') street right-of-way of Bradley Street located north of Pacific Avenue, south of Greenview Drive, and east of Lots 49 and 57 in the Belmont Addition.

   Public Hearing: January 10, 2022
   Council Vote: January 10, 2022

   Jonathan Wade briefed this agenda item.

| RESULT: | MOVED FORWARD | Next: 1/10/2022 6:00 PM |
|---|---|---|

9. Resolution No. 2021-118 authorizing the City Manager to enter into a Chapter 380 economic development agreement with WinCo Foods.

   Public Hearing: January 10, 2022
   Council Vote: January 10, 2022

   Lisa Thompson briefed this agenda item.

| RESULT: | MOVED FORWARD | Next: 1/10/2022 6:00 PM |
|---|---|---|

10. Resolution No. 2021-119 authorizing the City Manager to amend the contract for exclusive ambulance service with Lifenet, Inc.

    Public Hearing:
    Council Vote: January 10, 2022

    Eric Schlotter briefed this agenda item.

| | | |
|---|---|---|
| **RESULT:** | **MOVED FORWARD** | **Next: 1/10/2022 6:00 PM** |

## X. PUBLIC HEARINGS

1. Resolution No. 2021-101 approving the Community Development Block Grant (CDBG) 2020 Comprehensive Assessment Performance Evaluation Report.

   Public Hearing: December 13, 2021
   Council Vote: December 13, 2021

   There were no public comments made at this hearing.
   (7:04 p.m.)

| | |
|---|---|
| **RESULT:** | **ADOPTED [UNANIMOUS]** |
| **MOVER:** | Jay Davis, Ward 6 |
| **SECONDER:** | Christie Page, Ward 4 |
| **AYES:** | Matlock, Hart, Williams, Page, Harp, Davis |
| **EXCUSED:** | Bruggeman |

2. Ordinance No. 2021-102 closing and abandoning an unopened forty-foot (40') street right-of-way for Ward Avenue, located north of Austin Street and east of Collier Street, between block 6 and block 9 of the Greater Texarkana Addition.

   Public Hearing: December 13, 2021
   Council Vote: December 13, 2021

   There were no public comments made at this hearing.
   (7:06 p.m.)

| | |
|---|---|
| **RESULT:** | **ADOPTED [UNANIMOUS]** |
| **MOVER:** | Mary Hart, Ward 2 |
| **SECONDER:** | Jean H. Matlock, Ward 1 |
| **AYES:** | Matlock, Hart, Williams, Page, Harp, Davis |
| **EXCUSED:** | Bruggeman |

3. Resolution No. 2021-105 approving the City's mission, vision, and values statements.

   Public Hearing: December 13, 2021
   Council Vote: December 13, 2021

   There were no public comments made at this hearing.
   ((7:06 p.m.)

Minutes Acceptance: Minutes of Dec 13, 2021 6:00 PM (Consent Items)

| | |
|---|---|
| **RESULT:** | **ADOPTED [UNANIMOUS]** |
| **MOVER:** | Betty Williams, Ward 3 |
| **SECONDER:** | Jay Davis, Ward 6 |
| **AYES:** | Matlock, Hart, Williams, Page, Harp, Davis |
| **EXCUSED:** | Bruggeman |

## XI. ITEMS FOR DISCUSSION - CITY MANAGER'S REPORT

**TWU True-up for the Riverbend Member Cities**
Staff presented the final water rate true-up numbers on Wednesday, December 8th to the Riverbend Member Cities. The water rate calculation increased by .0741 cents per thousand gallons or 7.97%. As a result, the proposed 2022 annual water cost will increase by $95,604 annually or $7,967 monthly for Texarkana, Texas. This information will be used in the current water rate study as staff reviews the increases in water production costs over the past several years. Staff anticipates that study will be presented to Council during the city's next budget cycle.

**KTBS Skycam 3 - Downtown Texarkana**
A new skycam on Channel 3 has a shot of the U.S. Post Office and Federal Courthouse each night at 5:00 p.m., 6:00 p.m., and also at 10:00 p.m.. The skycam is sponsored by Farmers' Bank and Trust, the Texarkana Arts & Historic and the Arkansas A&P Commission. A big thanks to the work of Keith Beason and our Arts & Historic District team for making this project happen.

**Planning Award Recognition**
Texarkana was selected, again this year, as one of 34 cities in the state to receive the Texas Chapter of the American Planning Association's Planning Excellence award. This award is in recognition of the professional planning standards demonstrated by staff, Planning & Zoning Commission members and the City Council. Congrats to Vashil Fernandez, Mashell Daniel, and their staff for receiving this recognition.

**Water Rights Permit Update**
Riverbend and city staff are working through the protest concerns by the City of Irving, City of Sulphur Springs, North Texas Water District and Upper Trinity Water District that have all filed protests against the city's water permit application. Staff continues to be hopeful that mutually agreeable resolutions can be reached and are working towards additional updates in January.

**Bi-State IAC Meeting**
The next IAC meeting is scheduled for Thursday, December 16, 2021, at 10:00 a.m. It will be held at the Bi-state building in the normal meeting room and the agenda will include the bi-state budget for 2022.

**MPO State Line Corridor Plan Report**
The final MPO State Line Corridor Plan Report is located here <http://www.texarkanampo.org/publications.html>). Staff plans to use this report to coordinate with the DOTs on the corridor design plan and construction set for 2023.

Minutes Acceptance: Minutes of Dec 13, 2021 6:00 PM (Consent Items)

Additionally, staff will be working on a proposed overlay district with both cities in the future as part of the overall corridor improvement plan.

**Save the Dates:**
Texarkana Chamber of Commerce Annual Celebration will be held on Friday, January 21st at 6:00 p.m. at the Texarkana Arkansas Convention Center.

State of the City Breakfast will take place Wednesday, January 26th at 8:00 a.m. at First United Methodist in Texarkana, Arkansas**.**

## XII. ADMINISTRATIVE COMMENTS

1. City Council

   Council Member Davis wished everyone a Merry Christmas. He also said the City's Mission, Vision, and Values statement, adopted that night, was a good reminder for council members too in setting the pace for the city.

   Council Member Matlock commended staff for taking care of issues around the city. It's noticeable and appreciated.

   Council Member Hart also agreed with Council Member Matlock. Ms. Hart said, as a council member, it's getting easier to work with a citizen who may be upset, at the start, when voicing issues. Staff is getting things done throughout the city and this helps turn the citizen's attitude toward a more positive conversation.

   Mayor Bruggeman said the Theron Jones Winter Wonderland "Read-a-Thon" will take place on Friday, December 17th from 8:30 a.m. to 11:00 a.m. Those interested in being a featured reader, can contact Annette Daniels at (903) 793.4871, Ext. 5506. Holiday goodies will be provided for all to enjoy.

2. City Staff

   City Manager Orr thanked the council for adopting the City's Mission, Vision, and Values statement. This document will provide great direction for city staff and move the city forward. He wished everyone a Merry Christmas.

## XIII. CLOSED SESSION

The City Council convened into closed session pursuant to Texas Government Code Section 551.071 - Consultation with the City Attorney and Sections 551.076 and 551.089 - Deliberation Regarding Security Devices or Security Audits.

## XIV. RECONVENED INTO OPEN SESSION

## XV. ADJOURNMENT

Minutes Acceptance: Minutes of Dec 13, 2021 6:00 PM (Consent Items)

A motion was made to adjourn the meeting.
(8:10 p.m.)

| | |
|---|---|
| **RESULT:** | **ADOPTED [UNANIMOUS]** |
| **MOVER:** | Mary Hart, Ward 2 |
| **SECONDER:** | Jay Davis, Ward 6 |
| **AYES:** | Matlock, Hart, Williams, Page, Harp, Davis |
| **EXCUSED:** | Bruggeman |

Jennifer Evans
City Secretary

Bob Bruggeman
Mayor

Minutes Acceptance: Minutes of Dec 13, 2021 6:00 PM (Consent Items)

City of Texarkana, Texas

# Briefing Sheet

Version:
**Update Date:** 12/9/2021 9:14 AM

**Lead Department:** City Manager **Action Officer:** David Orr, City Manager

**Subject:** Resolution No. 2021-112 approving a redistricting services contract based on the 2020 U.S. Census.

**Briefing:** 1/10/2022 **Public Hearing:** **Council Vote:** 1/10/2022

**Item Schedule**

Schedule 1: Brief twice - vote once (six weeks)

## Updates/History of Briefing:

NOT APPLICABLE

## Executive Summary and Background Information:

Redistricting is necessary every 10 years, in connection with the U.S. Census population figures from the latest 2020 Census.

Staff recommends the use of Bickerstaff Heath Delgado Acosta LLP which is the same firm the City used in 2011 for the 2010 redistricting process and was also used most recently by Texarkana Independent School District for 2020 redistricting services.

The Firm will consult with the city council and establish a schedule for performance of the various tasks. This would include scheduling city council meetings, work sessions and public meetings; establishing target dates for presentation of proposed plans for city council consideration and/or for public discussion; and establishing target deadlines for city council adoption of a redistricting plan. The Firm will advise the city council and clearly define the council's responsibility in the redistricting process.

The law firm will provide an initial assessment to determine any imbalances within the districts. From there, associates will work with city staff to create a redistricting process to get boundaries within compliance of federal voting laws.

## Potential Options:

- Approve
- Deny

## Fiscal Implications:

$30,550

## Staff Recommendation:

Staff recommends for approval.

**Advisory Board/Committee Review:**

NONE

**Board/Committee Recommendation:**

NOT APPLICABLE

**Advisory Board/Committee Meeting Date and Minutes:**

NOT APPLICABLE

**Attachments**

a. 2021-112 RES Redistricting Svcs Contract (DOCX)
b. 2021-112 ATTH 01 Redistricting Contract (PDF)
c. 2021-112 ATTH 02 Redistricting 2021 - Budget - Req (PDF)
d. 2021-112 ATTH 03 Redistricting Process and Firm Qualifications_Municipalities (PDF)
e. 2021-112 Goals & Perspectives (PDF)
f. 2021-112 RES Redistricting Contract for 2020 Census signed (PDF)

**Staff Coordination**

| | | | | |
|---|---|---|---|---|
| City Manager | David Orr | Department Head Review | Completed | 12/07/2021 5:38 PM |
| Public Works Department | Amanda Freeland | Reviewer | Completed | 12/08/2021 7:51 AM |
| City Manager | David Orr | City Manager Review | Completed | 12/08/2021 8:03 AM |
| City Council | Jennifer Evans | Meeting | Completed | 12/13/2021 6:00 PM |

**Meeting History**

| | | | |
|---|---|---|---|
| 12/13/21 | City Council | MOVED FORWARD | Next: 01/10/22 |

**RESOLUTION NO. 2021-112**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF TEXARKANA, TEXAS, AUTHORIZING THE CITY MANAGER TO EXECUTE A CONTRACT WITH BICKERSTAFF HEATH DELGADO ACOSTA LLP FOR PROVIDING REDISTRICTING SERVICES BASED ON THE 2020 U. S. CENSUS; AND ESTABLISHING AN EFFECTIVE DATE.**

**WHEREAS,** redistricting is necessary every 10 years, in connection with the U.S. Census population figures from the latest 2020 Census; and

**WHEREAS,** city staff recommends the use of Bickerstaff Heath Delgado Acosta LLP, the same firm used by the City in 2011 for the 2010 redistricting process and the same firm that was also recently used by Texarkana Independent School District for 2020 redistricting services; and

**WHEREAS,** the firm will consult with the City Council and establish a schedule for performance of various tasks to include scheduling city council meetings, work sessions and public meetings, establishing target dates for presentation of proposed plans for city council consideration and for public discussion, and establishing target deadlines for city council adoption of a redistricting plan; and

**WHEREAS,** the firm will advise the City Council and clearly define the council's responsibility in the redistricting process; and

**WHEREAS**, the law firm will provide an initial assessment to determine any imbalances within the districts and will work with city staff to create a redistricting process to get boundaries within compliance of federal voting laws based on the 2020 U.S. Census; and

**WHEREAS,** the scope of the Engagement Agreement is summarized in **ATTH 01**.

**NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF TEXARKANA, TEXAS:**

**SECTION 1:** The recommendation to engage the law firm of Bickerstaff Heath Delgado Acosta LLP to provide legal services related to the 2020 redistricting process is approved.

**SECTION 2:** The City Manager is hereby authorized to execute a contract with Bickerstaff Heath Delgado Acosta LLP of Austin, Texas for the above-described services.

**SECTION 3:** This Resolution shall be in full force and effect from and after its passage and approval.

**PASSED AND APPROVED** in Regular Council Session on this the **10th day of January, 2022**.

ATTEST:

JENNIFER EVANS, CITY SECRETARY

BOB BRUGGEMAN, MAYOR

Attachment: 2021-112 RES Redistricting Svcs Contract (3610 : 2021-112 RES Redistricting Svcs Contract for the 2020 Census)

# Bickerstaff Heath Delgado Acosta LLP

3711 S. MoPac Expy., Building 1, Suite 300, Austin, Texas 78746

## ENGAGEMENT AGREEMENT

This agreement sets forth the standard terms of our engagement as your attorneys. Unless modified in writing by mutual agreement, these terms will be an integral part of our agreement with you. Therefore, we ask that you review this agreement carefully and contact us promptly if you have any questions. Please retain this agreement in your file.

Identity of Client. We will be representing the interests of the City of Texarkana, Texas (the "City").

Attorneys. Bickerstaff Heath Delgado Acosta LLP is engaged by you as your attorneys, and I, C. Robert Heath, will be the partner who will coordinate and supervise the services we perform on your behalf. We routinely delegate selected responsibilities to other persons in our Firm when, because of special expertise, time availability or other reasons, they are in a better position to carry them out. In addition, we will try, where feasible and appropriate, to delegate tasks to persons who can properly perform them at the least cost to you.

The Scope of Our Work. You should have a clear understanding of the legal services we will provide. We will provide services related only to matters as to which we have been specifically engaged. Although in the future we may from time to time be employed on other matters, our present relationship is limited to representing the above-named client in the matters described in **Exhibit A**. We will at all times act on your behalf to the best of our ability. Any expressions on our part concerning the outcome of your legal matters are expressions of our best professional judgment, but are not guarantees. Such opinions are necessarily limited by our knowledge of the facts and are based on the state of the law at the time they are expressed. We cannot guarantee the success of any given matter, but we will strive to represent your interests professionally and efficiently.

Fees for Legal Services. Our charges for professional services are customarily based on the time devoted to the matter, the novelty and difficulty of the questions presented, the requisite experience, reputation and skill required to deal with those questions, time limitations imposed by the circumstances, and the amount involved and the results obtained. Unless otherwise indicated in writing, our fees for legal services are determined on the basis of the hourly rates of the respective lawyers and other timekeepers who perform the services. These rates vary depending on the expertise and experience of the individual. We will only adjust these rates with your consent and will notify you in writing if this fee structure is modified. The initial agreed billing rates for attorneys and other timekeepers engaged on your work are attached as **Exhibit B**.

Other Charges. All out-of-pocket expenses (such as copying charges, travel expenses, messenger expenses, filing and other court costs, and the like) incurred by us in connection with our representation of you will be billed to you as a separate item on your statement. A description of the most common expenses is included as **Exhibit C** and agreed to as part of this agreement.

Billing Procedures and Terms of Payment. Our billing period begins on the 16th of the month and ends on the 15th of the following month. We will render periodic invoices to you for legal services and expenses. We usually mail these periodic invoices on or before the last day of the month following the latest date covered in the statement. Each invoice is due upon receipt, must be paid in U.S. Dollars, and is considered delinquent if not paid in full within 30 days from the date it was received by the City. Payment must be made to the Firm at 3711 S. MoPac Expressway, Building One, Suite 300, Austin, Texas, 78746. We will include all information reasonably requested by you on all invoices and will reference any purchase order number provided by you. Payment and interest, if any, will comply with the Prompt Payment Act (Texas Government Code Chapter 2251), if applicable, for any final invoices. If you have any question or disagreement about any invoice that we submit to you for payment, please contact me at your earliest convenience so that we can resolve any problems without delay. Typically, such questions or disagreements can be resolved to the satisfaction of both sides with little inconvenience or formality.

Attachment: 2021-112 ATTH 01 Redistricting Contract (3610 : 2021-112 RES Redistricting Svcs Contract for the 2020 Census)

Termination of Services. You have the right at any time to terminate our employment upon written notice to us, and if you do we will immediately cease to render additional services. We reserve the right to discontinue work on pending matters or terminate our attorney-client relationship with you at any time that payment of your account becomes delinquent, subject to Court approval if necessary. In the event that you fail to follow our advice and counsel, or otherwise fail to cooperate reasonably with us, we reserve the right to withdraw from representing you upon short notice, regardless of the status of your matter. No termination, whether by you or by us, will relieve you of the obligation to pay fees and expenses incurred prior to such termination.

Retention of Documents. Although we generally attempt to retain for a reasonable time copies of most documents in the possession of this Firm related to the matter(s) described in **Exhibit A**, we are not obligated to do so indefinitely, and we hereby expressly disclaim any responsibility or liability for failure to do so. We generally attempt to furnish copies of all documents and significant correspondence to you at the time they are created or received, and you agree to retain all originals and copies of documents you desire among your own files for future reference. This document serves as notice to you that we will destroy such materials in accordance with the Firm's record retention policy, which may be amended from time to time and a copy of which will be provided at your request. It is our Firm's policy to destroy all copies, whether in paper or electronic form, of materials in connection with the representation seven (7) years after the completion of our work relating to this engagement or the completion of a particular project under this engagement, unless and to the extent an exception recognized in our document retention policy or other legal requirement applies to some or all of the subject materials and requires retention for a longer period of time. The Firm also reserves the discretion to retain its records of pertinent documents relating to its ongoing representation of a client, e.g. in a general counsel capacity. If you would like to obtain copies of materials in the Firm's possession related to this matter prior to the scheduled destruction of the materials, please notify the Firm. Because you will have been furnished with copies of all relevant materials contained in our files during the course of the active phase of our representation, if you later ask us to retrieve and deliver materials contained in a file that has been closed, you agree that we will be entitled to be paid a reasonable charge for the cost of retrieving the file, and identifying, reproducing, and delivering the requested materials to you.

Fee Estimates. We are often requested to estimate the amount of fees and costs likely to be incurred in connection with a particular matter. Our attorneys do their best to estimate fees and expenses for particular matters when asked to do so. However, an estimate is just that, and the fees and expenses required are ultimately a function of many conditions over which we have little or no control, especially in litigation or negotiation situations where the extent of necessary legal services may depend to a significant degree upon the tactics of the opposition. Unless otherwise agreed in writing with respect to a specific matter, all estimates made by us will be subject to your agreement and understanding that such estimates do not constitute maximum or fixed-fee quotations and that the ultimate cost is frequently more or less than the amount estimated.

Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of Texas, United States of America, without giving effect to its choice of law's provisions. Venue of any case or controversy arising under or pursuant to this Agreement will be exclusively in Bowie County, Texas, United States of America.

Standards of Professionalism and Attorney Complaint Information. Pursuant to rules promulgated by the Texas Supreme Court and the State Bar of Texas, we hereby advise you that the State Bar of Texas investigates and prosecutes complaints of professional misconduct against attorneys licensed in Texas. Information on the grievance procedures is available from the State Bar of Texas, and any questions you have about the disciplinary process should be addressed to the Office of the General Counsel of the State Bar of Texas, which you may call toll free at 1-800-932-1900.

Questions. If you have any questions from time to time about any aspect of our arrangements, please feel free to raise those questions. We want to proceed in our work for you with your clear and satisfactory understanding about every aspect of our billing and payment policies; and we encourage an open and frank discussion of any or all of the matters addressed in this agreement.

Acceptance of Terms. If this arrangement is acceptable to the City, please sign the enclosed duplicate original of this agreement and return it and the required retainer to us at your earliest convenience. We truly appreciate the opportunity to be of service to you and look forward to working with you in a mutually beneficial relationship.



Attachment: 2021-112 ATTH 01 Redistricting Contract (3610 : 2021-112 RES Redistricting Svcs Contract for the 2020 Census)

AGREED TO AND ACCEPTED

CITY OF TEXARKANA, TEXAS

By: _____

_____

[Printed name]

Title: _____

Date: _____

cc: Billing Department

BICKERSTAFF HEATH DELGADO ACOSTA LLP

By: _____

C. Robert Heath

Date: November 22, 2021

Attachment: 2021-112 ATTH 01 Redistricting Contract (3610 : 2021-112 RES Redistricting Svcs Contract for the 2020 Census)

# Exhibit A — Scope of Services

Bickerstaff Heath Delgado Acosta LLP

While we agree that in the future we may from time to time be employed on other matters, this agreement provides that our relationship is limited to representing and counseling you in connection with the following:

- Redistricting services based on 2020 census data for the City of Texarkana, Texas; and

- Other legal services assigned or requested, only if the scope of which is confirmed by you in writing at the time of assignment.

Other legal services not assigned or requested, and confirmed in writing, are specifically not within the scope of our representation.

Attachment: 2021-112 ATTH 01 Redistricting Contract (3610 : 2021-112 RES Redistricting Svcs Contract for the 2020 Census)

# Exhibit B — Billing Rates

Bickerstaff Heath Delgado Acosta LLP

Attachment: 2021-112 ATTH 01 Redistricting Contract (3610 : 2021-112 RES Redistricting Svcs Contract for the 2020 Census)

## Initial Assessment and Set-up

**$6,000.00**

The Initial Assessment will consist of the preliminary tasks, post-census initial data analysis, and a presentation and discussion of the Firm's findings with the City Council. If the council districts are determined to be out of balance, we will on request develop a detailed budget, outline the City's obligations, and produce a timeline for completing the remainder of the redistricting process. We charge $6,000 and hourly fees for travel time for the preparation and presentation of the Initial Assessment, plus out-of-pocket expenses. If the Initial Assessment reveals that the council districts are balanced, and the City Council decides not to redistrict, no other fees will be assessed unless additional services are requested.

## Redistricting Process

**Hourly Fee Basis (plus out of pocket expenses)**

Unless otherwise indicated in writing, our fees for legal services related to redistricting are determined on the basis of the hourly rates of the respective lawyers, paralegals and specialists who perform the services, including for travel time, plus out-of-pocket expenses. These rates vary depending on the expertise and experience of the individual and are indicated below.

| | |
|---|---|
| Senior Attorneys: | $420-$480 per hour |
| Other Attorneys: | $250-$375 per hour |
| Senior GIS Specialist: | $230 per hour |
| GIS Specialist: | $180 per hour |
| Paralegal: | $180 per hour |

# Exhibit C—Client Costs Advanced

Bickerstaff Heath Delgado Acosta LLP

The firm incurs expenses on behalf of clients only when required by the legal needs of the clients. Some cases or matters require extensive use of outside copy facilities, and other cases may not be so paper-intensive. Standard services handled within the firm are not charged, and client specific expenses are billed to the client needing those services. An explanation of the billing structure is as follows:

Not Charged

Secretarial and word processing time, routine postage, file setup, file storage, local or ordinary long distance charges, fax charges, and computerized legal research data charges.

Delivery Services

Outside delivery services are used for pickup and delivery of documents to the client as well as to courts, agencies, and opposing parties. Outside delivery fees are charged to the client at the rate charged to the firm. Overnight delivery services are also charged at the rate charged to the firm. Firm Office Services Department personnel may provide delivery service in urgent situations and charges for such in-house service will not exceed the charge that would be made by an outside service in a similar situation.

Postage

Our postal equipment calculates exact U.S. postage for all sizes and weights of posted material. The rate charged for postage is the same as the amount affixed to the material that is mailed. We will not charge clients for postage on routine correspondence; however, the cost of large-volume mail, certified mail, or other additional mail services will be charged to the client.

Copies and Prints

Our standard rate for black and white copies and prints made by firm personnel is $0.15 per page. Color copies and prints are charged at a standard rate of $0.55 per page. These charges cover paper, equipment costs, and other supplies. If savings can be realized within the required time frame by sending copy jobs to subcontractors, the firm uses only qualified legal services copiers and the cost charged to the client is the same as the amount billed to the firm.

Phone Charges

Only charges for conference calls or international calls are charged, and charges are billed at the same amount billed to the firm by the outside provider.

Travel

Attorney and other timekeeper time spent traveling on behalf of a client is billed to the client. Hotel, meals, local transportation, and similar expenses are charged based on receipts and travel expense forms submitted by the attorney. Documentation is available to the client if requested.

Maps

Maps produced in conjunction with a project will be billed at $50 for each 34 x 44 inch map and $20 for each smaller map, plus cost (time fees) for preparation.

Other Expenses

Expenses incurred with outside providers in connection with the client's legal services will be paid by the client directly to the outside provider unless specifically arranged in advance. If the firm agrees to pay outside providers, the cost charged to the client is the same as the amount billed to the firm. Examples of such charges include: court reporter fees, filing fees, newspaper charges for publication notices, expert witness fees, consultants and other similar expenses.

Attachment: 2021-112 ATTH 01 Redistricting Contract (3610 : 2021-112 RES Redistricting Svcs Contract for the 2020 Census)

# Exhibit D—Verification Required by Texas Government Code Chapter 2271

Bickerstaff Heath Delgado Acosta LLP

By signing below, Bickerstaff Heath Delgado Acosta LLP hereby verifies the following:

1. The Firm does not boycott Israel; and
2. The Firm will not boycott Israel during the term of this Engagement Agreement.



SIGNED BY: _____

C. Robert Heath

**Date:** November 22, 2021

This Verification is incorporated and made a part of the Engagement Agreement between Bickerstaff Heath Delgado Acosta LLP and the City of Texarkana, Texas.

Attachment: 2021-112 ATTH 01 Redistricting Contract (3610 : 2021-112 RES Redistricting Svcs Contract for the 2020 Census)

# Proposed City of Texarkana
# 2021 Redistricting Budget

| | Partner | Atty | Senior GIS | GIS | Para | Flat fee | Reimbursa Expense |
|---|---|---|---|---|---|---|---|
| | $420 | $300 | $230 | $180 | $180 | | |
| **I. PRELIMINARY WORK** | | | | | | | |
| Initial schedule planning | | | | | | | |
| Gather data and input benchmark | | | *Flat Fee* | | | | |
| Geocode incumbents | | | | | | | |
| Identify and begin other Census-related tasks | | | | | | | |
| **II. INITIAL ASSESSMENT** | | | | | | | |
| Preparation of initial assessment (flat fee) | | | | | | $6,000.00 | |
| **III. CONSULT WITH CLIENT AND DEVELOP AND ADOPT CRITERIA** | | | | | | | |
| Initial consultation with City Council | 6 | 2 | 3 | 6 | 2 | | |
| Notice of public meeting (criteria)/translate | 0 | 1 | 0 | 0 | 2 | | $5( |
| Geocode locations (polling places, and facilities) | 0 | 0 | 3 | 5 | 2 | | |
| Draft resolution on criteria & process | 1 | 2 | 0 | 0 | 2 | | |
| ADVICE/CONSULTATION Total Hours | 7 | 5 | 6 | 11 | 8 | | |
| ADVICE/CONSULTATION Total Cost | $2,940 | $1,500 | $1,380 | $1,980 | $1,440 | | |
| **IV. DEVELOP REDISTRICTING PLANS** | | | | | | | |
| Build first Illustrative Plan for City Council Districts | 3 | 1 | 3 | 8 | 2 | | |
| Revise Illustrative Plan for City Council Districts | 3 | 1 | 3 | 8 | 2 | | |
| DEVELOP REDISTRICTING PLANS Total Hours | 6 | 2 | 6 | 16 | 4 | | |
| DEVELOP REDISTRICTING PLANS Total Cost | $2,520 | $600 | $1,380 | $2,880 | $720 | | |
| **V. PUBLIC HEARINGS AND ADOPTION OF PLAN** | | | | | | | |
| Prepare for and conduct public hearing/adoption of final plan | 4 | 1 | 2 | 6 | 2 | | |
| Translate hearing notices/submission notice into Spanish | 0 | 0 | 0 | 0 | 2 | | $20( |
| Large format maps for posting at public hearings ($50.00 x 2 maps) | | | | | | | $10( |
| PUBLIC HEARINGS AND ADOPTION OF PLAN Total Hours | 4 | 1 | 2 | 6 | 4 | | |
| PUBLIC HEARINGS AND ADOPTION OF PLAN Total Cost | $1,680 | $300 | $460 | $1,080 | $720 | | |
| **VI. REQUIRED DISSEMINATION OF REDISTRICTING PLANS** | | | | | | | |
| Maps/demographic information to City | 0 | 0 | 0 | 2 | 1 | | |
| Submit adopted redistricting plan to County Elections' Department | 0 | 0 | 1 | 2 | 1 | | |
| Send digital mapping files as client directs | 0 | 0 | 1 | 2 | 1 | | |
| Prepare any additionally requested maps | 0 | 0 | 0 | 2 | 1 | | |
| DISSEMINATION OF PLANS Total Hours | 0 | 0 | 2 | 8 | 4 | | |
| DISSEMINATION OF PLANS Total Cost | $0 | $0 | $460 | $1,440 | $720 | | |
| **Total Attorney Hours** | **25** | | | | | | |
| **Total GIS Hours** | **57** | | | | | | |
| **Total Paralegal Hours** | **20** | | | | | | |
| **GRAND TOTALS** | **$7,140** | **$2,400** | **$3,680** | **$7,380** | **$3,600** | **$6,000.00** | **$35( |

| | |
|---|---|
| **TOTAL FOR ALL** | **$30,550** |
| **TOTAL HOURS** | **102** |

** Hours allocated to plans are for districts that follow existing Census geography.*
*This budget includes one City Council District plan with revisions.*

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Attachment: 2021-112 ATTH 02 Redistricting 2021 - Budget - Req (3610 : 2021-112 RES Redistricting Svcs Contract for the 2020 Census)

Bickerstaff Heath Delgado Acosta LLP

## REDISTRICTING SERVICES FOR MUNICIPALITIES

Bickerstaff Heath Delgado Acosta LLP (the "Firm") offers full-scope redistricting services to all types of local government entities. Described below are more details about our services and the redistricting process for Texas municipalities.

1. **Initial Schedule Planning**. The Firm will consult with the city council and establish a schedule for performance of the various tasks for which the Firm has been engaged. This would include scheduling city council meetings, work sessions and public meetings; establishing target dates for presentation of proposed plans for city council consideration and/or for public discussion; and establishing target deadlines for city council adoption of a redistricting plan. The Firm will advise the city council and clearly define the council's responsibility in the redistricting process.

2. **Preliminary Tasks**. We will collect data for current boundaries and other factors and verify the accuracy of this data with the City. Current data for city council districts and boundaries will be input into the Firm's GIS software.

3. **Initial Assessment**. The Firm will analyze whether current council districts have become sufficiently unbalanced in population as to require the City to engage in redistricting. The "Initial Assessment" will consist of a presentation and discussion with the city council. If the council districts are determined to be out of population balance, we will outline the City's obligations and produce a timeline for completing the remainder of the redistricting process.

4. **Develop Redistricting Plans**. The Firm will develop redistricting plans for council districts using the Firm's GIS and demographic capabilities. The Firm will work with the city council to develop plans that take into account, consistent with the applicable legal requirements, the various practical considerations the City determines are relevant. We anticipate that several plans may be developed, each responding to a different set of considerations proposed by the city council. Modifications or refinements may be required before a particular plan is determined to be acceptable.

5. **Advise the City Council Regarding the Merits of Plan(s)**. The Firm will advise the city council of the relative legal and practical merits of particular plans under consideration. As directed by the City, members of the Firm will attend meetings of the city council to present and discuss plan options. In addition, the Firm will provide an independent assessment of any plans under serious consideration. The assessment will verify whether and how the plan under consideration satisfies the applicable legal standards and whether the adopted redistricting criteria have been followed.

Attachment: 2021-112 ATTH 03 Redistricting Process and Firm Qualifications_Municipalities (3610 : 2021-112 RES Redistricting Svcs Contract

6. **Public Input, Deliberation, and Adoption of Final Plan**. Typically, one or more plans proposed by the city council will be presented for public comment. Depending on the City's preferences and cost-savings approach, the Firm will either (a) conduct public presentations of proposed plans and summarize public comments, or (b) direct the City to prepare a recording of the public input meeting in order for the Firm to review. Depending on the comments received, the City may wish to adopt a final plan directly following the public meeting.

7. **Post-Project Support**. The Firm will remain available to the City to deliver maps and answer any remaining questions at the conclusion of the project and provide other assistance as requested.

8. **Litigation**. In the event there is actual litigation or threatened litigation, the Firm will be available to counsel the City about the likely merits of any suit or claim brought or anticipated to be brought imminently, or to defend the challenge. The Firm would also be available to advise the City regarding potential litigation arising after the submission process is concluded.

## FIRM QUALIFICATIONS

Since it was founded in 1980, the Firm and its attorneys have been involved with redistricting for the State of Texas as well as hundreds of Texas local government entities, including (among others) cities, counties, and school districts. The Firm offers a comprehensive solution for our municipal clients' redistricting needs and has the expertise and technology to provide full-scope redistricting services. ***Although other firms offer redistricting services, we differ in several key areas*:**

**More Experience** – 2021 will mark the ***fifth decennial redistricting cycle*** that the Firm has provided redistricting services since our founding in 1980. We have worked for some of the largest cities in Texas – including (among others) Houston, Dallas, San Antonio, and El Paso, along with numerous small and medium-sized cities throughout Texas. The geographic reach of our redistricting practice is statewide, and our attorneys present redistricting topics at state and national conferences. For example, the Firm's co-founder Bob Heath presented *Decision #1: Data* (addressing the data available to redistricting professionals and the critical choices that must be made) at the 2019 National Conference of State Legislatures Capitol Forum in Phoenix. He also presented *Evenwel v. Abbott: Redistricting and the Meaning of Political Representation* at the 2016 American Bar Association Conference in San Francisco. In addition, our attorneys have extensive experience representing government clients regarding the federal Voting Rights Act, a critical component of the redistricting process.

Attachment: 2021-112 ATTH 03 Redistricting Process and Firm Qualifications_Municipalities (3610 : 2021-112 RES Redistricting Svcs Contract

**Governmental Focus** – We have substantial legal practice experience with Texas local government entities and thus are sensitive to the complex legal issues they face -- including the often-unique election, governance, and open government law issues dealt with on a regular basis by cities, counties, and other types of local governments in Texas.

**Higher Capacity** – With 23 attorneys and 26 support staff, our firm is one of the largest in the state with extensive, longstanding, statewide redistricting practice experience. We assign a dedicated team of attorneys, GIS specialists, and other support staff to ensure the full redistricting process is completed according to the client's schedule and specific needs.

**Customized Approach** – We recognize the redistricting needs of individual cities will vary greatly, which is why we work with the city council to prepare plans based on the specific concerns of the City. The redistricting process typically occurs only once per decade; therefore, it is vital for the City to capitalize on this opportunity to address a range of practical concerns under federal, state, and local law, some of which may include:

- **Establishment of Process Within Home Rule City Charter Requirements and Redistricting Commission Structure**
- **Rebalance of Population in City Council Districts**
- **Review and Legal Analysis of Minority Majority Districts, if any**
- **Election Precinct Coordination and Adjustment**

The Firm will work closely with the City to assess specific needs and deliver a final product that will be useful for the decade following the 2021 redistricting cycle.

**Technology** – The Firm utilizes the latest technology in order to meet client needs in several areas, including:

- **Quality Maps** – The Firm utilizes Edge2020 Redistricting Software to evaluate the 2020 Census data in order to provide clients with an Initial Assessment. In previous years, we have used AutoBound Redistricting Software, and Edge2020 represents the next generation of this redistricting software developed by Citygate GIS. Edge2020 exports seamlessly with ESRI map products and allows export of all redistricting data for use in most standard mapping software. The redistricting software is uniquely specialized to perform all types of analyses required for the development and evaluation of redistricting plans and exports data that is compatible with ArcGIS 10.0 software. In addition, we have the capability to produce a variety of printed map sizes, including large-format printing though the use of an in-house plotter. Our GIS staff can prepare detailed large-format maps

Attachment: 2021-112 ATTH 03 Redistricting Process and Firm Qualifications_Municipalities (3610 : 2021-112 RES Redistricting Svcs Contract

and export those maps into both PDF and graphic formats if clients choose to do their own printing.

- **Virtual Meetings** – Some clients prefer to meet via videoconference in order to reduce travel costs. If requested, the Firm will utilize the GoToMeeting platform to present the initial redistricting assessment, host drawing sessions, or for other requested meetings. Our team also has access to the Microsoft Teams and Zoom meeting platforms if either should need to be utilized during the City's redistricting project.
- **In-Person Attendance** – We frequently attend meetings in person to deliver redistricting presentations. If needed, we have the capacity to bring laptops, a projector, and other technology to the meetings that may be useful to clients with limited on-site technology.
- **Website Posts** – The Firm can assist the City in developing public notices, timelines, and map files for posting to the City's website.

**Savings** – We first perform an "Initial Assessment" using the census data to determine whether current city council districts or wards have become sufficiently unbalanced in population as to require the City to engage in redistricting. We have developed pricing for the Initial Assessment phase of redistricting planning that minimizes costs to cities that may not require redistricting. We do not require fees in advance of the work performed. Other than for the Initial Assessment, our clients are billed on an hourly basis according to the work that is performed. Additionally, we offer cost-savings approaches, such as virtual meetings and drawing sessions, which some clients prefer to utilize. We believe clients should have the flexibility to develop a budget that works for their needs. We are happy to work with you to develop a budget and find additional ways of reducing costs.

Attachment: 2021-112 ATTH 03 Redistricting Process and Firm Qualifications_Municipalities (3610 : 2021-112 RES Redistricting Svcs Contract

**Developing Perspectives and Goals Pending Approval by the City Council:**

| Perspectives | Goals |
|---|---|
| Serve the Community | ☐ Promote an Environmentally Sensitive & Livable Community<br>☐ Provide a Safe Community<br>☑ Deliver Quality Services<br>☐ Foster a Healthy Community |
| Run the Operations | ☐ Enhance Community Preparedness & Responsiveness<br>☐ Maximize Partnership Opportunities<br>☑ Provide Courteous & Responsive Customer Service<br>☐ Model a Positive City Image<br>☑ Deliver Efficient Services<br>☐ Cultivate Community Involvement & Access |
| Manage the Resources | ☐ Maintain Fiscal Strength<br>☐ Maximize Utilization & Resources<br>☐ Invest in Infrastructure & Transportation |
| Develop Personnel | ☐ Develop a Skilled & Diverse Workforce<br>☐ Create a Positive & Rewarding Work Culture |

**Perspectives and Goals Additional Comments:**

NONE

**Resource Impact:**

| | |
|---|---|
| Staff time required if item is approved: | No Additional |

**Other Potential Impacts:**

NONE APPLICABLE

**Public Information Plan:**

| | | | |
|---|---|---|---|
| ☐ | Newspaper Notice (Required by Statute) | ☐ | Public Hearing (Required by Statute) |
| ☐ | Public Forum/Input Session | ☐ | Press Release |
| ☐ | E-News Distribution | ☐ | Website Notice |
| ☐ | Social Media (Twitter, Facebook, etc.) | ☐ | Special Mailing |
| ☐ | Flyers Posted | ☐ | Banners Posted |
| ☐ | Survey | ☐ | Automated Phone Call |
| ☑ | None Required | ☐ | |

Other:

Attachment: 2021-112 Goals & Perspectives (3610 : 2021-112 RES Redistricting Svcs Contract for the 2020 Census)

**RESOLUTION NO. 2021-112**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF TEXARKANA, TEXAS, AUTHORIZING THE CITY MANAGER TO EXECUTE A CONTRACT WITH BICKERSTAFF HEATH DELGADO ACOSTA LLP FOR PROVIDING REDISTRICTING SERVICES BASED ON THE 2020 U. S. CENSUS; AND ESTABLISHING AN EFFECTIVE DATE.**

**WHEREAS,** redistricting is necessary every 10 years, in connection with the U.S. Census population figures from the latest 2020 Census; and

**WHEREAS,** city staff recommends the use of Bickerstaff Heath Delgado Acosta LLP, the same firm used by the City in 2011 for the 2010 redistricting process and the same firm that was also recently used by Texarkana Independent School District for 2020 redistricting services; and

**WHEREAS,** the firm will consult with the City Council and establish a schedule for performance of various tasks to include scheduling city council meetings, work sessions and public meetings, establishing target dates for presentation of proposed plans for city council consideration and for public discussion, and establishing target deadlines for city council adoption of a redistricting plan; and

**WHEREAS,** the firm will advise the City Council and clearly define the council's responsibility in the redistricting process; and

**WHEREAS**, the law firm will provide an initial assessment to determine any imbalances within the districts and will work with city staff to create a redistricting process to get boundaries within compliance of federal voting laws based on the 2020 U.S. Census; and

**WHEREAS,** the scope of the Engagement Agreement is summarized in **ATTH 01**.

**NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF TEXARKANA, TEXAS:**

**SECTION 1:** The recommendation to engage the law firm of Bickerstaff Heath Delgado Acosta LLP to provide legal services related to the 2020 redistricting process is approved.

**SECTION 2:** The City Manager is hereby authorized to execute a contract with Bickerstaff Heath Delgado Acosta LLP of Austin, Texas for the above-described services.

**SECTION 3:** This Resolution shall be in full force and effect from and after its passage and approval.

**PASSED AND APPROVED** in Regular Council Session on this the **10th day of January, 2022**.

ATTEST:

JENNIFER EVANS, CITY SECRETARY

BOB BRUGGEMAN, MAYOR

6:07 p.m.

Attachment: 2021-112 RES Redistricting Contract for 2020 Census signed (3610 : 2021-112 RES Redistricting Svcs Contract for the 2020

# Bickerstaff Heath Delgado Acosta LLP

3711 S. MoPac Expy., Building 1, Suite 300, Austin, Texas 78746

## ENGAGEMENT AGREEMENT

This agreement sets forth the standard terms of our engagement as your attorneys. Unless modified in writing by mutual agreement, these terms will be an integral part of our agreement with you. Therefore, we ask that you review this agreement carefully and contact us promptly if you have any questions. Please retain this agreement in your file.

Identity of Client. We will be representing the interests of the City of Texarkana, Texas (the "City").

Attorneys. Bickerstaff Heath Delgado Acosta LLP is engaged by you as your attorneys, and I, C. Robert Heath, will be the partner who will coordinate and supervise the services we perform on your behalf. We routinely delegate selected responsibilities to other persons in our Firm when, because of special expertise, time availability or other reasons, they are in a better position to carry them out. In addition, we will try, where feasible and appropriate, to delegate tasks to persons who can properly perform them at the least cost to you.

The Scope of Our Work. You should have a clear understanding of the legal services we will provide. We will provide services related only to matters as to which we have been specifically engaged. Although in the future we may from time to time be employed on other matters, our present relationship is limited to representing the above-named client in the matters described in **Exhibit A**. We will at all times act on your behalf to the best of our ability. Any expressions on our part concerning the outcome of your legal matters are expressions of our best professional judgment, but are not guarantees. Such opinions are necessarily limited by our knowledge of the facts and are based on the state of the law at the time they are expressed. We cannot guarantee the success of any given matter, but we will strive to represent your interests professionally and efficiently.

Fees for Legal Services. Our charges for professional services are customarily based on the time devoted to the matter, the novelty and difficulty of the questions presented, the requisite experience, reputation and skill required to deal with those questions, time limitations imposed by the circumstances, and the amount involved and the results obtained. Unless otherwise indicated in writing, our fees for legal services are determined on the basis of the hourly rates of the respective lawyers and other timekeepers who perform the services. These rates vary depending on the expertise and experience of the individual. We will only adjust these rates with your consent and will notify you in writing if this fee structure is modified. The initial agreed billing rates for attorneys and other timekeepers engaged on your work are attached as **Exhibit B**.

Other Charges. All out-of-pocket expenses (such as copying charges, travel expenses, messenger expenses, filing and other court costs, and the like) incurred by us in connection with our representation of you will be billed to you as a separate item on your statement. A description of the most common expenses is included as **Exhibit C** and agreed to as part of this agreement.

Billing Procedures and Terms of Payment. Our billing period begins on the 16th of the month and ends on the 15th of the following month. We will render periodic invoices to you for legal services and expenses. We usually mail these periodic invoices on or before the last day of the month following the latest date covered in the statement. Each invoice is due upon receipt, must be paid in U.S. Dollars, and is considered delinquent if not paid in full within 30 days from the date it was received by the City. Payment must be made to the Firm at 3711 S. MoPac Expressway, Building One, Suite 300, Austin, Texas, 78746. We will include all information reasonably requested by you on all invoices and will reference any purchase order number provided by you. Payment and interest, if any, will comply with the Prompt Payment Act (Texas Government Code Chapter 2251), if applicable, for any final invoices. If you have any question or disagreement about any invoice that we submit to you for payment, please contact me at your earliest convenience so that we can resolve any problems without delay. Typically, such questions or disagreements can be resolved to the satisfaction of both sides with little inconvenience or formality.

Attachment: 2021-112 RES Redistricting Contract for 2020 Census signed (3610 : 2021-112 RES Redistricting Svcs Contract for the 2020

Termination of Services. You have the right at any time to terminate our employment upon written notice to us, and if you do we will immediately cease to render additional services. We reserve the right to discontinue work on pending matters or terminate our attorney-client relationship with you at any time that payment of your account becomes delinquent, subject to Court approval if necessary. In the event that you fail to follow our advice and counsel, or otherwise fail to cooperate reasonably with us, we reserve the right to withdraw from representing you upon short notice, regardless of the status of your matter. No termination, whether by you or by us, will relieve you of the obligation to pay fees and expenses incurred prior to such termination.

Retention of Documents. Although we generally attempt to retain for a reasonable time copies of most documents in the possession of this Firm related to the matter(s) described in **Exhibit A**, we are not obligated to do so indefinitely, and we hereby expressly disclaim any responsibility or liability for failure to do so. We generally attempt to furnish copies of all documents and significant correspondence to you at the time they are created or received, and you agree to retain all originals and copies of documents you desire among your own files for future reference. This document serves as notice to you that we will destroy such materials in accordance with the Firm's record retention policy, which may be amended from time to time and a copy of which will be provided at your request. It is our Firm's policy to destroy all copies, whether in paper or electronic form, of materials in connection with the representation seven (7) years after the completion of our work relating to this engagement or the completion of a particular project under this engagement, unless and to the extent an exception recognized in our document retention policy or other legal requirement applies to some or all of the subject materials and requires retention for a longer period of time. The Firm also reserves the discretion to retain its records of pertinent documents relating to its ongoing representation of a client, e.g. in a general counsel capacity. If you would like to obtain copies of materials in the Firm's possession related to this matter prior to the scheduled destruction of the materials, please notify the Firm. Because you will have been furnished with copies of all relevant materials contained in our files during the course of the active phase of our representation, if you later ask us to retrieve and deliver materials contained in a file that has been closed, you agree that we will be entitled to be paid a reasonable charge for the cost of retrieving the file, and identifying, reproducing, and delivering the requested materials to you.

Fee Estimates. We are often requested to estimate the amount of fees and costs likely to be incurred in connection with a particular matter. Our attorneys do their best to estimate fees and expenses for particular matters when asked to do so. However, an estimate is just that, and the fees and expenses required are ultimately a function of many conditions over which we have little or no control, especially in litigation or negotiation situations where the extent of necessary legal services may depend to a significant degree upon the tactics of the opposition. Unless otherwise agreed in writing with respect to a specific matter, all estimates made by us will be subject to your agreement and understanding that such estimates do not constitute maximum or fixed-fee quotations and that the ultimate cost is frequently more or less than the amount estimated.

Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of Texas, United States of America, without giving effect to its choice of law's provisions. Venue of any case or controversy arising under or pursuant to this Agreement will be exclusively in Bowie County, Texas, United States of America.

Standards of Professionalism and Attorney Complaint Information. Pursuant to rules promulgated by the Texas Supreme Court and the State Bar of Texas, we hereby advise you that the State Bar of Texas investigates and prosecutes complaints of professional misconduct against attorneys licensed in Texas. Information on the grievance procedures is available from the State Bar of Texas, and any questions you have about the disciplinary process should be addressed to the Office of the General Counsel of the State Bar of Texas, which you may call toll free at 1-800-932-1900.

Questions. If you have any questions from time to time about any aspect of our arrangements, please feel free to raise those questions. We want to proceed in our work for you with your clear and satisfactory understanding about every aspect of our billing and payment policies; and we encourage an open and frank discussion of any or all of the matters addressed in this agreement.

Acceptance of Terms. If this arrangement is acceptable to the City, please sign the enclosed duplicate original of this agreement and return it and the required retainer to us at your earliest convenience. We truly appreciate the opportunity to be of service to you and look forward to working with you in a mutually beneficial relationship.



Attachment: 2021-112 RES Redistricting Contract for 2020 Census signed (3610 : 2021-112 RES Redistricting Svcs Contract for the 2020

**AGREED TO AND ACCEPTED**

CITY OF TEXARKANA, TEXAS

By: _____

DAVID ORR

[Printed name]

Title: CITY MANAGER

Date: 1/11/2022

cc: Billing Department

BICKERSTAFF HEATH DELGADO ACOSTA LLP

By: _____

**C. Robert Heath**

Date: November 22, 2021



Attachment: 2021-112 RES Redistricting Contract for 2020 Census signed (3610 : 2021-112 RES Redistricting Svcs Contract for the 2020

## Exhibit A — Scope of Services

Bickerstaff Heath Delgado Acosta LLP

While we agree that in the future we may from time to time be employed on other matters, this agreement provides that our relationship is limited to representing and counseling you in connection with the following:

- Redistricting services based on 2020 census data for the City of Texarkana, Texas; and

- Other legal services assigned or requested, only if the scope of which is confirmed by you in writing at the time of assignment.

Other legal services not assigned or requested, and confirmed in writing, are specifically not within the scope of our representation.

Attachment: 2021-112 RES Redistricting Contract for 2020 Census signed (3610 : 2021-112 RES Redistricting Svcs Contract for the 2020

# Exhibit B — Billing Rates

Bickerstaff Heath Delgado Acosta LLP

## Initial Assessment and Set-up

**$6,000.00**

The Initial Assessment will consist of the preliminary tasks, post-census initial data analysis, and a presentation and discussion of the Firm's findings with the City Council. If the council districts are determined to be out of balance, we will on request develop a detailed budget, outline the City's obligations, and produce a timeline for completing the remainder of the redistricting process. We charge $6,000 and hourly fees for travel time for the preparation and presentation of the Initial Assessment, plus out-of-pocket expenses. If the Initial Assessment reveals that the council districts are balanced, and the City Council decides not to redistrict, no other fees will be assessed unless additional services are requested.

## Redistricting Process

**Hourly Fee Basis (plus out of pocket expenses)**

Unless otherwise indicated in writing, our fees for legal services related to redistricting are determined on the basis of the hourly rates of the respective lawyers, paralegals and specialists who perform the services, including for travel time, plus out-of-pocket expenses. These rates vary depending on the expertise and experience of the individual and are indicated below.

| | |
|---|---|
| Senior Attorneys: | $420-$480 per hour |
| Other Attorneys: | $250-$375 per hour |
| Senior GIS Specialist: | $230 per hour |
| GIS Specialist: | $180 per hour |
| Paralegal: | $180 per hour |

Attachment: 2021-112 RES Redistricting Contract for 2020 Census signed (3610 : 2021-112 RES Redistricting Svcs Contract for the 2020

# Exhibit C—Client Costs Advanced

Bickerstaff Heath Delgado Acosta LLP

The firm incurs expenses on behalf of clients only when required by the legal needs of the clients. Some cases or matters require extensive use of outside copy facilities, and other cases may not be so paper-intensive. Standard services handled within the firm are not charged, and client specific expenses are billed to the client needing those services. An explanation of the billing structure is as follows:

Not Charged

Secretarial and word processing time, routine postage, file setup, file storage, local or ordinary long distance charges, fax charges, and computerized legal research data charges.

Delivery Services

Outside delivery services are used for pickup and delivery of documents to the client as well as to courts, agencies, and opposing parties. Outside delivery fees are charged to the client at the rate charged to the firm. Overnight delivery services are also charged at the rate charged to the firm. Firm Office Services Department personnel may provide delivery service in urgent situations and charges for such in-house service will not exceed the charge that would be made by an outside service in a similar situation.

Postage

Our postal equipment calculates exact U.S. postage for all sizes and weights of posted material. The rate charged for postage is the same as the amount affixed to the material that is mailed. We will not charge clients for postage on routine correspondence; however, the cost of large-volume mail, certified mail, or other additional mail services will be charged to the client.

Copies and Prints

Our standard rate for black and white copies and prints made by firm personnel is $0.15 per page. Color copies and prints are charged at a standard rate of $0.55 per page. These charges cover paper, equipment costs, and other supplies. If savings can be realized within the required time frame by sending copy jobs to subcontractors, the firm uses only qualified legal services copiers and the cost charged to the client is the same as the amount billed to the firm.

Phone Charges

Only charges for conference calls or international calls are charged, and charges are billed at the same amount billed to the firm by the outside provider.

Travel

Attorney and other timekeeper time spent traveling on behalf of a client is billed to the client. Hotel, meals, local transportation, and similar expenses are charged based on receipts and travel expense forms submitted by the attorney. Documentation is available to the client if requested.

Maps

Maps produced in conjunction with a project will be billed at $50 for each 34 x 44 inch map and $20 for each smaller map, plus cost (time fees) for preparation.

Other Expenses

Expenses incurred with outside providers in connection with the client's legal services will be paid by the client directly to the outside provider unless specifically arranged in advance. If the firm agrees to pay outside providers, the cost charged to the client is the same as the amount billed to the firm. Examples of such charges include: court reporter fees, filing fees, newspaper charges for publication notices, expert witness fees, consultants and other similar expenses.

Attachment: 2021-112 RES Redistricting Contract for 2020 Census signed (3610 : 2021-112 RES Redistricting Svcs Contract for the 2020

## Exhibit D—Verification Required by Texas Government Code Chapter 2271

Bickerstaff Heath Delgado Acosta LLP

By signing below, Bickerstaff Heath Delgado Acosta LLP hereby verifies the following:

1. The Firm does not boycott Israel; and
2. The Firm will not boycott Israel during the term of this Engagement Agreement.

**SIGNED BY:** _____

**C. Robert Heath**

**Date:** November 22, 2021

This Verification is incorporated and made a part of the Engagement Agreement between Bickerstaff Heath Delgado Acosta LLP and the City of Texarkana, Texas.

Attachment: 2021-112 RES Redistricting Contract for 2020 Census signed (3610 : 2021-112 RES Redistricting Svcs Contract for the 2020

**City of Texarkana, Texas**

# Briefing Sheet

Version:
**Update Date:** 1/4/2022 11:19 AM

**Lead Department:** Planning and Community Development **Action Officer:** Vashil Fernandez, PCD Director

**Subject:** Resolution No. 2021-116 adopting evaluative factors and administrative procedures for low income housing tax credits resolution requests; containing a fact finding that the City has more than twice the state average of units per capita supported by housing tax credits or private activity bonds.

**Briefing:** 1/10/2022 **Public Hearing:** **Council Vote:** 1/10/2022

**Item Schedule**

Schedule 2: Brief once - vote once (two weeks)

## Updates/History of Briefing:

Federal law provides for federal income tax credits to stimulate private developers to invest in and construct low-income housing. *See* 26 U.S.C. § 42. The federal tax credits are allocated between the states and awarded at the state level by a designated housing credit agency. The Texas Legislature has designated the Texas Department of Housing and Community Affairs ("TDHCA") to administer the state's low income housing tax credit ("LIHTC") program. *See* Tex. Gov't Code Ch. 2306; 10 Tex. Adm. Code Ch. 11. Federal law requires TDHCA to allocate tax credits pursuant to a Qualified Allocation Plan ("QAP"), which must include certain selection criteria. TDHCA is also required by state law to adopt a QAP.

## Executive Summary and Background Information:

TDHCA requires that a City Council issue a Resolution of Support (9% tax credit applications) or a Resolution of No Objection, or a Resolution of Opposition in order for the applications to be eligible for tax credits or bond financing through the state.

The City Council evaluates the criteria listed in the LIHTC Resolution Procedures in order to decide whether to issue a Resolution in Support, Resolution of No Objection or a Resolution of Opposition for a proposed development.

This ensure that the City is meeting the need for housing based on the Comprehensive Plan and also ensure that competent and eligible developers are receiving these projects.

## Potential Options:

- Approve
- Deny

## Fiscal Implications:

Not applicable

## Staff Recommendation:

Recommend for Approval

**Advisory Board/Committee Review:**

(Advisory Board/Committee Name OR say "NONE")

**Board/Committee Recommendation:**

(Insert Date Here):

(Insert Text Here or say "NOT APPLICABLE")

**Advisory Board/Committee Meeting Date and Minutes:**

None

**Attachments**

a. 2021-116 RES Approving LIHTC Procedures (DOCX)
b. 2021-116 EXH 'A' LIHTC Evaluation Procedures 12-2-2021 (DOCX)
c. 2021-116 Goals & Perspectives (DOCX)
d. 2021-116 RES Apprv Low Income Housing Tax Credit signed (PDF)

**Staff Coordination**

| | | | | |
|---|---|---|---|---|
| Planning and Community Development | Vashil Fernandez | Department Head Review | Completed | 12/02/2021 3:29 PM |
| Finance Department | Kristin Peeples | Finance Review | Completed | 12/03/2021 8:14 AM |
| City Manager | David Orr | City Manager Review | Completed | 12/09/2021 2:48 PM |
| City Council | Jennifer Evans | Meeting | Completed | 12/13/2021 6:00 PM |

**Meeting History**

12/13/21 City Council MOVED FORWARD Next: 01/10/22

Attachment: 2021-116 RES Approving LIHTC Procedures (3599 : 2021-116 RES Approving Low Income Housing Tax Credit LIHTCResolution

**RESOLUTION NO. 2021 - 116**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF TEXARKANA, TEXAS, ADOPTING EVALUATIVE FACTORS AND ADMINISTRATIVE PROCEDURES FOR LOW INCOME HOUSING TAX CREDITS RESOLUTION REQUESTS; CONTAINING A FACT FINDING THAT THE CITY OF TEXARKANA, TEXAS, HAS MORE THAN TWICE THE STATE AVERAGE OF UNITS PER CAPITA SUPPORTED BY HOUSING TAX CREDITS OR PRIVATE ACTIVITY BONDS; CONTAINING A SUPERSEDING CLAUSE; AND ESTABLISHING AN EFFECTIVE DATE.**

**WHEREAS,** federal law provides for federal income tax credits to stimulate private developers to invest in and construct low-income housing and such credits are allocated between the states and awarded at the state level by a designated housing credit agency; and

**WHEREAS,** the Texas Legislature has designated the Texas Department of Housing and Community Affairs ("TDHCA") to administer the state's low income housing tax credit ("LIHTC") program; and

**WHEREAS,** federal law requires TDHCA to allocate tax credits pursuant to a Qualified Allocation Plan ("QAP") which must include certain selection criteria, and the TDHCA-adopted QAP is set out at Title 10 Tex. Adm. Code Chapter. 11; and

**WHEREAS,** when evaluating LIHTC applications, the TDHCA scores and ranks applications using a point system for specified threshold criteria required by the QAP, with one specific criterion providing for 17 points for a resolution of a municipality in support of the proposed development, 14 points for a resolution of a municipality that does not object to the proposed development, or zero points for a resolution in opposition to the proposed development or absence of a resolution; and

**WHEREAS,** Texas law and TDHCA's QAP provide in pertinent part that if a proposed development is located in a municipality that has more than twice the state average of units per capita supported by Housing Tax Credits or private activity bonds at the time the acceptance period for LIHTC application begins, then the applicant must obtain prior approval of the development from the governing body of the municipality; *see* Tex. Gov't Code § 2306.6703(a)(4); Title 10 Tex. Adm. Code § 11.3(c); and

**WHEREAS, s**ince neither federal nor state law provides for specific guidelines directing a municipality's evaluation of a request to its governing body for such a resolution, the City Council finds and determines that evaluative factors and administrative procedures should be promulgated for City staff's evaluation of requests for such resolutions.

**NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF TEXARKANA, TEXAS:**

**SECTION 1:** The City Council adopts and approves the "City of Texarkana, Texas Evaluative Factors and Administrative Procedures LIHTC Resolution Requests" attached hereto as **Exhibit "A"** and incorporated herein by reference for all purposes. These evaluative factors and administrative procedures are intended to be consistent with — and when applying such factors and procedures the City shall follow — all applicable federal and state fair housing laws and regulations, cases interpreting and applying those laws, and the City's own housing ordinances and policies.

**SECTION 2:** The City Council finds and determines — as described in Section § 2306.6703(a)(4) of the Texas Government Code and Title 10 Texas Administrative Code Chapter 11, Section 11.3(c) — that the City of Texarkana, Texas, has more than twice the state average of units per capita supported by housing tax credits or private activity bonds.

**SECTION 3:** In case a section, clause, sentence, or part of this resolution (including a section, clause, sentence, or part of the exhibit to this resolution) shall be deemed or adjudged by a Court of competent jurisdiction to be invalid, then such invalidity shall not affect, impair, or invalidate the remainder of this resolution or, as applicable, the exhibit to this resolution.

**SECTION 4:** This resolution shall be in full force and effect from and after its passage and approval.

**PASSED AND APPROVED** in Regular Council Session on this the **13th day of December, 2021.**

ATTEST:

| | |
|---|---|
| JENNIFER EVANS, CITY SECRETARY | BOB BRUGGEMAN, MAYOR |

Attachment: 2021-116 RES Approving LIHTC Procedures (3599 : 2021-116 RES Approving Low Income Housing Tax Credit LIHTCResolution

# City of Texarkana, Texas

## Evaluative Factors and Administrative Procedures

## LIHTC Resolution Requests

**Preamble**

Federal law provides for federal income tax credits to stimulate private developers to invest in and construct low-income housing. *See* 26 U.S.C. § 42. The federal tax credits are allocated between the states and awarded at the state level by a designated housing credit agency. The Texas Legislature has designated the Texas Department of Housing and Community Affairs ("TDHCA") to administer the state's low income housing tax credit ("LIHTC") program. *See* Tex. Gov't Code Ch. 2306; 10 Tex. Adm. Code Ch. 11. Federal law requires TDHCA to allocate tax credits pursuant to a Qualified Allocation Plan ("QAP"), which must include certain selection criteria. TDHCA is also required by state law to adopt a QAP.

When evaluating LIHTC applications, TDHCA must determine whether the application satisfies specified threshold criteria required by the QAP. TDHCA scores and ranks applications using a point system. One specific criterion evaluates and scores each application based upon a resolution of a municipality in support of (17 points) or with no objection to (14 points) the proposed development. 10 Tex. Admin Code § 11.9(d)(1)(A)(i), (A)(ii). Absence of a resolution, or a resolution in opposition, receives zero points. *Id.*, § 11.9(d)(1).

Also, Texas law and TDHCA's QAP provides in pertinent part that if a proposed development is located in a municipality that has more than twice the state average of units per capita supported by Housing Tax Credits or private activity bonds at the time the acceptance period for LIHTC application begins, then the applicant must obtain prior approval of the development from the governing body of the municipality; *see* Tex. Gov't Code § 2306.6703(a)(4); 10 Tex. Adm. Code § 11.3(c). TDHCA's QAP expressly requires that a resolution of approval adopted by a municipality's governing body must set forth a written statement of support, specifically citing Tex. Gov't Code §2306.6703(a)(4) in the text of the actual adopted resolution, and authorizing an allocation of housing tax credits for the development. The City Council of the City of Texarkana, Texas, has found and determined that the City has more than twice the state average of units per capita supported by housing tax credits or private activity bonds.

Since neither federal nor state law provide for specific guidelines directing a city's evaluation of a request to its governing body for such a resolution, the City Council has promulgated the following evaluative factors and administrative procedures for City staff's evaluation of requests for such resolutions. These factors and procedures are intended to be consistent with — and when applying such factors and procedures the City shall follow — all applicable federal and state fair housing laws and regulations, cases interpreting and applying those laws, and the City's own housing ordinances and policies.

Attachment: 2021-116 EXH 'A' LIHTC Evaluation Procedures 12-2-2021 [Revision 1] (3599 : 2021-116 RES Approving Low Income Housing Tax

Attachment: 2021-116 EXH 'A' LIHTC Evaluation Procedures 12-2-2021 [Revision 1] (3599 : 2021-116 RES Approving Low Income Housing Tax

**Definitions**

§11.9(d)(1) RESOLUTION – the resolution described at 10 Tex. Adm. Code § 11.9(d)(1).

PRE-APPLICATION – the information described at 10 Tex. Adm. Code § 11.8.

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[Italicized words shall have the same meaning as defined at 10 Tex. Adm. Code § 11.1(d).]

**Development Information — Evaluative Factors**

1. Specific to the *Development*, disclose the names, physical and e-mail addresses, telephone contact numbers, and authorized contact persons for:

    1.1 *Applicant*
    1.2 *Developer*
    1.3 *Development Consultant*
    1.4 *Development Owner*
    1.5 *Development Team*
    1.6 *General Contractor*
    1.7 *General Partner*
    1.8 *Guarantor*
    1.9 *Managing General Partner*
    1.10 *Principal*
    1.11 any *Affiliate* to 1.1. 1.2. 1.3, 1.4, 1.5, 1.7, 1.9, or 1.10
    1.12 the owners of the *Property*
    1.13 architect
    1.14 tax professional
    1.15 market analyst
    1.16 tenant services provider
    1.17 real estate syndicator
    1.18 real estate broker, agent, or other person receiving a fee in connection with services usually provided by a real estate broker or agent
    1.19 attorney

2. Disclose *Development* characteristics, including but not limited to:

    2.1 a description of the *Development*, *Development Site*, and *Property*
    2.2 *Site Control*
    2.3 any agreements or letters of intent between the owners of the *Property* and any persons associated with 1.1. 1.2. 1.3, 1.4, 1.5, 1.7, 1.9, 1.10, or 1.11
    2.4 *Developer Fee*
    2.5 *Developer Services*
    2.6 *Market Analysis*
    2.7 *Primary Market*
    2.8 *Property Condition Assessment*
    2.9 anticipated *Site Work*
    2.10 estimated *Total Housing Development Cost*

Attachment: 2021-116 EXH 'A' LIHTC Evaluation Procedures 12-2-2021 [Revision 1] (3599 : 2021-116 RES Approving Low Income Housing Tax

2.11 the location of the *Development*, measured in linear miles, from an existing development that serves the same type of customer or household as proposed for the *Development*;
2.12 whether the *Development* constitutes an approved land use at the *Property* under the City's zoning ordinances
2.13 *Development* financing
2.14 the anticipated tenant population, and detailing whether the population will include persons with special housing needs or individuals with children
2.15 whether the *Development* is intended for eventual tenant ownership
2.16 the energy efficiency of the *Development*
2.17 environmental or topographical issues existing on the *Property*
2.18 any need for expanded City services and related infrastructure than what otherwise exists for the *Development Site* (e.g., police and fire services, water, sanitary sewer, stormwater capacities and facilities, roads and traffic devices)
2.19 compliance with applicable laws and City ordinances, including building codes and accessibility standards

3. State the anticipated impact of the *Development* on the following (where applicable):
3.1 historical areas, sites, buildings, or other structures
3.2 special districts or zones created by the City Council (e.g., overlay districts, UPDD, TIRZ)
3.3 the independent school district within which the proposed development would be located
3.4 developments supported by resolutions of the City Council

4. For any developments constructed within the past five years involving any persons associated with 1.1. 1.2. 1.3, 1.4, 1.5, 1.7, 1.9, 1.10, or 1.11, disclose the following:

4.1 the location of such developments
4.2 names and contact information for on-site managers for such developments
4.3 the Texas governmental entities that passed a §11.9(d)(1) RESOLUTION for such developments

5. Disclose the date the requestor notified the following about the *Development* (include copies of the notifications):

4.1 the independent school district within which the *Development* would be located
4.2 elected officials
4.3 the Texas Department of Transportation, if a state highway is within 200 feet of the proposed development
4.4 the owners of 20 percent or more of the area within 200 feet of the *Development*

**Evaluative Factors — City Information**

1. Housing needs characteristics and whether, at the time of application, the City has more than twice the state average of units per capita supported by housing tax credits or private activity bonds.

2. Whether the *Development* constitutes an approved land use at the *Property* under the City's zoning ordinances; if not, whether any zoning change proceeding has been commenced by the owners of the *Property*.

3. Whether the *Development* is consistent with the City's Comprehensive Plan.

4. Categories 1, 2, 3, and 4 of the "Development Information" evaluative factors.

5. Any evaluative factor unique to the proposed development or made apparent during City staff review of the request.

**Procedures and Deadlines**

1. Required information. Any person requesting a §11.9(d)(1) RESOLUTION from the City Council shall submit to the City Secretary the following:

   a. a copy of the filed PRE-APPLICATION pertaining to the proposed development

   b. information responsive to the "Evaluative Criteria - Development Information" category, to the extent not otherwise disclosed in the PRE-APPLICATION

   c. the requested action of the City Council (the requestor may, but is not required, to submit a draft resolution containing the requested action)

2. Request deadline. The requestor must submit to the City Secretary a request for a §11.9(d)(1) RESOLUTION no later than the fifth business day after the PRE-APPLICATION FINAL DELIVERY DATE. This deadline cannot be extended. The City Secretary shall not accept any untimely request. The City Secretary shall log all timely submissions and forward requests to the City's Director of Planning & Community Development.

3. Staff review. City staff shall analyze each timely-submitted request using the evaluative criteria to guide the analysis. City staff may meet with the requestor or require submission of additional information during the review process.

4. City Council discretion. Any timely-submitted request for a §11.9(d)(1) RESOLUTION shall be submitted to the City Council accompanied by City staff analysis and draft resolutions in three alternative formats: in support of the development; no objection to the development; and opposition to the development. Neither the City Manager nor City staff shall be required to suggest or recommend a course of action to the City Council on any request. The weight to give any evaluative factor and the decision whether or not to pass a §11.9(d)(1) RESOLUTION lies solely within the discretion of the City Council. In the event the City Council exercises discretion to pass such a resolution, the City Secretary and City Attorney shall conform any draft resolution to reflect the vote of the City Council. Any §11.9(d)(1) RESOLUTION shall expressly provide that such resolution shall not be construed as providing either an advisory opinion on zoning, an exception to compliance with the City's zoning ordinances, or a waiver of any requirements of the City's zoning ordinances.

5. Changes in law or regulations. The City Manager is delegated authority to make revisions to these procedures to conform to any changes in law or regulations.



Attachment: 2021-116 EXH 'A' LIHTC Evaluation Procedures 12-2-2021 [Revision 1] (3599 : 2021-116 RES Approving Low Income Housing Tax

# City of Texarkana, Texas

| Developing Perspectives and Goals Pending Approval by the City Council: | | |
|---|---|---|
| **Perspectives** | | **Goals** |
| **Serve the Community** | ☐ | Promote an Environmentally Sensitive & Livable Community |
| | | Provide a Safe Community |
| | X | Deliver Quality Services |
| | ☐ | Foster a Healthy Community |
| **Run the Operations** | ☐ | Enhance Community Preparedness & Responsiveness |
| | X | Maximize Partnership Opportunities |
| | ☐ | Provide Courteous & Responsive Customer Service |
| | ☐ | Model a Positive City Image |
| | X | Deliver Efficient Services |
| | ☐ | Cultivate Community Involvement & Access |
| **Manage the Resources** | ☐ | Maintain Fiscal Strength |
| | ☐ | Maximize Utilization & Resources |
| | X | Invest in Infrastructure & Transportation |
| **Develop Personnel** | ☐ | Develop a Skilled & Diverse Workforce |
| | ☐ | Create a Positive & Rewarding Work Culture |

**Perspectives and Goals Additional Comments:**

NONE

**Resource Impact:**

| | |
|---|---|
| Staff time required if item is approved: | Medium |

**Other Potential Impacts:**

NONE APPLICABLE

**Public Information Plan:**

| | | | |
|---|---|---|---|
| ☐ | Newspaper Notice (Required by Statute) | ☐ | Public Hearing (Required by Statute) |
| ☐ | Public Forum/Input Session | ☐ | Press Release |
| ☐ | E-News Distribution | ☐ | Website Notice |
| ☐ | Social Media (Twitter, Facebook, etc.) | ☐ | Special Mailing |
| ☐ | Flyers Posted | ☐ | Banners Posted |
| ☐ | Survey | ☐ | Automated Phone Call |
| X | None Required | ☐ | |

Other:

Attachment: 2021-116 Goals & Perspectives (3599 : 2021-116 RES Approving Low Income Housing Tax Credit LIHTCResolution Request

# RESOLUTION NO. 2021 - 116

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF TEXARKANA, TEXAS, ADOPTING EVALUATIVE FACTORS AND ADMINISTRATIVE PROCEDURES FOR LOW INCOME HOUSING TAX CREDITS RESOLUTION REQUESTS; CONTAINING A FACT FINDING THAT THE CITY OF TEXARKANA, TEXAS, HAS MORE THAN TWICE THE STATE AVERAGE OF UNITS PER CAPITA SUPPORTED BY HOUSING TAX CREDITS OR PRIVATE ACTIVITY BONDS; CONTAINING A SUPERSEDING CLAUSE; AND ESTABLISHING AN EFFECTIVE DATE.**

**WHEREAS,** federal law provides for federal income tax credits to stimulate private developers to invest in and construct low-income housing and such credits are allocated between the states and awarded at the state level by a designated housing credit agency; and

**WHEREAS,** the Texas Legislature has designated the Texas Department of Housing and Community Affairs ("TDHCA") to administer the state's low income housing tax credit ("LIHTC") program; and

**WHEREAS,** federal law requires TDHCA to allocate tax credits pursuant to a Qualified Allocation Plan ("QAP") which must include certain selection criteria, and the TDHCA-adopted QAP is set out at Title 10 Tex. Adm. Code Chapter. 11; and

**WHEREAS,** when evaluating LIHTC applications, the TDHCA scores and ranks applications using a point system for specified threshold criteria required by the QAP, with one specific criterion providing for 17 points for a resolution of a municipality in support of the proposed development, 14 points for a resolution of a municipality that does not object to the proposed development, or zero points for a resolution in opposition to the proposed development or absence of a resolution; and

**WHEREAS,** Texas law and TDHCA's QAP provide in pertinent part that if a proposed development is located in a municipality that has more than twice the state average of units per capita supported by Housing Tax Credits or private activity bonds at the time the acceptance period for LIHTC application begins, then the applicant must obtain prior approval of the development from the governing body of the municipality; *see* Tex. Gov't Code § 2306.6703(a)(4); Title 10 Tex. Adm. Code § 11.3(c); and

**WHEREAS,** since neither federal nor state law provides for specific guidelines directing a municipality's evaluation of a request to its governing body for such a resolution, the City Council finds and determines that evaluative factors and administrative procedures should be promulgated for City staff's evaluation of requests for such resolutions.

**NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF TEXARKANA, TEXAS:**

Attachment: 2021-116 RES Apprv Low Income Housing Tax Credit signed (3599 : 2021-116 RES Approving Low Income Housing Tax Credit

**SECTION 1:** The City Council adopts and approves the "City of Texarkana, Texas Evaluative Factors and Administrative Procedures LIHTC Resolution Requests" attached hereto as **Exhibit "A"** and incorporated herein by reference for all purposes. These evaluative factors and administrative procedures are intended to be consistent with — and when applying such factors and procedures the City shall follow — all applicable federal and state fair housing laws and regulations, cases interpreting and applying those laws, and the City's own housing ordinances and policies.

**SECTION 2:** The City Council finds and determines — as described in Section § 2306.6703(a)(4) of the Texas Government Code and Title 10 Texas Administrative Code Chapter 11, Section 11.3(c) — that the City of Texarkana, Texas, has more than twice the state average of units per capita supported by housing tax credits or private activity bonds.

**SECTION 3:** In case a section, clause, sentence, or part of this resolution (including a section, clause, sentence, or part of the exhibit to this resolution) shall be deemed or adjudged by a Court of competent jurisdiction to be invalid, then such invalidity shall not affect, impair, or invalidate the remainder of this resolution or, as applicable, the exhibit to this resolution.

**SECTION 4:** This resolution shall be in full force and effect from and after its passage and approval.

**PASSED AND APPROVED** in Regular Council Session on this the **10th day of January, 2022.**

ATTEST:

JENNIFER EVANS, CITY SECRETARY

BOB BRUGGEMAN, MAYOR

6:08 p.m.

Attachment: 2021-116 RES Apprv Low Income Housing Tax Credit signed (3599 : 2021-116 RES Approving Low Income Housing Tax Credit

# City of Texarkana, Texas

## Evaluative Factors and Administrative Procedures

## LIHTC Resolution Requests

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**City of Texarkana, Texas**

# Briefing Sheet

Version:
**Update Date:** 1/4/2022 1:25 PM

**Lead Department:** Fire Department **Action Officer:** Eric Schlotter, Fire Chief

**Subject:** Resolution No. 2021-119 authorizing the City Manager to amend the contract for exclusive ambulance service with Lifenet, Inc.

**Briefing:** 1/10/2022 **Public Hearing:** **Council Vote:** 1/10/2022

| Item Schedule |
| --- |
| Schedule 2: Brief once - vote once (two weeks) |

**Updates/History of Briefing:**

On 1/4/22 the attachment titled 2021-119 EXH 'A' Amended Contract for Exclusive Ambulance Service was updated. There was an inadvertent error in the first version wherein the cost for lift assistance and false calls was not included. I did mention these charges in my remarks to Council but they were not in the original version. Legal has corrected the error and the new version is now included.

**Executive Summary and Background Information:**

The resolution before you, if passed, would authorize the City Manager to amend the existing ambulance service contract that the City has with Lifenet, Inc.

There are two substantial changes to the existing contract, proposed by Lifenet. The first and most significant change is to the required level of care. Under the terms of the current contract, all ambulances must be licensed at the advanced "ALS" level of care, more simply stated they must all have a paramedic on board that is capable of delivering advanced medical care if needed. The proposed change would allow Lifenet to have some of their ambulances licensed as basic "BLS" level of care, meaning they would have only EMT's who can only provide basic life saving measures. The current contract requires that all calls regardless of severity have an ALS unit respond. The proposed changes would still require an ALS unit on serious/life-threatening calls, but would allow BLS units to handle non life-threatening calls.

The COVID-19 pandemic has caused direct and indirect issues that create the need for Lifenet to flexibility in how they provide staffing and respond to calls for service. Lifenet has seen a drastic reduction in the number of qualified applicants at the Paramedic level, caused by both course availability and a reduction in the number of interested individuals. Additionally, increased wall times at area hospitals has decreased the effectiveness of staffed ambulance units which then creates a need for additional units to cover the call load. The proposed changes are one of several ways Lifenet is trying to address the dynamic issues that are affecting the ambulance industry.

The second proposed change would allow Lifenet to charge a service fee to individuals who are deemed to be abusing or misusing the ambulance service. There are a significant number of calls for service wherein the individual is not suffering from a medical condition, but rather simply needs assistance with being picked up from a fall or help with moving around. These calls tie up valuable resources and create a liability for the crews involved, both of which create a cost for Lifenet.

There are a couple of added definitions to add clarity for the above mentioned changes and a few other wording changes that are not substantial, but are included in the proposed amendment to the contract.

It is important to note that while the impetus behind the proposed changes is the COVID-19 pandemic, if approved the changes to the contract would be permanent and would not end when the pandemic is over.

**Potential Options:**

- Approve resolution as presented
- Deny resolution and keep contract unchanged

**Fiscal Implications:**

There are no direct fiscal implications for the City in regard to the proposed changes, there is however a rate change proposed for customers that misuse/abuse the ambulance service.

**Staff Recommendation:**

Staff recommends approval as presented

**Advisory Board/Committee Review:**

NONE

**Board/Committee Recommendation:**

NOT APPLICABLE

**Advisory Board/Committee Meeting Date and Minutes:**

NOT APPLICABLE

**Attachments**

a. 2021-119 RES Authorizing the CM to amend Ambulance Contract (DOCX)
b. 2021-119 EXH 'A' Amended Contract for Exclusive Ambulance Service (PDF)
c. 2021-119 Goals & Perspectives (DOCX)
d. 2021-119 RES Amending LifeNet Contract signed (PDF)

**Staff Coordination**

| | | | | |
|---|---|---|---|---|
| Fire Department | Eric Schlotter | Department Head Review | Completed | 12/08/2021 3:52 PM |
| Public Works Department | Amanda Freeland | Reviewer | Completed | 12/09/2021 9:20 AM |
| City Manager | David Orr | City Manager Review | Completed | 12/09/2021 2:50 PM |
| City Council | Jennifer Evans | Meeting | Completed | 12/13/2021 6:00 PM |

**Meeting History**

12/13/21 City Council MOVED FORWARD Next: 01/10/22

**RESOLUTION NO. 2021 - 119**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF TEXARKANA, TEXAS, APPROVING AN AMENDMENT OF THE CONTRACT FOR EXCLUSIVE AMBULANCE SERVICE WITH LIFENET, INC.; AND ESTABLISHING AN EFFECTIVE DATE.**

**WHEREAS,** the City of Texarkana, Texas, ("City") has previously awarded the contract for Exclusive Ambulance Service to Lifenet, Inc.; and

**WHEREAS,** Lifenet, Inc., a party of the existing contract for Exclusive Ambulance Service, has requested certain changes to the existing contract for Exclusive Ambulance Service that will enhance their ability to provide an effective ambulance service; and

**WHEREAS,** staff and legal counsel have reviewed the proposed changes; and

**WHEREAS,** the City and Lifenet Inc. desire to amend the current contract for "Exclusive Ambulance Service" a copy of which is attached hereto as **Exhibit "A".**

**NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF TEXARKANA, TEXAS:**

**SECTION 1:** The City Manager be and is hereby authorized to amend the Contract for Exclusive Ambulance Service between the City of Texarkana, Texas, and Lifenet, Inc. as set forth hereinabove and in the Contract for Exclusive Ambulance Service, a copy of which is attached hereto as **Exhibit "A".**

**SECTION 2:** This Resolution shall be in full force and effect from and after its passage and approve.

**PASSED AND APPROVED** in Regular Council Session on this the **10th day of January, 2022.**

ATTEST:

_____ _____

JENNIFER EVANS, CITY SECRETARY BOB BRUGGEMAN, MAYOR

Attachment: 2021-119 RES Authorizing the CM to amend Ambulance Contract (3604 : 2021-119 RES Authorizing the CM to amend EMS contract

Attachment: 2021-119 EXH 'A' Amended Contract for Exclusive Ambulance Service [Revision 1] (3604 : 2021-119 RES Authorizing the CM to

# Contract For Exclusive Ambulance Service

WHEREAS, LifeNet, Inc., an Arkansas corporation, acting by and through its Chief Executive Officer, hereinafter called "LifeNet," and the City of Texarkana, Texas, acting by and through the duly authorized City Manager of said City, hereinafter called the "City," desire to enter into an Exclusive Ambulance Service Contract (hereinafter called the "Contract"), and

WHEREAS, the City is granted the authority to enter into this exclusive contract pursuant to Texas Health & Safety Code, Chap.773, and

WHEREAS, in keeping with its desire for the highest possible standard of ambulance service for its inhabitants, it is the intent of the City not to license, permit or allow the operation of any ambulance service within the City other than the ambulance service operated by LifeNet, Inc.

NOW, THEREFORE, for and in consideration of the premises and contracts herein contained and other good and valuable consideration, including the award to LifeNet of exclusive market rights for Emergency Medical Services and Non-Emergency Ambulance Services, the receipt and adequacy of which are hereby forever acknowledged and confessed, the parties agree as follows:

## Article I.
## Definitions

For the purposes of the Contract, the following words and phrases shall have the meanings respectively ascribed to them by this section:

U.S. Consumer Price Index for all Urban Consumers (CPI-U) The Consumer Price Index for All Urban Consumers (CPI-U) is a monthly measure of the average change over time in the prices paid by consumers for a market basket of consumer goods and services.

Contract means this contract document.

ALS means Paramedic - Advanced Life Support as defined by the Texas Department of State Health Services EMS Bureau.

Ambulance Service Contract is a Contract between Contractor and the City of Texarkana incorporating clinical standards and financial provisions consistent with those set forth in this Contract.

Arrival At Incident Location ('at scene') means the time a fully equipped transport capable ambulance arrives at the location of the request for service or staging area.

BLS means EMT - Basic Life Support as defined by the Texas Department of State Health Services EMS Bureau

Contract Service Area means the corporate limits of the City as such limits now exist or may henceforth become.

Communications Center (aka Contractor's Communication Center) means a continuously staffed twenty-four hour per day emergency medical services ambulance communications center for the contracted service area, staffed by at least two persons and that maintains proper E-911 emergency response system equipment to receive both voice and data communication from the E-911 dispatcher.

Emergency Medical Services, as defined by Texas Health and Safety Code Chapter 773 Emergency Medical Services, means services used to respond to an individual's perceived need for immediate medical care and prevent death or aggravation or physiological or psychological illness or injury.

Emergency Response means those situations determined that, in accordance with the Medical Director, are likely to result in the loss of life and as such require a response using lights and sirens.

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Emergency Standby means any public safety event (e.g. SWAT, hazardous material containment) located within the City, for which the Mayor, City Manager, Texarkana Emergency Management Coordinator, or local pubic safety officials request ambulance services to standby.

Extraordinary Adjustment means a change in the Schedule of User Fees which is not a scheduled Annual Inflation Factor adjustment but is instead an adjustment resulting from an unusual increase in the cost of a factor of production when such increase in cost is industry wide or a decrease in Contractor's sources of revenue and the result of causes is beyond Contractor's reasonable control.

False Alarm means a deceptive or erroneous report of an emergency, causing the unnecessary bringing resources (such as Emergency Medical Services) to a place where they are not needed.

Immediate Response means those situations determined that, in accordance with the Medical Director, are not likely to result in the loss of life and as such do not require a response using lights and sirens.

In-Service means that a particular Service Unit is either immediately available for dispatch or is working a call pursuant to this Contract.

Lift Assist means a situation when an individual is assisted up to a more mobile position from the ground by Contractor’s personnel, but not treated or brought to hospital for further medical attention.

Life-threatening response means the designated incident types that constitute a Paramedic - Advanced Life Support response as determined by the Medical Director, as may be amended from time to time.

Medical Advisory Committee (MAC) means a committee, established by Contractor, whose purpose is to ensure high quality, consistent, and reliable medical supervision and direction for Contractor's Emergency Medical Services and Non-Emergency Ambulance Service.

Medical Director means a person, selected by Contractor, who shall be a physician, with experience in the care of emergency and trauma patients with staff privileges at one or more of the local hospitals.

Medical Priority Dispatch System® (MPDS) means dispatch protocols that contain Chief Complaint Protocols, Case Entry and Exit information, call termination scripts, and additional verbatim instruction protocols for AED support, cardiopulmonary resuscitation (CPR), childbirth assistance, tracheostomy airway and breathing, and the Heimlich maneuver.

Mutual Aid means paramedic ambulance service provided within the Contract Service Area by neighboring emergency medical service providers and Non-Emergency Ambulance Service providers other than Contractor when requested by Contractor, pursuant to a Contract governing the exchange of service assistance.

Non-Emergency Ambulance Services (aka Transfer ambulance) means the transport in a motor vehicle to or from medical facilities including, but not limited to, hospitals, nursing homes, physician's offices, and other health care facilities of persons who are infirm or injured and who are transported in a reclining position; however, not-for-hire on a fee-for-service basis transportation furnished by licensed hospitals and licensed nursing homes of their own admitted patients or residents and individual not-for-hire transportation shall be excluded.

Non- life-threatening response means the designated incident types that constitute either a Paramedic - Advanced Life Support response or an EMT - Basic Life Support response determined by the Medical Director, as may be amended from time to time.

Response Time is the interval between the moment that the callback number, location, and priority determination/chief complaint are first made known to Contractor's dispatch 's center (Clock Start) and the moment the first ambulance Arrival At Accident Incident Location (Clock End). All response times are measured in seconds, not whole minutes.

Service Unit (aka ambulance, service unit) means an emergency ambulance and all necessary equipment,

supplies and on-board crew personnel.

Special Event means any public event located within the Contract Service Area for which standby ambulance service is provided by Contractor pursuant to a Standby Ambulance Service Contract for Scheduled Events between Contractor and the sponsor of the event.

Unusual System Overload means periods of time during which simultaneous emergency calls originating from the Contract Service Area exceed the number of staffed Texarkana Fire Department engine companies.

## Article II.
## Consideration

The City agrees that for and in consideration of the services to be furnished by LifeNet, it is granted the exclusive market rights for Emergency Medical Service and Non-Emergency Ambulance Services within the Contract Service Area for the term of this Contract. For the duration of this Contract, the City will not contract with any other person or entity nor may any other person or entity be licensed, permitted, or allowed to provide Emergency Medical Service or Non-Emergency Ambulance Services of persons requiring such services when that transportation originates within the Contract Service Area.

## Article III.
## Term of Contract

**Section 3.01 Terms of Contract**

The terms and covenants contained in this Contract shall be in effect for a five-year term commencing February 1, 2008, and continuing until January 31, 2013 (Contract Term) unless terminated earlier in accordance with this Contract.

**Section 3.02 Extension of Contract Term**

Beginning after the first year of the Contract Term (January 31, 2009) and for each contract year thereafter (including previous Contract Term extensions), if Contractor is in compliance with the terms of the Contract or unless notified otherwise in writing by the City on or before February 1 of each year beginning February 1, 2009, the Contract Term shall be extended by one year.

**Section 3.03 Contract Service Area**

Should the City annex new area into the Contract Service Area, the Contractor shall participate in the development of the service plan for such new area. The Contractor shall provide Emergency Medical Services and Non-Emergency Ambulance Services to such area immediately upon annexation, but will have 60 (sixty) days to provide services commensurate with the performance required by this Contract.

## Article IV.
## Scope And Quality Of Services

Contractor, except as noted herein, shall comply with standards set by the Commission on Accreditation of Ambulance Services (CAAS). Accreditation of Contractor by CAAS shall be evidence of compliance with such standards.

**Section 4.01 Basic Service**

Contractor shall provide full and complete operations, maintenance and management services to efficiently and effectively provide Emergency Medical Services and Non-Emergency Ambulance Services within the Contract Service Area on a twenty-four hour per day, seven days per week basis.

Contractor shall furnish all equipment, facilities, and medical supplies required for the



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performance of this Contract at Contractor's own expense.

Contractor shall provide Emergency Medical Services for every patient requesting transport to a hospital within the Contract Service Area, without regard to ability to pay, without resorting .to hand-offs of patients to less capable crews, and without requesting or accepting payment at the time of service.

**Section 4.02 Service Level and Units.**

All Service Units shall either be licensed at the Paramedic – Advanced Life Support "Paramedic" or EMT – Basic Life Support "EMT" standard rating as designated and licensed by the Texas Department of State Health Services. The required standard equipment, supplies and certified on-board crew shall be maintained on all In-Service units at all times. Contractor shall maintain a current copy of the State license(s) and crew certifications on file. City has the right to review these files upon request. Every 9-1-1 Emergency Response by Contractor shall be made by a Paramedic ALS unit.

**Section 4.03 Performance Standards**

Contractor shall regularly maintain ambulances, accessory equipment and medical supplies so as to keep such items in good working order at all times. All Service Units shall be subject to inspection by any designated City official without notice. The City shall provide Contractor with a list of the designated City officials at the commencement of this Contract and thereafter as changes are made.

The City shall have access to every resource of Contractor, as dictated by fluctuations in consumer demand for service, weather conditions and disaster events. That is, all contracts entered into by Contractor for a jurisdiction contiguous to the Contract Service Area shall ensure the advantage of fully flexible vehicle deployment/redeployment using advanced systems status management (SSM) techniques to ensure the most reliable response time performance possible throughout Contractor's entire contract service area, and to ensure unrestricted disaster response capabilities. To ensure such flexibility in responding to shifting needs, Contractor, except as specifically provided herein, shall refrain from contractually committing any of its ambulances to the exclusive benefit of any other jurisdiction for which Contractor provides ambulance services.

**Section 4.04 Personnel.**

Contractor shall maintain personnel training and certification records. Such records shall be made available for review at the request of the City.

**Section 4.05 Use Own Expertise And Judgment.**

Contractor shall use its own best judgment in deciding upon the methods to be employed to achieve and maintain the levels of performance required hereunder. Such "methods" include compensation programs, shift schedules, personnel policies, supervisory structures, vehicle deployment techniques, and other internal matters which, taken together, comprise Contractor's own strategies and tactics for getting the job done. The City recognizes that different ambulance companies may employ different production methods, perhaps with equal success.

**Section 4.06 Disaster Assistance.**

During a declared disaster, locally or in a neighboring jurisdiction, the normal course of business under the Contract shall be interrupted from the moment the disaster occurs. Immediately upon such notification, Contractor shall commit such resources as are necessary and appropriate, given the nature of the disaster, and shall assist in accordance with disaster plans and protocols applicable in the locality where the disaster occurred. The disaster related provisions of this Contract are:

1. During such periods, Contractor shall be released from response time performance requirements until notified by the designated authority within the disaster area that disaster assistance may be terminated.



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2. When disaster assistance has been terminated, Contractor shall resume normal operations as rapidly as is practical considering exhaustion of personnel, need for restocking, and other relevant considerations.
3. During the course of the disaster, Contractor shall use its best efforts to provide emergency coverage throughout the Contract Service Area, and shall suspend non-emergency transport work as necessary, informing persons requesting such non-emergency service of the reason for the temporary suspension.

Contractor shall have an established plan for disaster preparedness and relief integrated with City's disaster preparedness committee and with the Texarkana Emergency Management Coordinator. Contractor shall engage in initial and continuing training and education in such preparedness planning.

**Section 4.07 Emergency Standby Services**

Contractor agrees to provide Emergency Standby services at no additional cost to the City. The City agrees to reimburse Contractor at the Special Event Rate set forth in the Schedule of User Fees attached hereto if an Emergency Standby exceeds 24 hours in length. In addition, Contractor will be allowed to bill any patient(s) transported or commercial entity as a result of the event or any government agency as a part of disaster recovery.

**Section 4.08 Mutual Assistance Contracts.**

Contractor may enter into mutual assistance Contracts with other paramedic level Emergency Medical Service ambulance providers to provide mutual aid to the Contract Service Area. The City reserves the right to engage in or activate mutual assistance Contracts with other governmental entities in the event of a calamity or disaster.

**Section 4.09 Dispatch and Communications.**

Contractor shall provide a continuously staffed twenty-four hour per day Communications Center for the Contract Service Area. Persons other than ambulance crewmembers will staff the Communications Center. Contractor shall provide personnel who are familiar with the streets and addressing system of the Contract Service Area. Contractor must ensure that the Communication Center has and maintains proper E-911 emergency response system equipment to receive both voice and data communication from the E-911 dispatcher. Contractor must provide two-way radio communications meeting or exceeding the standard for all Service Units and the Communications Center.

Contractor will ensure that each ambulance caller to the center, 9-1-1 or seven-digit, will be put in immediate contact with personnel trained in the use of Medical Priority Dispatch System protocols and related pre-arrival instructions.

1. Contractor will also ensure the following is true of all dispatch personnel:

2. All dispatchers will be nationally certified in Emergency Medical Dispatch (EMD) within 6 months of employment.

3. All dispatchers will have experience and/or training as an EMT at a minimum within 12 months of employment.

4. Two dispatchers will be available in the communications center at all times, with at least one being EMD or EMT certified.

5. Dispatchers' scheduled maximum shift length shall be no more than 12 hours long.



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**Section 4.10 Vehicle Markings.**

Each Service Unit shall be distinctly marked with the name and unit number of the provider and shall be equipped with emergency warning devices in compliance with Texas statutes and must also be marked with the emergency 911 telephone number.

**Section 4.11 Medical Director / On-Line Medical Control**

Contractor shall appoint a medical director(s) who will provide medical oversight and quality assurance of patient care. Contractor may also provide such other review committees or methodology it deems appropriate to ensure quality assurance. An emergency department physician on duty at the receiving hospital shall provide on-line medical control.

**Section 4.12 Records.**

Contractor shall maintain all records as may now or henceforth be required by the State of Texas for paramedic level emergency medical ambulance services including but not limited to ambulance trip forms and daily dispatcher's log. Patient medical records are the property of Contractor and shall remain confidential. Access to patient records can be gained only with permission of the patient or by court order.

**Section 4.13 Hospital Destination**

Emergency patients shall be transported to the nearest appropriate hospital, unless the patient's condition warrants a specific hospital, as determined by Contractor's Medical Advisory Committee, or the patient specifically requests otherwise. When the patient specifically expresses a hospital preference he/she shall be transported to the hospital of his/her choice.

**Section 4.14 Independent Contractor**

In performing this Contract, Contractor is acting as an independent contractor with respect to the City, and neither the Contractor nor any Contractor staff shall be considered employees of the City. It is agreed and acknowledged by the Parties that, as an independent contractor, Contractor retains the right to contract with and provide ambulance services to entities and individuals other than the City, and nothing in this Contract shall be interpreted as limiting or restricting in any way Contractor's right to do so. In no event shall this Contract be construed as establishing a partnership or joint venture or similar relationship between the Parties hereto, and nothing herein shall authorize either Party to act as an agent for the other, except to the extent herein provided. Each party shall be liable for its own debts, obligations, acts and omissions, including the payment of all. required withholding, social security and other taxes and benefits with respect to each party's personnel. Neither Contractor nor any Contractor staff shall be subject to any City policies solely applicable to the City employees.

**Section 4.15 Quality Improvement Program**

Contractor will maintain and support a Quality Improvement (QI) program that meets or exceeds Commission on Accreditation of Ambulance Service standards. The QI programs and heir subsequent reports, which are not of a proprietary or confidential nature, will be included in routine reports to the City Manager or designee.

**Section 4.16 Reporting**

Contractor will report to the City on a monthly basis the progress, status, and/or compliance of the following measurements: response time compliance, response times that exceed the response standards herein, run volumes, and patient types.

**Section 4.17 Complaint Handling**

Any complaints regarding patient care or billing will be considered to be of highest priority to the Contractor. Any complaints lodged with a City official concerning Contractor's performance will be

forwarded in writing to the Contractor. Contractor will thoroughly investigate the complaint and the findings and outcome reported to the City Manager or designee.

Any complaints regarding patient care or billing lodged directly with Contractor will be equally investigated.

## Article V.
## Use of Tiered Response

**Section 5.01**

Contractor shall strive to respond to each Life-Threatening Response with a "Paramedic-Advanced Life Support" unit and each Non-Life Threatening Response with either a "Paramedic-Advanced Life Support" unit or a EMT- Basic Life Support Level unit. The designation of an assignment is accomplished in accordance with Medical Priority Dispatch System protocols as approved by the Medical Director as may be amended from time to time.

## Article VI.
## Response Time Performance

**Section 6.01 General**

The City currently designates two response time classifications, with which Contractor must comply by meeting the specified response times.

The designation of an assignment is accomplished by presumptive prioritization in accordance with Medical Priority Dispatch System protocols. Contractor will be deemed to be in compliance if 90% or more of all responses measured monthly meet the specified response time criteria. Protocols are based on the recognition that the level of response (Emergency and Immediate) needed by the patient should be the determining factors in the level of response.

Emergencies are those where paramedic intervention within minutes can be crucial to the patient's outcome.

Immediate are those in which paramedic intervention is not immediately needed and time is not a critical factor in treatment; therefore, a delay of several minutes would make no difference.

The response time commitments set forth shall constitute contractually binding performance requirements under this Contract. As such the following definitions and protocols shall be employed for purposes of response time measurement and compliance:

**Section 6.02 Emergency Call Classification**

For purposes of response time measurement, the applicable standard will be based on each request's presumptive run code classification (i.e., Emergency Response or Immediate Response) as established at the time the call is dispatched by a person trained in the use of and correctly employing Medical Priority Dispatch Protocols proposed by the Medical Director. (Retrospective classification of priority code shall not affect measurement of response time compliance.)

**Section 6.03 Response Time Standards**

Contractor will maintain: an average response time on all calls under this Contract in accord with the following:

Emergency Response will have a response time of 90% or better of 8 minutes and 59 seconds; and

Immediate Response will have a response time of 90% or better of 20 minutes and 59 seconds



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**Section 6.04 Response Time Calculations/Exceptions**

Contractor will maintain mechanisms for reserve production capacity to increase production should temporary system overload persist. However, it is understood that from time to time, unusual factors beyond Contractor's reasonable control affect the achievement of the specified response time standards. For purposes of determining compliance with the response time standards every request for ambulance service originating within the Contract Service Area will be counted, except as follows:

The following will not, for purposes of reporting response times, be counted as a response or as an exception:

1. Responses not resulting in patient contact, unless the call was cancelled by the caller after expiration of the applicable response time standard, and

2. Responses occurring during a period of severe weather conditions, such that response time compliance is either impossible or could be achieved only at a greater risk to EMS personnel or the public than would result from delayed response; and

3. Excess runs occurring during periods of Unusual System Overload shall not be included in response time calculations, and

4. Requests during a disaster, locally or in a neighboring jurisdiction (in accordance with an approved mutual aid Contract), in which the City and/or Contractor are rendering assistance, in each case declared by the City Manager or his designee (either at or after the time of service).

Responses which may appear as late runs due to miscellaneous circumstances will be counted as a response, but not counted as an exception, if Contractor can fully document that the response time was achieved within the appropriate criteria.

No other causes of late response (e.g., equipment failures, traffic congestion, vehicular accident regardless of origin, ambulance failures, dispatch errors, or inability to staff units) will serve to justify exemption from response time requirement or late run penalties.

If Contractor believes that any response or group of responses should be excluded from the calculation of the response time standards because of severe weather or due to "unusual factors beyond Contractor's reasonable control," Contractor may provide detailed documentation to the City Manager requesting that the City exclude these runs from response time calculations. Any such request must be in writing and be received by the City Manager or his designee within fifteen (15) business days after the end of each month. The City Manager or his designee will review the request and issue a determination.

**Section 6.05 Response Time Audit Trail**

Contractor will develop and maintain a system to assure a complete audit trail for all response times which shall be incorporated into the software program operating Contractor's CAD System.

**Section 6.06 Response Time Measurement - Clock Start**

Response times shall be measured via the CAD System from the moment of receipt at Contractor Communications Center of the 911 data transmission (i.e., location, callback number and priority determination/chief complaint), or, in the case of 7-digit access, the receipt of location, callback number and priority determination/chief complaint. The CONTRACTOR shall be allowed a maximum of 2 minutes, from the time the call for service is received, to have an ambulance enroute to said call for service. Any time in excess of the 2 minutes allowed for dispatching an ambulance shall be applied towards the response time.

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As a general rule, for all types of calls the response time clock shall be stopped upon Arrival At Incident Location of the first arriving ambulance. In instances when the ambulance fails to report their Arrival At Incident Location, the time of the next communication with that ambulance will be used as the Arrival At Incident Location time. However, Contractor may appeal such instances when it can document the actual arrival time through another means, including First Responder reports or communications tapes.

**Section 6.07 Upgrades, Downgrades, and Reassignments.**

From time to time special circumstances may cause changes in priority determination. Response time calculations for determination of compliance will be as follows:

1. Upgrades, if a Response is upgraded prior to Arrival At Incident Location (e.g., from Immediate Response to Emergency Response), Contractor's compliance will be calculated based on the shorter of:

   (a) Time elapsed from call receipt to time of upgrade plus the higher Response time standard, or

   (b) The lower (i.e., Immediate Response) response time standard.

2. Downgrades. If a Response is downgraded prior to Arrival At Incident Location (e.g., from Emergency Response to Immediate Response), Contractor's compliance and penalties will be calculated based on the time of receipt of the downgrade as follows:

   (a) If the Response is downgraded after the original response time standard (i.e., Emergency Response) has elapsed, the Response will be recorded as a late Emergency Response, or

   (b) If the Response is downgraded before the original response time standard has elapsed, the lower priority Response time standard (i.e., Immediate Response) will be applicable.

All downgrades will be subject to protocols developed the Medical Director. No 911 emergency call may be downgraded to a priority lower than Immediate.

**Section 6.08 Reassignment Enroute.**

If an ambulance .is reassigned enroute prior to Arrival At Incident Location (e.g., to respond to a higher priority request), Contractor's compliance will be calculated based on the response time standard applicable to the assigned priority of the initial response. The response time clock will not stop until the arrival at incident location on the scene from which the ambulance was diverted.

## Article VII.
## Responsibility Of Contractor

Contractor will indemnify, and hold harmless the City and its officials and employees from and against all claims, demands, damages, punitive damages, and costs, including reasonable attorney's fees and expenses, arising out of the performance of this contract: provided such are:

1. Attributable to bodily injury or death to any person or damage to or destruction of tangible property (other than in performance of this contract); and

2. Is caused in whole by the negligent act or omission of Contractor, its agents, officers

and employees in the performance of this Contract.

The obligation of Contractor under this paragraph shall not extend to any claims, demands, punitive damages, and costs, including reasonable attorney's fees and expenses resulting from the negligence of the City, its agents, representatives, officials, and employees.

## Article VIII.
## Responsibility Of The City

City will indemnify, and hold harmless the Contractor and its officials and employees from and against all claims, demands, damages, punitive damages, and costs, including reasonable attorney's fees and expenses, arising out of the performance of this contract: provided such are:

Attributable to bodily injury or death to any person or damage to or destruction of tangible property (other than in performance of this contract); and

Is caused in whole by the negligent act or omission of City, its agents, officers and employees in the performance of this Contract.

The obligation of City under this paragraph shall not extend to any claims, demands, damages, punitive damages, and costs, including reasonable attorney's fees and expenses resulting from the negligence of the Contractor, its officers, directors, agents, and employees.

## Article IX.
## Insurance

### Section 9.01 Insurance Standards

Contractor shall maintain in force during the Contract Term and extensions thereof general liability insurance of no less than $2,000,000 per occurrence and $4,000,000 aggregate.

LifeNet shall also provide workers' compensation coverage on all employees as required by law. A waiver of subrogation in favor of the City of Texarkana, Texas shall be contained in the workers compensation coverage.

The City shall maintain in its worker's compensation coverage a waiver of subrogation in favor of the Contractor.

### Section 9.02 Policy Requirements

Each insurance policy shall include the following conditions by endorsement to the policy:

Each policy shall require that thirty (30) days prior to expiration, cancellation, non-renewal or any material change in coverage or limits, a notice thereof shall be given to the City by certified mail to: City Manager, P.O. Box 1967, Texarkana, Texas 75504. Contractor shall also notify the City in a like manner, within twenty-four (24) hours after receipt of any notices of expiration, cancellation, non-renewal or material change in coverage received by said Contractor from its insurer; and nothing contained herein shall absolve Contractor of this requirement to provide notice.

Companies issuing the insurance policy, or policies, shall have no recourse against the City for payment of premiums or assessments for any deductibles which all are the sole responsibility and risk of Contractor.

The City and its elected and/or appointed officials shall be endorsed to the required policy or policies and added as an "additional named insured."

Assignment



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## Article X.
## Assignment

This Contract is not intended nor shall it be construed to inure to the benefit of any third person or entity not a party hereto and no right, duty or obligation of the Contractor under this Contract shall be assigned to any person, private association or corporation, not-for-profit corporation or public body, without the prior written consent of the City, except pursuant to mutual aid Contracts, or as specifically provided for herein. Any change in Contractor's ownership shall, for purposes of this Contract, be considered a form of assignment. The City shall not unreasonably withhold its approval of a requested change in ownership so long as the transferee is of comparable experience to provide the services at the performance levels outlined in this Contract.

## Article XI.
## Compliance with Laws

All services furnished by the Contractor under this Contract shall be rendered in full compliance with all applicable federal, state and local laws, ordinances, rules and regulations. It shall be the Contractor's sole responsibility to determine which laws, rules, and regulations apply to the services under this Contract, and to maintain compliance with those applicable standards at all times.

## Article XII.
## Non-Discrimination

Contractor agrees to comply with all applicable provisions of federal, state, and local laws and regulations pertaining to prohibited discrimination.

## Article XIII.
## Default and Termination

Prior to the Contract Term and extensions thereof, neither party may terminate this Contract except as provided for in this Contract or in the event of Major Default by the other party.

**Section 13.01 Major Default Defined**

For purposes of this provision, "Major Default" by Contractor shall include the chronic failure to meet any of the various performance standards required under this Contract provided the nature of such performance deficiency is such that the public health and safety are endangered.

Condition and circumstances that shall constitute a Major Default by Contractor shall include but not be limited to the following:

a) Failure of the Contractor to operate the ambulance service system in a manner which enables the City and_ the Contractor to remain in substantial compliance with the requirements of the applicable federal, state, and local laws, rules and regulations. Minor infractions of such requirements shall not constitute a major breach of this Contract; rather, failure of the Contractor to substantially comply with such provisions can only be determined by the City after Contractor has been afforded reasonable written notification of the deficiency, and reasonable time to correct said deficiency as indicated hereto;
b) Willful falsification of information supplied by the Contractor;
c) Willful falsification of data supplied to the City during the course of operations, including by way of example but not by way of exclusion, dispatch data, patient report data, response time data, or willful downgrading of presumptive run code designations to enhance Contractor's apparent performance. or falsification of any other data required under this Agreement.
d) Chronic and persistent failure of Contractors employees to conduct themselves in a professional

and courteous manner, and to present a professional appearance, to the extent that City's reputation as a provider of high-quality emergency and non-emergency ambulance service suffers.

e) Chronic and persistent failure of the Contractor to meet established performance criteria such. as provision of twenty-four (24) hour a day Emergency Medical Services meeting established response time criteria, or maintaining proper telephone and radio communication.
f) Contractor's refusal to treat and/or transport patients due to their ability to pay for service.
g) Contractor's inability to maintain sufficient number of trained staff holding proper certificates and drivers licenses;
h) Contractor's inability to maintain sufficient number of vehicles in the City and to maintain those vehicles and their equipment in good working order;
i) Contractor's inability to maintain proper radio and phone communication;
j) Contractor's refusal to submit to audit or failure to provide the specified financial documentation as required by this Contract;
k) Contractor's inability to maintain a financially stable company;
l) Contractor's deliberate and unauthorized scaling down of operations to the detriment of performance during a “lame duck” period;
m) Contractor's failure to substantially and consistently meet or exceed response time standards, required within; or
n) Contractor's failure to meet any and all provisions of this Contract.

**Section 13.02 Notice of Major Breach**

If the City determines that a Major Default has occurred it will notify Contractor in writing of the specific conduct which it deems to constitute a Major Default by date, place, and time. If Contractor has not cured the default within sixty (60) days from receipt of the written notice of default or within that time initiated action to cure the default, the City by a vote of the City Council can terminate the Contract.

**Section 13.03 Change in Laws**

Notwithstanding any other provision of this Contract, if the governmental agencies or their representatives) which administer Medicare, any other payor, or any other federal, state or local government or agency passes, issues or promulgates any law, rules, regulation, standard or interpretation, or any court of competent jurisdiction renders any decision or issues any order at any time while this Contract is in effect, which prohibits, restricts, limits or in any way substantially changes the method or amount of reimbursement or payment for ambulance services rendered under this Contract, or which otherwise significantly affects either party's rights or ob1igations hereunder, either Party may give the other notice of intent to end this Contract to the satisfaction of both parties, to compensate for such prohibition, restriction, limitation or change. If this Contract is not so amended in writing within thirty days after said notice was given, this Contract shall terminate as of midnight on the thirtieth (30th) day after said notice was given.

**Section 13.04 "Lame Duck" Provisions**

Should Contractor fail to prevail in a future procurement cycle, the City may depend upon Contractor to continue provision of all services required under this Contract until the new contractor assumes service responsibilities. Under these circumstances Contractor will for a period ninety (90) days after the expiration of the current Contract, serve as a "lame duck" contractor. To ensure continued performance fully consistent with the requirements of the existing Contract throughout any such "lame duck" period, the following "lame duck" provisions apply:

Throughout such "lame duck" period, Contractor shall continue all ambulance operations and support services at substantially the same levels of effort and performance as were in effect prior to the award of the subsequent contract to a different firm;



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Contractor shall make. no changes in methods of operation which could reasonably be considered to be aimed at cutting Contractor's service and operating costs to maximize profits during the final stages of this Contract;

The City recognizes that, if a competing firm prevails in a future procurement cycle, Contractor may reasonably begin to prepare for transition of service to the new contractor during the "lame duck" period and the City shall not unreasonably withhold its approval of Contractor's request to begin an orderly transition process, including ·reasonable plans to relocate staff, scale down certain inventory items etc., so long as such transition activities do not impair Contractor's performance during the "lame duck" period and so long as such transition activities are prior approved by the City.

## Article XIV.
## Membership Services

**Section 14.01 Basic Objects of Program**.

LifeNet may offer to residents of the Contract Service Area, a system-wide ambulance membership program which will allow residents to prepay uninsured portions of Emergency Medical Service and medically necessary Non-emergency Ambulance Services for a period of one year. Upon renewal of a membership the annual fee may increase by the Ambulance Inflation Factor. Discounts may be offered for renewal.

**Section 14.02 Additional Benefits**

Contractor may, at its option, offer additional benefits to membership subscribers.

**Section 14.03 Periodic Membership Drives**

Membership subscriptions may be made available during a period specified by Contractor each calendar year.

**Section 14.04 Beneficial Extension of Service**

Every person requiring or requesting Emergency Medical Services or Non-Emergency Ambulance Services shall receive the quality of care and transportation required under this Contract without regard to membership status.

## Article XV.
## User Fees

**Section 15.01 Authorization of User-Fee Charges**

Contractor shall charge all Patients, users of Lift Assist and False Alarms according to a schedule of rates set forth in Schedule of User Fees attached hereto. Contractor shall guarantee the original schedule of rates for a one-year period beginning February l, 2008.

Contractor shall be solely responsible for all user-fee billings and collections for service provided pursuant to this Contract. The City, except in instances of Emergency Standby, shall not be responsible for any fees due as a result of 911 or City-initiated service calls.

**Section 15.02 Annual Inflation Adjustments**

The City shall allow annual inflation adjustments of Contractor's Schedule of User Fees. Increases will be based on, but not exceed, the U.S. Consumer Price Index for all Urban Consumers (CPI-U). To provide flexibility to maximize third party recovery while minimizing patient's out-of-pocket costs, Contractor may, at its option, accept all or a portion of the maximum allowable inflation adjustment, and may also apply the available adjustment in equal or variable percentages to all or a portion of charge items, so long as the combined increase does not exceed the U.S. Consumer Price Index for all Urban Consumers (CPI-



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U). The period for determining the CPI-U shall be the previous 12 months.

**Article 15.03 Extraordinary Adjustment for Unusual Cost Increases**

Contractor may, in writing, request of the City an adjustment to Contractor's base rate in the event changes in applicable federal, state, or local laws, rules or regulations require changes in Contractor's operations which may reasonably be expected to increase Contractor's cost of producing the services or decrease the provider's sources of revenue. The standard in question must actually constitute an increase in requirements and not merely a clarification of a previously existing standard or an application of the 'rule of reason" to interpret an existing standard. If an adjustment is not granted within thirty (30) days after the date of the written request, Contractor may terminate this Contract, without penalty, by giving written notice to the City.

## Article XVI.
## Notice

All notices required hereunder will be in writing and served personally or by certified mail, return receipt requested, postage prepaid, at the addresses shown below:

Notice to Contractor:

Chief Executive Officer
LifeNet, Inc.
6225 St Michael Drive
Texarkana, TX 75503

Notice to City:

Office of the City Manager - City of Texarkana, Texas
P.O. Box 1967
Texarkana, Texas 75504

## Article XVII.
## Miscellaneous Provisions

**Section 17.1 Attorney's Fees**

If either party commences an action against the other to enforce any of the terms herein or because of the breach by either party of any of the terms herein, the losing or defaulting party shall pay to the prevailing party reasonable attorneys' fees, costs and expenses incurred in connection with the prosecution or defense of such action.

**Section 17.2 Entire Contract**

This Contract constitutes the entire Contract between the Contractor and the City and there are no Contracts, understandings, warranties or representations between the parties except as provided for herein. This Contract cannot be amended except in writing executed by the parties.

**Section 17.3 Applicable Law**

The validity, construction, performance, and effect of this Contract will be governed by the laws of the State of Texas.

**Section 17.4 Binding Effect**

This Contract will inure to the benefit of and bind the respective parties, their successors, personal representatives and permitted assigns.



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**Section 17.5 Headings**

The headings in this Contract are inserted for convenience of reference only and are not to be used in construing or interpreting any provisions of this Contract.

**Section 17.6 Counterparts**

This Contract may be executed in any number of counterparts, any of which shall constitute the Contract between the parties.

**Section 17.7 Invalidity**

If any term, provision, covenant or condition of this Contract, or any application thereof, should be held by a court of competent jurisdiction to be invalid, void, or unenforceable, all terms, provisions, covenants, and conditions of this Contract, and a11 applications thereof, not held invalid, void, or unenforceable, shall continue in full force and effect and shall in no way be affected, impaired, or invalidated thereby.

**Section 17.8 Waiver**

Except as otherwise provided in this Contract, no waiver of any of the provisions of this Contract shall be deemed to be, or shall constitute a waiver of any other provision or similar occurrence, whether or not similar, nor shall any waiver be binding unless evidenced by an instrument in writing executed by the party making the waiver.

**Section 17.9 Delay in Commencement.**

If the delay in the commencement date is caused by events outside the direct and immediate control of the parties hereto, neither party shall be liable to the other for any loss caused by such delay.

Witness the execution hereof in duplicate, this _____ day of _____.

| | |
|---|---|
| For City: | City of Texarkana, Texas |
| Signature | _____ |
| Printed Name | _____ |
| Title | City Manager |

| | |
|---|---|
| For Contractor: | LifeNet, Inc. |
| Signature | _____ |
| Printed Name | David Baumgardner |
| Title | Chief Executive Officer |

**Schedule of User Fees**

Throughout the first year of the Contract, LifeNet is hereby authorized to charge user fees for ground ambulance services as follows:

| | |
|---|---|
| Emergency Base Rate | $589 |
| Non-Emergency Base Rate | $417 |
| Special Event | $100 per hour |
| Loaded Mileage | $15.95 per loaded mile |
| False Alarm | $417 |
| Lift Assist | $417 |

In addition, LifeNet may bill itemized charges for disposable supplies, procedures (e.g. cardiac monitoring), subscription membership and durable medical equipment replacement. Establishment of such fees will be at LifeNet's discretion.

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**Developing Perspectives and Goals Pending Approval by the City Council:**

| Perspectives | Goals |
|---|---|
| Serve the Community | ☐ Promote an Environmentally Sensitive & Livable Community<br>☑ Provide a Safe Community<br>☑ Deliver Quality Services<br>☐ Foster a Healthy Community |
| Run the Operations | ☐ Enhance Community Preparedness & Responsiveness<br>☐ Maximize Partnership Opportunities<br>☑ Provide Courteous & Responsive Customer Service<br>☐ Model a Positive City Image<br>☑ Deliver Efficient Services<br>☐ Cultivate Community Involvement & Access |
| Manage the Resources | ☐ Maintain Fiscal Strength<br>☐ Maximize Utilization & Resources<br>☐ Invest in Infrastructure & Transportation |
| Develop Personnel | ☐ Develop a Skilled & Diverse Workforce<br>☐ Create a Positive & Rewarding Work Culture |

**Perspectives and Goals Additional Comments:**

NONE

**Resource Impact:**

| | |
|---|---|
| Staff time required if item is approved: | No Additional |

**Other Potential Impacts:**

NONE APPLICABLE

**Public Information Plan:**

| | | | |
|---|---|---|---|
| ☐ | Newspaper Notice (Required by Statute) | ☐ | Public Hearing (Required by Statute) |
| ☐ | Public Forum/Input Session | ☐ | Press Release |
| ☐ | E-News Distribution | ☐ | Website Notice |
| ☐ | Social Media (Twitter, Facebook, etc.) | ☐ | Special Mailing |
| ☐ | Flyers Posted | ☐ | Banners Posted |
| ☐ | Survey | ☐ | Automated Phone Call |
| ☑ | None Required | ☐ | |

Other:

Attachment: 2021-119 Goals & Perspectives (3604 : 2021-119 RES Authorizing the CM to amend EMS contract with Lifenet)

# RESOLUTION NO. 2021 – 119

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF TEXARKANA, TEXAS, APPROVING AN AMENDMENT OF THE CONTRACT FOR EXCLUSIVE AMBULANCE SERVICE WITH LIFENET, INC.; AND ESTABLISHING AN EFFECTIVE DATE.**

**WHEREAS,** the City of Texarkana, Texas, ("City") has previously awarded the contract for Exclusive Ambulance Service to Lifenet, Inc.; and

**WHEREAS,** Lifenet, Inc., a party of the existing contract for Exclusive Ambulance Service, has requested certain changes to the existing contract for Exclusive Ambulance Service that will enhance their ability to provide an effective ambulance service; and

**WHEREAS,** staff and legal counsel have reviewed the proposed changes; and

**WHEREAS,** the City and Lifenet Inc. desire to amend the current contract for "Exclusive Ambulance Service" a copy of which is attached hereto as **Exhibit "A".**

**NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF TEXARKANA, TEXAS:**

**SECTION 1:** The City Manager be and is hereby authorized to amend the Contract for Exclusive Ambulance Service between the City of Texarkana, Texas, and Lifenet, Inc. as set forth hereinabove and in the Contract for Exclusive Ambulance Service, a copy of which is attached hereto as **Exhibit "A".**

**SECTION 2:** This Resolution shall be in full force and effect from and after its passage and approve.

**PASSED AND APPROVED** in Regular Council Session on this the **10th day of January, 2022.**

ATTEST:

JENNIFER EVANS, CITY SECRETARY

BOB BRUGGEMAN, MAYOR

6:09 p.m.

Attachment: 2021-119 RES Amending LifeNet Contract signed (3604 : 2021-119 RES Authorizing the CM to amend EMS contract with Lifenet)

Attachment: 2021-119 RES Amending LifeNet Contract signed (3604 : 2021-119 RES Authorizing the CM to amend EMS contract with Lifenet)

# Contract For Exclusive Ambulance Service

WHEREAS, LifeNet, Inc., an Arkansas corporation, acting by and through its Chief Executive Officer, hereinafter called "LifeNet," and the City of Texarkana, Texas, acting by and through the duly authorized City Manager of said City, hereinafter called the "City," desire to enter into an Exclusive Ambulance Service Contract (hereinafter called the "Contract"), and

WHEREAS, the City is granted the authority to enter into this exclusive contract pursuant to Texas Health & Safety Code, Chap.773, and

WHEREAS, in keeping with its desire for the highest possible standard of ambulance service for its inhabitants, it is the intent of the City not to license, permit or allow the operation of any ambulance service within the City other than the ambulance service operated by LifeNet, Inc.

NOW, THEREFORE, for and in consideration of the premises and contracts herein contained and other good and valuable consideration, including the award to LifeNet of exclusive market rights for Emergency Medical Services and Non-Emergency Ambulance Services, the receipt and adequacy of which are hereby forever acknowledged and confessed, the parties agree as follows:

## Article I.
## Definitions

For the purposes of the Contract, the following words and phrases shall have the meanings respectively ascribed to them by this section:

U.S. Consumer Price Index for all Urban Consumers (CPI-U) The Consumer Price Index for All Urban Consumers (CPI-U) is a monthly measure of the average change over time in the prices paid by consumers for a market basket of consumer goods and services.

Contract means this contract document.

ALS means Paramedic - Advanced Life Support as defined by the Texas Department of State Health Services EMS Bureau.

Ambulance Service Contract is a Contract between Contractor and the City of Texarkana incorporating clinical standards and financial provisions consistent with those set forth in this Contract.

Arrival At Incident Location ('at scene') means the time a fully equipped transport capable ambulance arrives at the location of the request for service or staging area.

BLS means EMT - Basic Life Support as defined by the Texas Department of State Health Services EMS Bureau

Contract Service Area means the corporate limits of the City as such limits now exist or may henceforth become.

Communications Center (aka Contractor's Communication Center) means a continuously staffed twenty-four hour per day emergency medical services ambulance communications center for the contracted service area, staffed by at least two persons and that maintains proper E-911 emergency response system equipment to receive both voice and data communication from the E-911 dispatcher.

Emergency Medical Services, as defined by Texas Health and Safety Code Chapter 773 Emergency Medical Services, means services used to respond to an individual's perceived need for immediate medical care and prevent death or aggravation or physiological or psychological illness or injury.

Emergency Response means those situations determined that, in accordance with the Medical Director, are likely to result in the loss of life and as such require a response using lights and sirens.

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Emergency Standby means any public safety event (e.g. SWAT, hazardous material containment) located within the City, for which the Mayor, City Manager, Texarkana Emergency Management Coordinator, or local pubic safety officials request ambulance services to standby.

Extraordinary Adjustment means a change in the Schedule of User Fees which is not a scheduled Annual Inflation Factor adjustment but is instead an adjustment resulting from an unusual increase in the cost of a factor of production when such increase in cost is industry wide or a decrease in Contractor's sources of revenue and the result of causes is beyond Contractor's reasonable control.

False Alarm means a deceptive or erroneous report of an emergency, causing the unnecessary bringing resources (such as Emergency Medical Services) to a place where they are not needed.

Immediate Response means those situations determined that, in accordance with the Medical Director, are not likely to result in the loss of life and as such do not require a response using lights and sirens.

In-Service means that a particular Service Unit is either immediately available for dispatch or is working a call pursuant to this Contract.

Lift Assist means a situation when an individual is assisted up to a more mobile position from the ground by Contractor's personnel, but not treated or brought to hospital for further medical attention.

Life-threatening response means the designated incident types that constitute a Paramedic - Advanced Life Support response as determined by the Medical Director, as may be amended from time to time.

Medical Advisory Committee (MAC) means a committee, established by Contractor, whose purpose is to ensure high quality, consistent, and reliable medical supervision and direction for Contractor's Emergency Medical Services and Non-Emergency Ambulance Service.

Medical Director means a person, selected by Contractor, who shall be a physician, with experience in the care of emergency and trauma patients with staff privileges at one or more of the local hospitals.

Medical Priority Dispatch System® (MPDS) means dispatch protocols that contain Chief Complaint Protocols, Case Entry and Exit information, call termination scripts, and additional verbatim instruction protocols for AED support, cardiopulmonary resuscitation (CPR), childbirth assistance, tracheostomy airway and breathing, and the Heimlich maneuver.

Mutual Aid means paramedic ambulance service provided within the Contract Service Area by neighboring emergency medical service providers and Non-Emergency Ambulance Service providers other than Contractor when requested by Contractor, pursuant to a Contract governing the exchange of service assistance.

Non-Emergency Ambulance Services (aka Transfer ambulance) means the transport in a motor vehicle to or from medical facilities including, but not limited to, hospitals, nursing homes, physician's offices, and other health care facilities of persons who are infirm or injured and who are transported in a reclining position; however, not-for-hire on a fee-for-service basis transportation furnished by licensed hospitals and licensed nursing homes of their own admitted patients or residents and individual not-for-hire transportation shall be excluded.

Non- life-threatening response means the designated incident types that constitute either a Paramedic - Advanced Life Support response or an EMT - Basic Life Support response determined by the Medical Director, as may be amended from time to time.

Response Time is the interval between the moment that the callback number, location, and priority determination/chief complaint are first made known to Contractor's dispatch 's center (Clock Start) and the moment the first ambulance Arrival At Accident Incident Location (Clock End). All response times are measured in seconds, not whole minutes.

Service Unit (aka ambulance, service unit) means an emergency ambulance and all necessary equipment,

supplies and on-board crew personnel.

Special Event means any public event located within the Contract Service Area for which standby ambulance service is provided by Contractor pursuant to a Standby Ambulance Service Contract for Scheduled Events between Contractor and the sponsor of the event.

Unusual System Overload means periods of time during which simultaneous emergency calls originating from the Contract Service Area exceed the number of staffed Texarkana Fire Department engine companies.

## Article II.
## Consideration

The City agrees that for and in consideration of the services to be furnished by LifeNet, it is granted the exclusive market rights for Emergency Medical Service and Non-Emergency Ambulance Services within the Contract Service Area for the term of this Contract. For the duration of this Contract, the City will not contract with any other person or entity nor may any other person or entity be licensed, permitted, or allowed to provide Emergency Medical Service or Non-Emergency Ambulance Services of persons requiring such services when that transportation originates within the Contract Service Area.

## Article III.
## Term of Contract

### Section 3.01 Terms of Contract

The terms and covenants contained in this Contract shall be in effect for a five-year term commencing February 1, 2008, and continuing until January 31, 2013 (Contract Term) unless terminated earlier in accordance with this Contract.

### Section 3.02 Extension of Contract Term

Beginning after the first year of the Contract Term (January 31, 2009) and for each contract year thereafter (including previous Contract Term extensions), if Contractor is in compliance with the terms of the Contract or unless notified otherwise in writing by the City on or before February 1 of each year beginning February 1, 2009, the Contract Term shall be extended by one year.

### Section 3.03 Contract Service Area

Should the City annex new area into the Contract Service Area, the Contractor shall participate in the development of the service plan for such new area. The Contractor shall provide Emergency Medical Services and Non-Emergency Ambulance Services to such area immediately upon annexation, but will have 60 (sixty) days to provide services commensurate with the performance required by this Contract.

## Article IV.
## Scope And Quality Of Services

Contractor, except as noted herein, shall comply with standards set by the Commission on Accreditation of Ambulance Services (CAAS). Accreditation of Contractor by CAAS shall be evidence of compliance with such standards.

### Section 4.01 Basic Service

Contractor shall provide full and complete operations, maintenance and management services to efficiently and effectively provide Emergency Medical Services and Non-Emergency Ambulance Services within the Contract Service Area on a twenty-four hour per day, seven days per week basis.

Contractor shall furnish all equipment, facilities, and medical supplies required for the



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performance of this Contract at Contractor's own expense.

Contractor shall provide Emergency Medical Services for every patient requesting transport to a hospital within the Contract Service Area, without regard to ability to pay, without resorting .to hand-offs of patients to less capable crews, and without requesting or accepting payment at the time of service.

**Section 4.02 Service Level and Units.**

All Service Units shall either be licensed at the Paramedic – Advanced Life Support "Paramedic" or EMT – Basic Life Support "EMT" standard rating as designated and licensed by the Texas Department of State Health Services. The required standard equipment, supplies and certified on-board crew shall be maintained on all In-Service units at all times. Contractor shall maintain a current copy of the State license(s) and crew certifications on file. City has the right to review these files upon request. Every 9-1-1 Emergency Response by Contractor shall be made by a Paramedic ALS unit.

**Section 4.03 Performance Standards**

Contractor shall regularly maintain ambulances, accessory equipment and medical supplies so as to keep such items in good working order at all times. All Service Units shall be subject to inspection by any designated City official without notice. The City shall provide Contractor with a list of the designated City officials at the commencement of this Contract and thereafter as changes are made.

The City shall have access to every resource of Contractor, as dictated by fluctuations in consumer demand for service, weather conditions and disaster events. That is, all contracts entered into by Contractor for a jurisdiction contiguous to the Contract Service Area shall ensure the advantage of fully flexible vehicle deployment/redeployment using advanced systems status management (SSM) techniques to ensure the most reliable response time performance possible throughout Contractor's entire contract service area, and to ensure unrestricted disaster response capabilities. To ensure such flexibility in responding to shifting needs, Contractor, except as specifically provided herein, shall refrain from contractually committing any of its ambulances to the exclusive benefit of any other jurisdiction for which Contractor provides ambulance services.

**Section 4.04 Personnel.**

Contractor shall maintain personnel training and certification records. Such records shall be made available for review at the request of the City.

**Section 4.05 Use Own Expertise And Judgment.**

Contractor shall use its own best judgment in deciding upon the methods to be employed to achieve and maintain the levels of performance required hereunder. Such "methods" include compensation programs, shift schedules, personnel policies, supervisory structures, vehicle deployment techniques, and other internal matters which, taken together, comprise Contractor's own strategies and tactics for getting the job done. The City recognizes that different ambulance companies may employ different production methods, perhaps with equal success.

**Section 4.06 Disaster Assistance.**

During a declared disaster, locally or in a neighboring jurisdiction, the normal course of business under the Contract shall be interrupted from the moment the disaster occurs. Immediately upon such notification, Contractor shall commit such resources as are necessary and appropriate, given the nature of the disaster, and shall assist in accordance with disaster plans and protocols applicable in the locality where the disaster occurred. The disaster related provisions of this Contract are:

1. During such periods, Contractor shall be released from response time performance requirements until notified by the designated authority within the disaster area that disaster assistance may be terminated.



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2. When disaster assistance has been terminated, Contractor shall resume normal operations as rapidly as is practical considering exhaustion of personnel, need for restocking, and other relevant considerations.
3. During the course of the disaster, Contractor shall use its best efforts to provide emergency coverage throughout the Contract Service Area, and shall suspend non-emergency transport work as necessary, informing persons requesting such non-emergency service of the reason for the temporary suspension.

Contractor shall have an established plan for disaster preparedness and relief integrated with City's disaster preparedness committee and with the Texarkana Emergency Management Coordinator. Contractor shall engage in initial and continuing training and education in such preparedness planning.

**Section 4.07 Emergency Standby Services**

Contractor agrees to provide Emergency Standby services at no additional cost to the City. The City agrees to reimburse Contractor at the Special Event Rate set forth in the Schedule of User Fees attached hereto if an Emergency Standby exceeds 24 hours in length. In addition, Contractor will be allowed to bill any patient(s) transported or commercial entity as a result of the event or any government agency as a part of disaster recovery.

**Section 4.08 Mutual Assistance Contracts.**

Contractor may enter into mutual assistance Contracts with other paramedic level Emergency Medical Service ambulance providers to provide mutual aid to the Contract Service Area. The City reserves the right to engage in or activate mutual assistance Contracts with other governmental entities in the event of a calamity or disaster.

**Section 4.09 Dispatch and Communications.**

Contractor shall provide a continuously staffed twenty-four hour per day Communications Center for the Contract Service Area. Persons other than ambulance crewmembers will staff the Communications Center. Contractor shall provide personnel who are familiar with the streets and addressing system of the Contract Service Area. Contractor must ensure that the Communication Center has and maintains proper E-911 emergency response system equipment to receive both voice and data communication from the E-911 dispatcher. Contractor must provide two-way radio communications meeting or exceeding the standard for all Service Units and the Communications Center.

Contractor will ensure that each ambulance caller to the center, 9-1-1 or seven-digit, will be put in immediate contact with personnel trained in the use of Medical Priority Dispatch System protocols and related pre-arrival instructions.

1. Contractor will also ensure the following is true of all dispatch personnel:

2. All dispatchers will be nationally certified in Emergency Medical Dispatch (EMD) within 6 months of employment.

3. All dispatchers will have experience and/or training as an EMT at a minimum within 12 months of employment.

4. Two dispatchers will be available in the communications center at all times, with at least one being EMD or EMT certified.

5. Dispatchers' scheduled maximum shift length shall be no more than 12 hours long.



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**Section 4.10 Vehicle Markings.**

Each Service Unit shall be distinctly marked with the name and unit number of the provider and shall be equipped with emergency warning devices in compliance with Texas statutes and must also be marked with the emergency 911 telephone number.

**Section 4.11 Medical Director / On-Line Medical Control**

Contractor shall appoint a medical director(s) who will provide medical oversight and quality assurance of patient care. Contractor may also provide such other review committees or methodology it deems appropriate to ensure quality assurance. An emergency department physician on duty at the receiving hospital shall provide on-line medical control.

**Section 4.12 Records.**

Contractor shall maintain all records as may now or henceforth be required by the State of Texas for paramedic level emergency medical ambulance services including but not limited to ambulance trip forms and daily dispatcher's log. Patient medical records are the property of Contractor and shall remain confidential. Access to patient records can be gained only with permission of the patient or by court order.

**Section 4.13 Hospital Destination**

Emergency patients shall be transported to the nearest appropriate hospital, unless the patient's condition warrants a specific hospital, as determined by Contractor's Medical Advisory Committee, or the patient specifically requests otherwise. When the patient specifically expresses a hospital preference he/she shall be transported to the hospital of his/her choice.

**Section 4.14 Independent Contractor**

In performing this Contract, Contractor is acting as an independent contractor with respect to the City, and neither the Contractor nor any Contractor staff shall be considered employees of the City. It is agreed and acknowledged by the Parties that, as an independent contractor, Contractor retains the right to contract with and provide ambulance services to entities and individuals other than the City, and nothing in this Contract shall be interpreted as limiting or restricting in any way Contractor's right to do so. In no event shall this Contract be construed as establishing a partnership or joint venture or similar relationship between the Parties hereto, and nothing herein shall authorize either Party to act as an agent for the other, except to the extent herein provided. Each party shall be liable for its own debts, obligations, acts and omissions, including the payment of all. required withholding, social security and other taxes and benefits with respect to each party's personnel. Neither Contractor nor any Contractor staff shall be subject to any City policies solely applicable to the City employees.

**Section 4.15 Quality Improvement Program**

Contractor will maintain and support a Quality Improvement (QI) program that meets or exceeds Commission on Accreditation of Ambulance Service standards. The QI programs and heir subsequent reports, which are not of a proprietary or confidential nature, will be included in routine reports to the City Manager or designee.

**Section 4.16 Reporting**

Contractor will report to the City on a monthly basis the progress, status, and/or compliance of the following measurements: response time compliance, response times that exceed the response standards herein, run volumes, and patient types.

**Section 4.17 Complaint Handling**

Any complaints regarding patient care or billing will be considered to be of highest priority to the Contractor. Any complaints lodged with a City official concerning Contractor's performance will be



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forwarded in writing to the Contractor. Contractor will thoroughly investigate the complaint and the findings and outcome reported to the City Manager or designee.

Any complaints regarding patient care or billing lodged directly with Contractor will be equally investigated.

## Article V.
## Use of Tiered Response

**Section 5.01**

Contractor shall strive to respond to each Life-Threatening Response with a "Paramedic-Advanced Life Support" unit and each Non-Life Threatening Response with either a "Paramedic-Advanced Life Support" unit or a EMT- Basic Life Support Level unit. The designation of an assignment is accomplished in accordance with Medical Priority Dispatch System protocols as approved by the Medical Director as may be amended from time to time.

## Article VI.
## Response Time Performance

**Section 6.01 General**

The City currently designates two response time classifications, with which Contractor must comply by meeting the specified response times.

The designation of an assignment is accomplished by presumptive prioritization in accordance with Medical Priority Dispatch System protocols. Contractor will be deemed to be in compliance if 90% or more of all responses measured monthly meet the specified response time criteria. Protocols are based on the recognition that the level of response (Emergency and Immediate) needed by the patient should be the determining factors in the level of response.

Emergencies are those where paramedic intervention within minutes can be crucial to the patient's outcome.

Immediate are those in which paramedic intervention is not immediately needed and time is not a critical factor in treatment; therefore, a delay of several minutes would make no difference.

The response time commitments set forth shall constitute contractually binding performance requirements under this Contract. As such the following definitions and protocols shall be employed for purposes of response time measurement and compliance:

**Section 6.02 Emergency Call Classification**

For purposes of response time measurement, the applicable standard will be based on each request's presumptive run code classification (i.e., Emergency Response or Immediate Response) as established at the time the call is dispatched by a person trained in the use of and correctly employing Medical Priority Dispatch Protocols proposed by the Medical Director. (Retrospective classification of priority code shall not affect measurement of response time compliance.)

**Section 6.03 Response Time Standards**

Contractor will maintain: an average response time on all calls under this Contract in accord with the following:

Emergency Response will have a response time of 90% or better of 8 minutes and 59 seconds; and

Immediate Response will have a response time of 90% or better of 20 minutes and 59 seconds



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**Section 6.04 Response Time Calculations/Exceptions**

Contractor will maintain mechanisms for reserve production capacity to increase production should temporary system overload persist. However, it is understood that from time to time, unusual factors beyond Contractor's reasonable control affect the achievement of the specified response time standards. For purposes of determining compliance with the response time standards every request for ambulance service originating within the Contract Service Area will be counted, except as follows:

The following will not, for purposes of reporting response times, be counted as a response or as an exception:

1. Responses not resulting in patient contact, unless the call was cancelled by the caller after expiration of the applicable response time standard, and

2. Responses occurring during a period of severe weather conditions, such that response time compliance is either impossible or could be achieved only at a greater risk to EMS personnel or the public than would result from delayed response; and

3. Excess runs occurring during periods of Unusual System Overload shall not be included in response time calculations, and

4. Requests during a disaster, locally or in a neighboring jurisdiction (in accordance with an approved mutual aid Contract), in which the City and/or Contractor are rendering assistance, in each case declared by the City Manager or his designee (either at or after the time of service).

Responses which may appear as late runs due to miscellaneous circumstances will be counted as a response, but not counted as an exception, if Contractor can fully document that the response time was achieved within the appropriate criteria.

No other causes of late response (e.g., equipment failures, traffic congestion, vehicular accident regardless of origin, ambulance failures, dispatch errors, or inability to staff units) will serve to justify exemption from response time requirement or late run penalties.

If Contractor believes that any response or group of responses should be excluded from the calculation of the response time standards because of severe weather or due to "unusual factors beyond Contractor's reasonable control," Contractor may provide detailed documentation to the City Manager requesting that the City exclude these runs from response time calculations. Any such request must be in writing and be received by the City Manager or his designee within fifteen (15) business days after the end of each month. The City Manager or his designee will review the request and issue a determination.

**Section 6.05 Response Time Audit Trail**

Contractor will develop and maintain a system to assure a complete audit trail for all response times which shall be incorporated into the software program operating Contractor's CAD System.

**Section 6.06 Response Time Measurement - Clock Start**

Response times shall be measured via the CAD System from the moment of receipt at Contractor Communications Center of the 911 data transmission (i.e., location, callback number and priority determination/chief complaint), or, in the case of 7-digit access, the receipt of location, callback number and priority determination/chief complaint. The CONTRACTOR shall be allowed a maximum of 2 minutes, from the time the call for service is received, to have an ambulance enroute to said call for service. Any time in excess of the 2 minutes allowed for dispatching an ambulance shall be applied towards the response time.

As a general rule, for all types of calls the response time clock shall be stopped upon Arrival At Incident Location of the first arriving ambulance. In instances when the ambulance fails to report their Arrival At Incident Location, the time of the next communication with that ambulance will be used as the Arrival At Incident Location time. However, Contractor may appeal such instances when it can document the actual arrival time through another means, including First Responder reports or communications tapes.

**Section 6.07 Upgrades, Downgrades, and Reassignments.**

From time to time special circumstances may cause changes in priority determination. Response time calculations for determination of compliance will be as follows:

1. Upgrades, if a Response is upgraded prior to Arrival At Incident Location (e.g., from Immediate Response to Emergency Response), Contractor's compliance will be calculated based on the shorter of:

   (a) Time elapsed from call receipt to time of upgrade plus the higher Response time standard, or

   (b) The lower (i.e., Immediate Response) response time standard.

2. Downgrades. If a Response is downgraded prior to Arrival At Incident Location (e.g., from Emergency Response to Immediate Response), Contractor's compliance and penalties will be calculated based on the time of receipt of the downgrade as follows:

   (a) If the Response is downgraded after the original response time standard (i.e., Emergency Response) has elapsed, the Response will be recorded as a late Emergency Response, or

   (b) If the Response is downgraded before the original response time standard has elapsed, the lower priority Response time standard (i.e., Immediate Response) will be applicable.

All downgrades will be subject to protocols developed the Medical Director. No 911 emergency call may be downgraded to a priority lower than Immediate.

**Section 6.08 Reassignment Enroute.**

If an ambulance .is reassigned enroute prior to Arrival At Incident Location (e.g., to respond to a higher priority request), Contractor's compliance will be calculated based on the response time standard applicable to the assigned priority of the initial response. The response time clock will not stop until the arrival at incident location on the scene from which the ambulance was diverted.

## Article VII.
## Responsibility Of Contractor

Contractor will indemnify, and hold harmless the City and its officials and employees from and against all claims, demands, damages, punitive damages, and costs, including reasonable attorney's fees and expenses, arising out of the performance of this contract: provided such are:

1. Attributable to bodily injury or death to any person or damage to or destruction of tangible property (other than in performance of this contract); and

2. Is caused in whole by the negligent act or omission of Contractor, its agents, officers



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and employees in the performance of this Contract.

The obligation of Contractor under this paragraph shall not extend to any claims, demands, punitive damages, and costs, including reasonable attorney's fees and expenses resulting from the negligence of the City, its agents, representatives, officials, and employees.

## Article VIII.
## Responsibility Of The City

City will indemnify, and hold harmless the Contractor and its officials and employees from and against all claims, demands, damages, punitive damages, and costs, including reasonable attorney's fees and expenses, arising out of the performance of this contract: provided such are:

Attributable to bodily injury or death to any person or damage to or destruction of tangible property (other than in performance of this contract); and

Is caused in whole by the negligent act or omission of City, its agents, officers and employees in the performance of this Contract.

The obligation of City under this paragraph shall not extend to any claims, demands, damages, punitive damages, and costs, including reasonable attorney's fees and expenses resulting from the negligence of the Contractor, its officers, directors, agents, and employees.

## Article IX.
## Insurance

### Section 9.01 Insurance Standards

Contractor shall maintain in force during the Contract Term and extensions thereof general liability insurance of no less than $2,000,000 per occurrence and $4,000,000 aggregate.

LifeNet shall also provide workers' compensation coverage on all employees as required by law. A waiver of subrogation in favor of the City of Texarkana, Texas shall be contained in the workers compensation coverage.

The City shall maintain in its worker's compensation coverage a waiver of subrogation in favor of the Contractor.

### Section 9.02 Policy Requirements

Each insurance policy shall include the following conditions by endorsement to the policy:

Each policy shall require that thirty (30) days prior to expiration, cancellation, non-renewal or any material change in coverage or limits, a notice thereof shall be given to the City by certified mail to: City Manager, P.O. Box 1967, Texarkana, Texas 75504. Contractor shall also notify the City in a like manner, within twenty-four (24) hours after receipt of any notices of expiration, cancellation, non-renewal or material change in coverage received by said Contractor from its insurer; and nothing contained herein shall absolve Contractor of this requirement to provide notice.

Companies issuing the insurance policy, or policies, shall have no recourse against the City for payment of premiums or assessments for any deductibles which all are the sole responsibility and risk of Contractor.

The City and its elected and/or appointed officials shall be endorsed to the required policy or policies and added as an "additional named insured."

Assignment



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## Article X.
## Assignment

This Contract is not intended nor shall it be construed to inure to the benefit of any third person or entity not a party hereto and no right, duty or obligation of the Contractor under this Contract shall be assigned to any person, private association or corporation, not-for-profit corporation or public body, without the prior written consent of the City, except pursuant to mutual aid Contracts, or as specifically provided for herein. Any change in Contractor's ownership shall, for purposes of this Contract, be considered a form of assignment. The City shall not unreasonably withhold its approval of a requested change in ownership so long as the transferee is of comparable experience to provide the services at the performance levels outlined in this Contract.

## Article XI.
## Compliance with Laws

All services furnished by the Contractor under this Contract shall be rendered in full compliance with all applicable federal, state and local laws, ordinances, rules and regulations. It shall be the Contractor's sole responsibility to determine which laws, rules, and regulations apply to the services under this Contract, and to maintain compliance with those applicable standards at all times.

## Article XII.
## Non-Discrimination

Contractor agrees to comply with all applicable provisions of federal, state, and local laws and regulations pertaining to prohibited discrimination.

## Article XIII.
## Default and Termination

Prior to the Contract Term and extensions thereof, neither party may terminate this Contract except as provided for in this Contract or in the event of Major Default by the other party.

**Section 13.01 Major Default Defined**

For purposes of this provision, "Major Default" by Contractor shall include the chronic failure to meet any of the various performance standards required under this Contract provided the nature of such performance deficiency is such that the public health and safety are endangered.

Condition and circumstances that shall constitute a Major Default by Contractor shall include but not be limited to the following:

a) Failure of the Contractor to operate the ambulance service system in a manner which enables the City and_ the Contractor to remain in substantial compliance with the requirements of the applicable federal, state, and local laws, rules and regulations. Minor infractions of such requirements shall not constitute a major breach of this Contract; rather, failure of the Contractor to substantially comply with such provisions can only be determined by the City after Contractor has been afforded reasonable written notification of the deficiency, and reasonable time to correct said deficiency as indicated hereto;
b) Willful falsification of information supplied by the Contractor;
c) Willful falsification of data supplied to the City during the course of operations, including by way of example but not by way of exclusion, dispatch data, patient report data, response time data, or willful downgrading of presumptive run code designations to enhance Contractor's apparent performance. or falsification of any other data required under this Agreement.
d) Chronic and persistent failure of Contractors employees to conduct themselves in a professional



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and courteous manner, and to present a professional appearance, to the extent that City's reputation as a provider of high-quality emergency and non-emergency ambulance service suffers.

e) Chronic and persistent failure of the Contractor to meet established performance criteria such. as provision of twenty-four (24) hour a day Emergency Medical Services meeting established response time criteria, or maintaining proper telephone and radio communication.
f) Contractor's refusal to treat and/or transport patients due to their ability to pay for service.
g) Contractor's inability to maintain sufficient number of trained staff holding proper certificates and drivers licenses;
h) Contractor's inability to maintain sufficient number of vehicles in the City and to maintain those vehicles and their equipment in good working order;
i) Contractor's inability to maintain proper radio and phone communication;
j) Contractor's refusal to submit to audit or failure to provide the specified financial documentation as required by this Contract;
k) Contractor's inability to maintain a financially stable company;
l) Contractor's deliberate and unauthorized scaling down of operations to the detriment of performance during a "lame duck" period;
m) Contractor's failure to substantially and consistently meet or exceed response time standards, required within; or
n) Contractor's failure to meet any and all provisions of this Contract.

**Section 13.02 Notice of Major Breach**

If the City determines that a Major Default has occurred it will notify Contractor in writing of the specific conduct which it deems to constitute a Major Default by date, place, and time. If Contractor has not cured the default within sixty (60) days from receipt of the written notice of default or within that time initiated action to cure the default, the City by a vote of the City Council can terminate the Contract.

**Section 13.03 Change in Laws**

Notwithstanding any other provision of this Contract, if the governmental agencies or their representatives) which administer Medicare, any other payor, or any other federal, state or local government or agency passes, issues or promulgates any law, rules, regulation, standard or interpretation, or any court of competent jurisdiction renders any decision or issues any order at any time while this Contract is in effect, which prohibits, restricts, limits or in any way substantially changes the method or amount of reimbursement or payment for ambulance services rendered under this Contract, or which otherwise significantly affects either party's rights or obligations hereunder, either Party may give the other notice of intent to end this Contract to the satisfaction of both parties, to compensate for such prohibition, restriction, limitation or change. If this Contract is not so amended in writing within thirty days after said notice was given, this Contract shall terminate as of midnight on the thirtieth (30th) day after said notice was given.

**Section 13.04 "Lame Duck" Provisions**

Should Contractor fail to prevail in a future procurement cycle, the City may depend upon Contractor to continue provision of all services required under this Contract until the new contractor assumes service responsibilities. Under these circumstances Contractor will for a period ninety (90) days after the expiration of the current Contract, serve as a "lame duck" contractor. To ensure continued performance fully consistent with the requirements of the existing Contract throughout any such "lame duck" period, the following "lame duck" provisions apply:

Throughout such "lame duck" period, Contractor shall continue all ambulance operations and support services at substantially the same levels of effort and performance as were in effect prior to the award of the subsequent contract to a different firm;



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Contractor shall make. no changes in methods of operation which could reasonably be considered to be aimed at cutting Contractor's service and operating costs to maximize profits during the final stages of this Contract;

The City recognizes that, if a competing firm prevails in a future procurement cycle, Contractor may reasonably begin to prepare for transition of service to the new contractor during the "lame duck" period and the City shall not unreasonably withhold its approval of Contractor's request to begin an orderly transition process, including reasonable plans to relocate staff, scale down certain inventory items etc., so long as such transition activities do not impair Contractor's performance during the "lame duck" period and so long as such transition activities are prior approved by the City.

## Article XIV.
## Membership Services

**Section 14.01 Basic Objects of Program.**

LifeNet may offer to residents of the Contract Service Area, a system-wide ambulance membership program which will allow residents to prepay uninsured portions of Emergency Medical Service and medically necessary Non-emergency Ambulance Services for a period of one year. Upon renewal of a membership the annual fee may increase by the Ambulance Inflation Factor. Discounts may be offered for renewal.

**Section 14.02 Additional Benefits**

Contractor may, at its option, offer additional benefits to membership subscribers.

**Section 14.03 Periodic Membership Drives**

Membership subscriptions may be made available during a period specified by Contractor each calendar year.

**Section 14.04 Beneficial Extension of Service**

Every person requiring or requesting Emergency Medical Services or Non-Emergency Ambulance Services shall receive the quality of care and transportation required under this Contract without regard to membership status.

## Article XV.
## User Fees

**Section 15.01 Authorization of User-Fee Charges**

Contractor shall charge all Patients, users of Lift Assist and False Alarms according to a schedule of rates set forth in Schedule of User Fees attached hereto. Contractor shall guarantee the original schedule of rates for a one-year period beginning February l, 2008.

Contractor shall be solely responsible for all user-fee billings and collections for service provided pursuant to this Contract. The City, except in instances of Emergency Standby, shall not be responsible for any fees due as a result of 911 or City-initiated service calls.

**Section 15.02 Annual Inflation Adjustments**

The City shall allow annual inflation adjustments of Contractor's Schedule of User Fees. Increases will be based on, but not exceed, the U.S. Consumer Price Index for all Urban Consumers (CPI-U). To provide flexibility to maximize third party recovery while minimizing patient's out-of-pocket costs, Contractor may, at its option, accept all or a portion of the maximum allowable inflation adjustment, and may also apply the available adjustment in equal or variable percentages to all or a portion of charge items, so long as the combined increase does not exceed the U.S. Consumer Price Index for all Urban Consumers (CPI-



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U). The period for determining the CPI-U shall be the previous 12 months.

**Article 15.03 Extraordinary Adjustment for Unusual Cost Increases**

Contractor may, in writing, request of the City an adjustment to Contractor's base rate in the event changes in applicable federal, state, or local laws, rules or regulations require changes in Contractor's operations which may reasonably be expected to increase Contractor's cost of producing the services or decrease the provider's sources of revenue. The standard in question must actually constitute an increase in requirements and not merely a clarification of a previously existing standard or an application of the 'rule of reason" to interpret an existing standard. If an adjustment is not granted within thirty (30) days after the date of the written request, Contractor may terminate this Contract, without penalty, by giving written notice to the City.

## Article XVI.
## Notice

All notices required hereunder will be in writing and served personally or by certified mail, return receipt requested, postage prepaid, at the addresses shown below:

Notice to Contractor:

Chief Executive Officer
LifeNet, Inc.
6225 St Michael Drive
Texarkana, TX 75503

Notice to City:

Office of the City Manager - City of Texarkana, Texas
P.O. Box 1967
Texarkana, Texas 75504

## Article XVII.
## Miscellaneous Provisions

**Section 17.1 Attorney's Fees**

If either party commences an action against the other to enforce any of the terms herein or because of the breach by either party of any of the terms herein, the losing or defaulting party shall pay to the prevailing party reasonable attorneys' fees, costs and expenses incurred in connection with the prosecution or defense of such action.

**Section 17.2 Entire Contract**

This Contract constitutes the entire Contract between the Contractor and the City and there are no Contracts, understandings, warranties or representations between the parties except as provided for herein. This Contract cannot be amended except in writing executed by the parties.

**Section 17.3 Applicable Law**

The validity, construction, performance, and effect of this Contract will be governed by the laws of the State of Texas.

**Section 17.4 Binding Effect**

This Contract will inure to the benefit of and bind the respective parties, their successors, personal representatives and permitted assigns.



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**Section 17.5 Headings**

The headings in this Contract are inserted for convenience of reference only and are not to be used in construing or interpreting any provisions of this Contract.

**Section 17.6 Counterparts**

This Contract may be executed in any number of counterparts, any of which shall constitute the Contract between the parties.

**Section 17.7 Invalidity**

If any term, provision, covenant or condition of this Contract, or any application thereof, should be held by a court of competent jurisdiction to be invalid, void, or unenforceable, all terms, provisions, covenants, and conditions of this Contract, and all applications thereof, not held invalid, void, or unenforceable, shall continue in full force and effect and shall in no way be affected, impaired, or invalidated thereby.

**Section 17.8 Waiver**

Except as otherwise provided in this Contract, no waiver of any of the provisions of this Contract shall be deemed to be, or shall constitute a waiver of any other provision or similar occurrence, whether or not similar, nor shall any waiver be binding unless evidenced by an instrument in writing executed by the party making the waiver.

**Section 17.9 Delay in Commencement.**

If the delay in the commencement date is caused by events outside the direct and immediate control of the parties hereto, neither party shall be liable to the other for any loss caused by such delay.

Witness the execution hereof in duplicate, this _____ day of _____.

| | |
|---|---|
| For City: | City of Texarkana, Texas |
| Signature | |
| Printed Name | DAVID ORR |
| Title | City Manager |

| | |
|---|---|
| For Contractor: | LifeNet, Inc. |
| Signature | |
| Printed Name | David Baumgardner |
| Title | Chief Executive Officer |



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**Schedule of User Fees**

Throughout the first year of the Contract, LifeNet is hereby authorized to charge user fees for ground ambulance services as follows:

| | |
|---|---|
| Emergency Base Rate | $589 |
| Non-Emergency Base Rate | $417 |
| Special Event | $100 per hour |
| Loaded Mileage | $15.95 per loaded mile |
| False Alarm | $417 |
| Lift Assist | $417 |

In addition, LifeNet may bill itemized charges for disposable supplies, procedures (e.g. cardiac monitoring), subscription membership and durable medical equipment replacement. Establishment of such fees will be at LifeNet's discretion.



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**City of Texarkana, Texas**

Version: A

# Briefing Sheet

**Update Date:** 1/5/2022 2:00 PM

| | | | |
|---|---|---|---|
| **Lead Department:** | Planning & Zoning Commission | **Action Officer:** | Laura Puckett, Administrative Coordinator |
| **Subject:** | Ordinance No. 2022-001 amending PD-21-2 (O) for site plan approval an approximate 0.96-acre tract of land (being 336A/336C) in the George Brinlee HRS, A-18, located at 5302 North Kings Highway from Single Family-1 to Planned Development-Office. Shane Satterfield, owner. | | |

**Briefing:** 1/24/2022 **Public Hearing:** 1/24/2022 **Council Vote:** 1/24/2022

| Item Schedule |
|---|
| Schedule 1: Brief twice - vote once (six weeks) |

## Updates/History of Briefing:

The application was amended to Planned Development-Office (PD-21-02) requiring a site plan approval. The uses listed below are prohibited at this location.

## Executive Summary and Background Information:

This is a request by Shane Satterfield, owner, to rezone an approximate 0.96-acre tract of land (being Tract 336A/336C) in the George Brinlee HRS, A-18, located at 5302 North Kings Highway from Single Family-1 to Office. The proposed use is a Realty office in the existing home.

The adjacent zoning is Single Family-1 to the west and east, Single Family-3 to the north and Neighborhood Service to the south. The adjacent land use is residential to the west, east, and north and retail to the south.

The Future Land Use Map identifies this property as “High Density Residential”.

The applicant is proposing to remodel the existing home into an office for his realty business. Parking will be located at the back of the property using the existing driveway. The applicant also wishes to have a monument type sign.

If a Planned Development designation is placed on the property, staff would recommend prohibiting the following uses:

1. Hotel/Motel
2. Country Club
3. Fraternity/Sorority

TXDOT approval will be required for driveway improvements.
The applicant should also be aware that if this zoning change is approved, all other applicable city code/ordinance requirements must be met including but not limited to building codes, setbacks, subdivision, fire, parking, drainage, water and sewer prior to the issuance of building permits.

All notification and application requirements have been met to consider this request.

**Potential Options:**

Approve or deny

**Fiscal Implications:**

NOT APPLICABLE

**Staff Recommendation:**

Staff recommends for denial of this request based on the Future Land Use Map.

**Advisory Board/Committee Review:**

Planning and Zoning Commission

**Board/Committee Recommendation:**

The Planning and Zoning Commission unanimously recommended for approval with stipulations.

**Advisory Board/Committee Meeting Date and Minutes:**

December 6, 2021

**Attachments**

a. 2022-001 ORD Amendment to PD-21-2 (O) for site plan approval (DOCX)
b. 2022-001 EXH 'A' (Site Plan)(PDF)
c. 2022-001 EXH 'B' (Legal Description) (PDF)
d. 2022-001 ATTH 01 (Maps) (PDF)
e. 2022-001 ATTH 02 (Photo of existing building) (PDF)
f. 2022-001 ATTH 03 (Example of Sign) (PDF)
g. 2022-001 Goals & Perspectives (DOCX)
h. 2022-001 ORD amendmt for SPA 5302 N. Kings Hwy signed (PDF)

**Staff Coordination**

| | | | | |
|---|---|---|---|---|
| Building Code Administration | Mashell Daniel | Reviewer | Completed | 12/31/2021 10:11 AM |
| City Manager | David Orr | Reviewer | Completed | 01/07/2022 9:45 AM |
| City Council | Jennifer Evans | Meeting | Completed | 01/10/2022 6:00 PM |

**Meeting History**

Attachment: 2022-001 ORD Amendment to PD-21-2 (O) for site plan approval [Revision 1] (3618 : 2022-001 ORD site plan approval at 5302 N

Amendment to
PD-21-2(O)

# ORDINANCE NO. 2022-001

**AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF TEXARKANA, TEXAS, AMENDING PD-21-1(O) FOR SITE PLAN APPROVAL ON AN APPROXIMATE 0.96-ACRE TRACT OF LAND (BEING TRACT 336A/336C), GEORGE BRINLEE HRS, A-18, LOCATED AT 5302 NORTH KINGS HIGHWAY IN THE CITY OF TEXARKANA, BOWIE COUNTY, TEXAS, CONTAINING A REPEALER CLAUSE; CONTAINING A SEVERABILITY CLAUSE; AND ESTABLISHING AN EFFECTIVE DATE.**

**WHEREAS**, an application has been filed requesting the approval of a **site plan (Exhibit 'A') for the existing building on an approximate 0.96-acre tract of land (being Tract 336A/336C), George Brinlee HRS, A-18 (Exhibit 'B), located at 5302 North Kings Highway** in the City of Texarkana, Bowie County, Texas; and

**WHEREAS**, the subject property is zoned Planned Development-Office [PD-21-2(O)], and approval of the site plan **(Exhibit 'A')** would constitute an amendment to PD-21-2(O); and

**WHEREAS**, the proposed use is consistent with the listed uses in the Land Development Code for the zoning classification of Planned Development-Office; and

**WHEREAS**, the Planning and Zoning Commission of the City of Texarkana, Texas, and the City Council of the City of Texarkana, Texas, in compliance with the laws of the State of Texas with reference to the granting of this amendment, have given the requisite notices by publication and otherwise, and have afforded and held full and fair hearings to all property owners generally and to all persons interested and situated in the affected area and in the vicinity thereof; and

**WHEREAS**, after consideration of said application, the Planning and Zoning Commission of the City of Texarkana, Texas, voted **by a vote of five (5) to zero (0) to recommend approval of the petition for a site plan (Exhibit 'A')** to the City Council of the City of Texarkana, Texas; and

**WHEREAS**, after consideration of said application and the recommendation of the Planning and Zoning Commission, the City Council of the City of Texarkana, Texas, does hereby find that the approval of the site plan for the above described property is in the best interest of the public health, safety, morals and general welfare of the City.

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

**SECTION 1:** The site plan for **(Exhibit 'A') the existing building on an approximate 0.96-acre tract of land (being Tract 336A/336C), George Brinlee HRS, A-18 (Exhibit 'B), located at 5302 North Kings Highway** in the City of Texarkana, Texas, Bowie County, Texas, is hereby

approved and hereby amends PD-21-2(O).

**SECTION 2:** PD-21-2(O) is hereby amended by approval of the site plan (**Exhibit 'A'**), incorporated herein by reference for all purposes, and includes the following:

1. Use of the existing home/building.
2. The proposed building façade is brick.
3. The access driveway will be off North Kings Highway. TxDOT approval is required.
4. Parking located in the rear of the property. Six (6) parking spaces required.
5. A masonry 4' x 8' monument style sign. No Electronic messaging will be allowed.
6. Prohibited uses: hotel, motel, country club, fraternity, and sorority.

**SECTION 3:** It is further provided that in case a section, clause, sentence or part of this ordinance shall be deemed or adjudged by a court of competent jurisdiction to be invalid, then such invalidity shall not affect, impair, or invalidate the remainder of this ordinance.

**SECTION 4:** All ordinances or parts of ordinances in conflict herewith are specifically repealed to the extent of such conflict.

**SECTION 5:** That this ordinance shall be in full force and effect from and after its passage and approval.

**PASSED AND APPROVED** in Regular Council Session on this the **24th day of January, 2022.**

ATTEST:

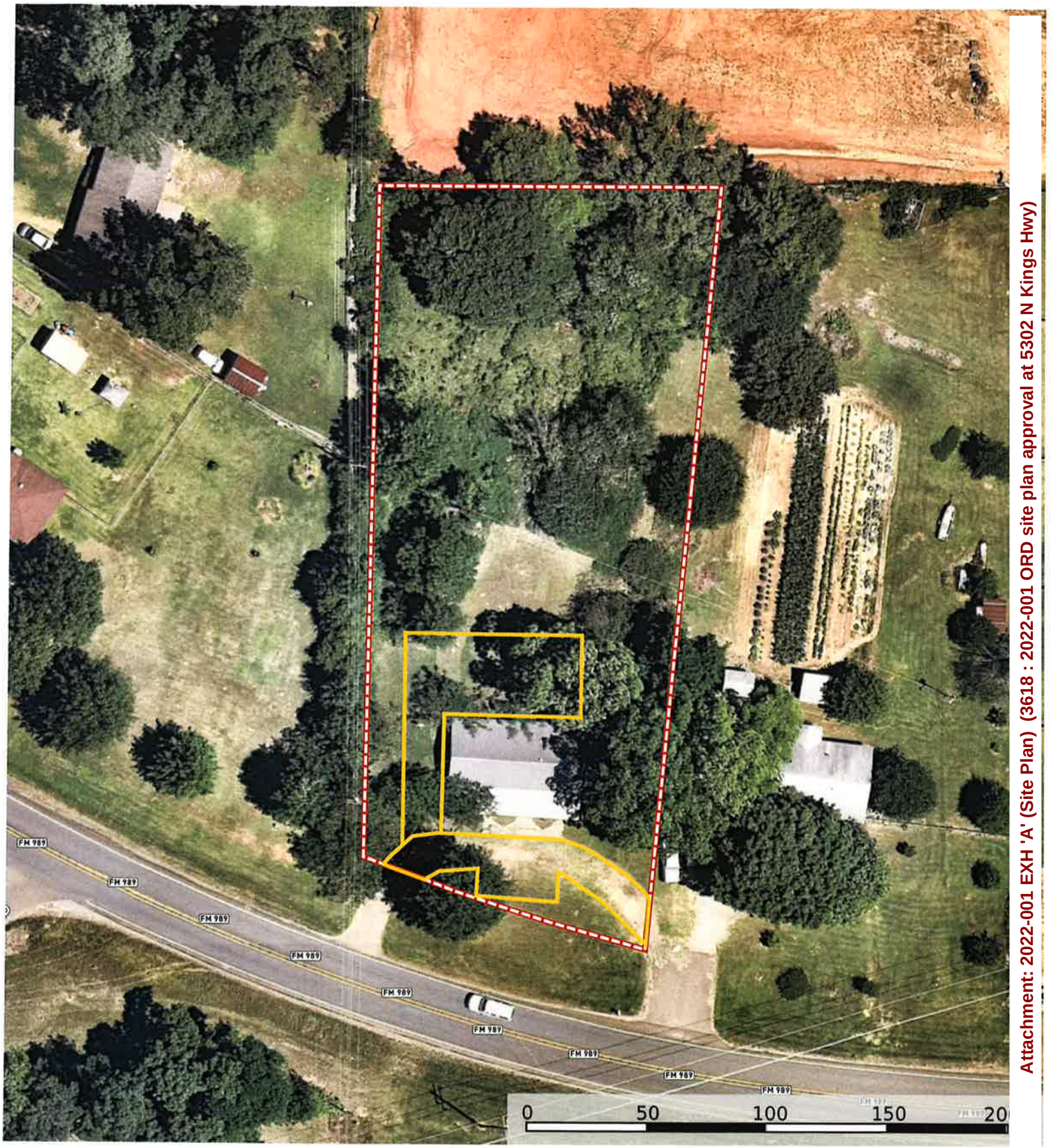
JENNIFER EVANS, CITY SECRETARY

BOB BRUGGEMAN, MAYOR

Attachment: 2022-001 ORD Amendment to PD-21-2 (O) for site plan approval [Revision 1] (3618 : 2022-001 ORD site plan approval at 5302 N

**Blue Marlin**
Bowie County, Texas, AC +/-

2022-001 EXH 'A'




Attachment: 2022-001 EXH 'A' (Site Plan) (3618 : 2022-001 ORD site plan approval at 5302 N Kings Hwy)

Jason Thomson

The information contained herein was obtained from sources deemed to be reliable. MapRight Services m completeness or accu

-XXXXXXXX-

All that certain tract or parcel of land situated in the GEORGE BRINLEE HEADRIGHT SURVEY, Abstract No. 18, Bowie County, Texas, and also being a part of that certain 24.3 acre tract conveyed by Etoy Holmes, a widow, to Charles W. E. Sisk and wife, Lowral Sisk, by Deed dated March 3, 1961, recorded in Volume 394, Pages 221-222, Deed Records, Bowie County, Texas, and the subject tract being more particularly described by metes and bounds as follows:

COMMENCING at a 1/2" iron pin set for corner at an existing fence corner, being the Northwest corner of said 24.3 acre tract;

THENCE South, 770.11 feet along an existing fence line, being the West line of said 24.3 acre tract, to a 1/2" iron pin set for corner and being the POINT OF BEGINNING for the herein described tract of land;

THENCE East, 150.95 feet to a 1/2" iron pin set for corner, said point being the Northwest corner of a certain 1.02 acre tract conveyed by Lowral Sisk to Jim H. Sisk by Deed dated March 9, 1983, recorded in Volume 698, Page 213, Deed Records, Bowie County, Texas;

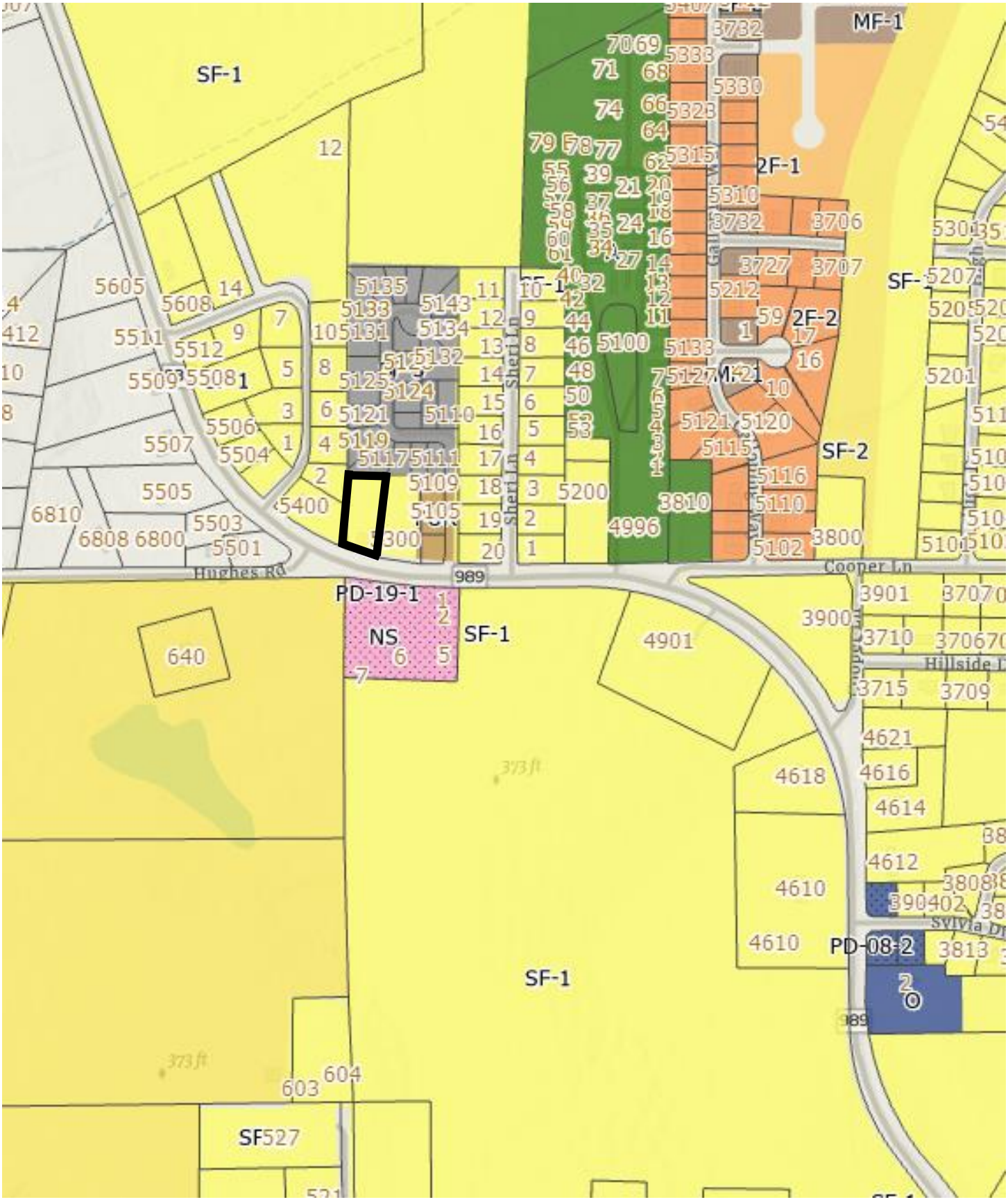
THENCE S 03° 41' W, 313.00 feet with the West line of said 1.02 acre tract, to a 1/2" iron pin set for corner in the North right-of-way line of FM Road No. 989;

THENCE Northwesterly with said right-of-way line, being a curve to the right having a radius of 917.19 feet, a distance of 137.00 feet through a central angle of 08° 33' 29" to a 1/2" iron pin set for corner in the West line of said 24.3 acre tract;

THENCE North 272.17 feet along an existing fence line, being the West line of said 24.3 acre tract, to the POINT OF BEGINNING, and containing 0.955 acre of land, more or less.

Attachment: 2022-001 EXH 'B' (Legal Description) (3618 : 2022-001 ORD site plan approval at 5302 N Kings Hwy)

# 5302 North Kings Highway




Attachment: 2022-001 ATTH 01 (Maps) (3618 : 2022-001 ORD site plan approval at 5302 N Kings Hwy)

# 5302 North Kings Highway




Attachment: 2022-001 ATTH 01 (Maps) (3618 : 2022-001 ORD site plan approval at 5302 N Kings Hwy)



Attachment: 2022-001 ATTH 02 (Photo of existing building) (3618 : 2022-001 ORD site plan approval at




Attachment: 2022-001 ATTH 03 (Example of Sign) (3618 : 2022-001 ORD site plan approval at 5302 N

**Developing Perspectives and Goals Pending Approval by the City Council:**

| Perspectives | Goals |
|---|---|
| Serve the Community | ☐ Promote an Environmentally Sensitive & Livable Community<br>☐ Provide a Safe Community<br>☑ Deliver Quality Services<br>☐ Foster a Healthy Community |
| Run the Operations | ☐ Enhance Community Preparedness & Responsiveness<br>☐ Maximize Partnership Opportunities<br>☑ Provide Courteous & Responsive Customer Service<br>☐ Model a Positive City Image<br>☑ Deliver Efficient Services<br>☐ Cultivate Community Involvement & Access |
| Manage the Resources | ☐ Maintain Fiscal Strength<br>☐ Maximize Utilization & Resources<br>☐ Invest in Infrastructure & Transportation |
| Develop Personnel | ☐ Develop a Skilled & Diverse Workforce<br>☐ Create a Positive & Rewarding Work Culture |

**Perspectives and Goals Additional Comments:**

NONE

**Resource Impact:**

| | |
|---|---|
| Staff time required if item is approved: | No Additional |

**Other Potential Impacts:**

NONE APPLICABLE

**Public Information Plan:**

| | | | |
|---|---|---|---|
| ☐ | Newspaper Notice (Required by Statute) | ☐ | Public Hearing (Required by Statute) |
| ☐ | Public Forum/Input Session | ☐ | Press Release |
| ☐ | E-News Distribution | ☐ | Website Notice |
| ☐ | Social Media (Twitter, Facebook, etc.) | ☐ | Special Mailing |
| ☐ | Flyers Posted | ☐ | Banners Posted |
| ☐ | Survey | ☐ | Automated Phone Call |
| ☑ | None Required | ☐ | |

Other:

Attachment: 2022-001 Goals & Perspectives (3618 : 2022-001 ORD site plan approval at 5302 N Kings Hwy)

Amendment to
PD-21-2(O)

# ORDINANCE NO. 2022-001

**AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF TEXARKANA, TEXAS, AMENDING PD-21-1(O) FOR SITE PLAN APPROVAL ON AN APPROXIMATE 0.96-ACRE TRACT OF LAND (BEING TRACT 336A/336C), GEORGE BRINLEE HRS, A-18, LOCATED AT 5302 NORTH KINGS HIGHWAY IN THE CITY OF TEXARKANA, BOWIE COUNTY, TEXAS, CONTAINING A REPEALER CLAUSE; CONTAINING A SEVERABILITY CLAUSE; AND ESTABLISHING AN EFFECTIVE DATE.**

**WHEREAS**, an application has been filed requesting the approval of a **site plan (Exhibit 'A') for the existing building on an approximate 0.96-acre tract of land (being Tract 336A/336C), George Brinlee HRS, A-18 (Exhibit 'B), located at 5302 North Kings Highway** in the City of Texarkana, Bowie County, Texas; and

**WHEREAS**, the subject property is zoned Planned Development-Office [PD-21-2(O)], and approval of the site plan **(Exhibit 'A')** would constitute an amendment to PD-21-2(O); and

**WHEREAS**, the proposed use is consistent with the listed uses in the Land Development Code for the zoning classification of Planned Development-Office; and

**WHEREAS**, the Planning and Zoning Commission of the City of Texarkana, Texas, and the City Council of the City of Texarkana, Texas, in compliance with the laws of the State of Texas with reference to the granting of this amendment, have given the requisite notices by publication and otherwise, and have afforded and held full and fair hearings to all property owners generally and to all persons interested and situated in the affected area and in the vicinity thereof; and

**WHEREAS**, after consideration of said application, the Planning and Zoning Commission of the City of Texarkana, Texas, voted **by a vote of five (5) to zero (0) to recommend approval of the petition for a site plan (Exhibit 'A')** to the City Council of the City of Texarkana, Texas; and

**WHEREAS**, after consideration of said application and the recommendation of the Planning and Zoning Commission, the City Council of the City of Texarkana, Texas, does hereby find that the approval of the site plan for the above described property is in the best interest of the public health, safety, morals and general welfare of the City.

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

**SECTION 1:** The site plan for **(Exhibit 'A') the existing building on an approximate 0.96-acre tract of land (being Tract 336A/336C), George Brinlee HRS, A-18 (Exhibit 'B), located at 5302 North Kings Highway** in the City of Texarkana, Texas, Bowie County, Texas, is hereby

Attachment: 2022-001 ORD amendmt for SPA 5302 N. Kings Hwy signed (3618 : 2022-001 ORD site plan approval at 5302 N Kings Hwy)

approved and hereby amends PD-21-2(O).

**SECTION 2:** PD-21-2(O) is hereby amended by approval of the site plan (**Exhibit 'A'**), incorporated herein by reference for all purposes, and includes the following:

1. Use of the existing home/building.
2. The proposed building façade is brick.
3. The access driveway will be off North Kings Highway. TxDOT approval is required.
4. Parking located in the rear of the property. Six (6) parking spaces required.
5. A masonry 4' x 8' monument style sign. No Electronic messaging will be allowed.
6. Prohibited uses: hotel, motel, country club, fraternity, and sorority.

**SECTION 3:** It is further provided that in case a section, clause, sentence or part of this ordinance shall be deemed or adjudged by a court of competent jurisdiction to be invalid, then such invalidity shall not affect, impair, or invalidate the remainder of this ordinance.

**SECTION 4:** All ordinances or parts of ordinances in conflict herewith are specifically repealed to the extent of such conflict.

**SECTION 5:** That this ordinance shall be in full force and effect from and after its passage and approval.

**PASSED AND APPROVED** in Regular Council Session on this the **24th day of January, 2022.**

ATTEST:

JENNIFER EVANS, CITY SECRETARY

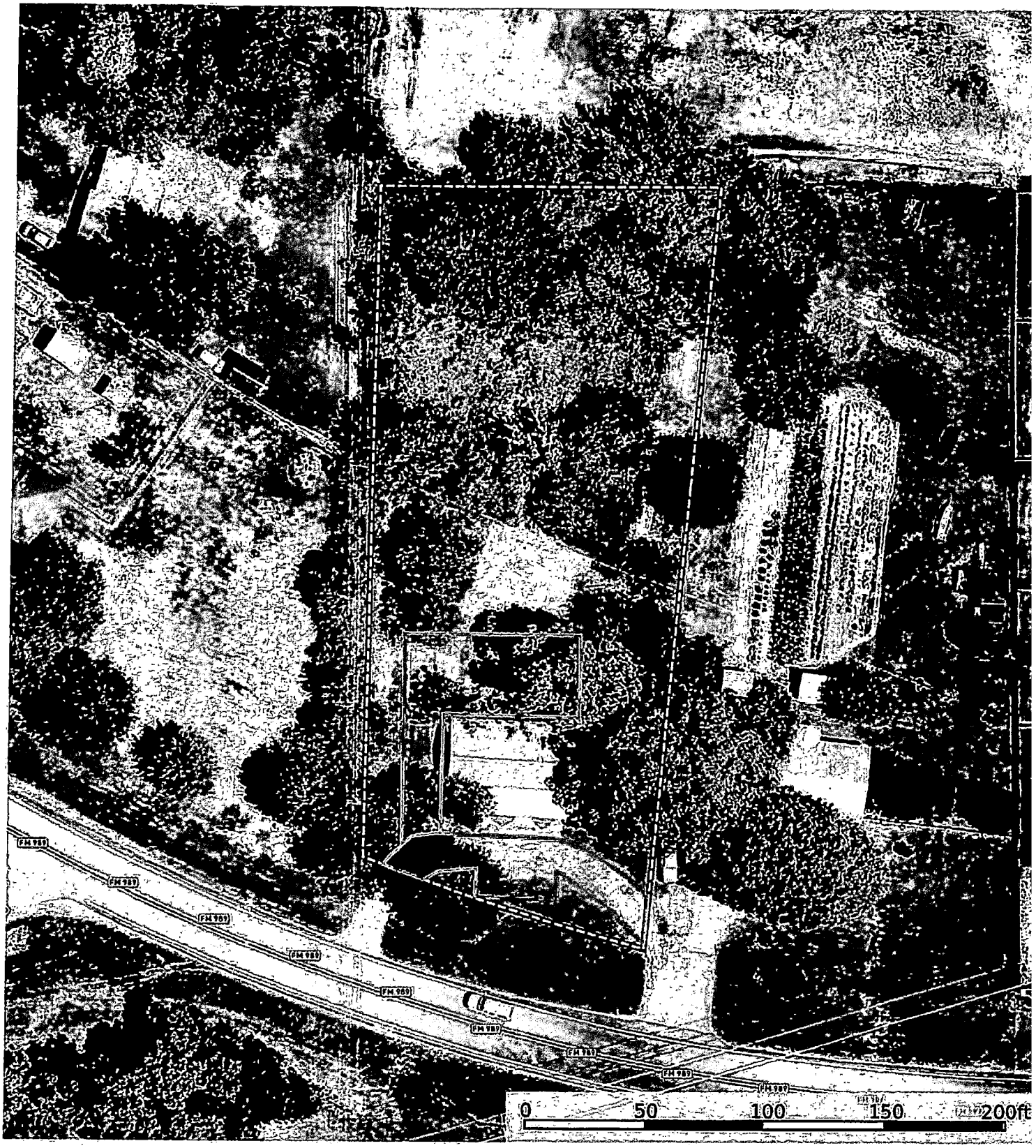
BOB BRUGGEMAN, MAYOR

6:38p.m.

Attachment: 2022-001 ORD amendmt for SPA 5302 N. Kings Hwy signed (3618 : 2022-001 ORD site plan approval at 5302 N Kings Hwy)

**Blue Marlin**
Bowie County, Texas, AC +/-

2022-001 EXH 'A'




Primary Road  Boundary

Jason Thomson

The information contained herein was obtained from sources deemed to be reliable. MapRight Services makes no warranties or guarantees as to the completeness or accuracy thereof.

Attachment: 2022-001 ORD amendmt for SPA 5302 N. Kings Hwy signed (3618 : 2022-001 ORD site plan approval at 5302 N Kings Hwy)

~~EXHIBIT A~~

All that certain tract or parcel of land situated in the GEORGE BRINLEE HEADRIGHT SURVEY, Abstract No. 18, Bowie County, Texas, and also being a part of that certain 24.3 acre tract conveyed by Etoy Holmes, a widow, to Charles W. E. Sisk and wife, Lowral Sisk, by Deed dated March 3, 1961, recorded in Volume 394, Pages 221-222, Deed Records, Bowie County, Texas, and the subject tract being more particularly described by metes and bounds as follows:

COMMENCING at a 1/2" iron pin set for corner at an existing fence corner, being the Northwest corner of said 24.3 acre tract;

THENCE South, 770.11 feet along an existing fence line, being the West line of said 24.3 acre tract, to a 1/2" iron pin set for corner and being the POINT OF BEGINNING for the herein described tract of land;

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Attachment: 2022-001 ORD amendmt for SPA 5302 N. Kings Hwy signed (3618 : 2022-001 ORD site plan approval at 5302 N Kings Hwy)

**City of Texarkana, Texas**

# Briefing Sheet

Version:
**Update Date:** 1/11/2022 11:56 AM

**Lead Department:** Planning and Community Development **Action Officer:** Vashil Fernandez, PCD Director

**Subject:** Resolution No. 2022-002 recognizing New Town Neighborhood Association as an official neighborhood association.

**Briefing:** 1/24/2022 **Public Hearing:** 1/24/2022 **Council Vote:** 1/24/2022

**Item Schedule**

Schedule 1: Brief twice - vote once (six weeks)

**Updates/History of Briefing:**

NOT APPLICABLE

**Executive Summary and Background Information:**

The residents and property owners of the New Town community have worked to establish a neighborhood association named New Town Neighborhood Association. With approximately 9 members currently, the association is comprised of dedicated individuals who are deeply invested in New Town. The association recently established a Board of Directors and passed Bylaws. The New Town Neighborhood Association desires to be recognized by the City as an official neighborhood association and plans to pursue incorporation followed by status as a 501 (c) 3 in the future.

**Potential Options:**

- None
-

**Fiscal Implications:**

None

**Staff Recommendation:**

Staff recommends for approval

**Advisory Board/Committee Review:**

NONE

**Board/Committee Recommendation:**

NOT APPLICABLE

**Advisory Board/Committee Meeting Date and Minutes:**

NOT APPLICABLE

**City of Texarkana, Texas**

## Attachments

a. 2022-002 RES Recognizing New Town Neighborhood Association (DOCX)
b. 2022-002 Goals & Perspectives (DOCX)
c. 2022-002 ATTH 01 New Town ByLaws REV 011022 (PDF)
d. 2022-002 ATTH 02 New Town Map (PDF)
e. 2022-002 RES New Town Neighborhood Assoc. signed (PDF)

## Staff Coordination

| | | | | |
|---|---|---|---|---|
| Planning and Community Development | Completed | Vashil Fernandez 12/29/2021 3:54 PM | Department Head Review | |
| City Manager | David Orr | City Manager Review | Completed | 01/07/2022 9:44 AM |
| City Council | Jennifer Evans | Meeting | Completed | 01/10/2022 6:00 PM |

## Meeting History

**RESOLUTION NO. 2022 - 002**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF TEXARKANA, TEXAS, OFFICIALLY RECOGNIZING NEW TOWN NEIGHBORHOOD ASSOCIATION; AND ESTABLISHING AN EFFECTIVE DATE.**

**WHEREAS,** the City Council, along with staff and citizens, recognizes the importance of developing and maintaining healthy neighborhoods throughout the community; and

**WHEREAS,** the City of Texarkana, Texas, values citizen involvement and wishes to reach out to all segments of the community by supporting the formation of effective neighborhood associations; and

**WHEREAS,** the residents of the New Town area have a deep commitment to bring about positive change in their community with a dedicated group of residents that have joined together to establish a neighborhood association, elect a Board of Directors, and adopt Bylaws, (**ATTH 01**); and

**WHEREAS,** the New Town Neighborhood Association will be open to and serve residents and property owners of the City of Texarkana in an area bound to the north by College Drive, to the south by New Boston Road, to the west by Summerhill Road, and to the east by Texas Boulevard.

**NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF TEXARKANA, TEXAS:**

**SECTION 1:** The New Town Neighborhood Association is an officially recognized neighborhood association.

**SECTION 2:** This Resolution shall be in full force and effect from and after its passage and approval.

**PASSED AND APPROVED** in Regular Council Session on this the **24th day of January, 2022.**

ATTEST:

JENNIFER EVANS, CITY SECRETARY

BOB BRUGGEMAN, MAYOR

Attachment: 2022-002 RES Recognizing New Town Neighborhood Association (3615 : 2022-002 RES Recognizing New Town Neighborhood

# City of Texarkana, Texas

## Developing Perspectives and Goals Pending Approval by the City Council:

| Perspectives | Goals |
|---|---|
| Serve the Community | ☐ Promote an Environmentally Sensitive & Livable Community<br>☑ Provide a Safe Community<br>☐ Deliver Quality Services<br>☑ Foster a Healthy Community |
| Run the Operations | ☑ Enhance Community Preparedness & Responsiveness<br>☑ Maximize Partnership Opportunities<br>☐ Provide Courteous & Responsive Customer Service<br>☑ Model a Positive City Image<br>☐ Deliver Efficient Services<br>☑ Cultivate Community Involvement & Access |
| Manage the Resources | ☐ Maintain Fiscal Strength<br>☐ Maximize Utilization & Resources<br>☐ Invest in Infrastructure & Transportation |
| Develop Personnel | ☐ Develop a Skilled & Diverse Workforce<br>☐ Create a Positive & Rewarding Work Culture |

**Perspectives and Goals Additional Comments:**

## Resource Impact:

| | |
|---|---|
| Staff time required if item is approved: | No Additional |

**Other Potential Impacts:**

## Public Information Plan:

| | | | |
|---|---|---|---|
| ☐ | Newspaper Notice (Required by Statute) | ☐ | Public Hearing (Required by Statute) |
| ☐ | Public Forum/Input Session | ☐ | Press Release |
| ☐ | E-News Distribution | ☐ | Website Notice |
| ☐ | Social Media (Twitter, Facebook, etc.) | ☐ | Special Mailing |
| ☐ | Flyers Posted | ☐ | Banners Posted |
| ☐ | Survey | ☐ | Automated Phone Call |
| ☑ | None Required | ☐ | |

Other:

Attachment: 2022-002 Goals & Perspectives (3615 : 2022-002 RES Recognizing New Town Neighborhood Association)

# BYLAWS OF THE

# New Town Neighborhood Association

## ARTICLE I. NAME

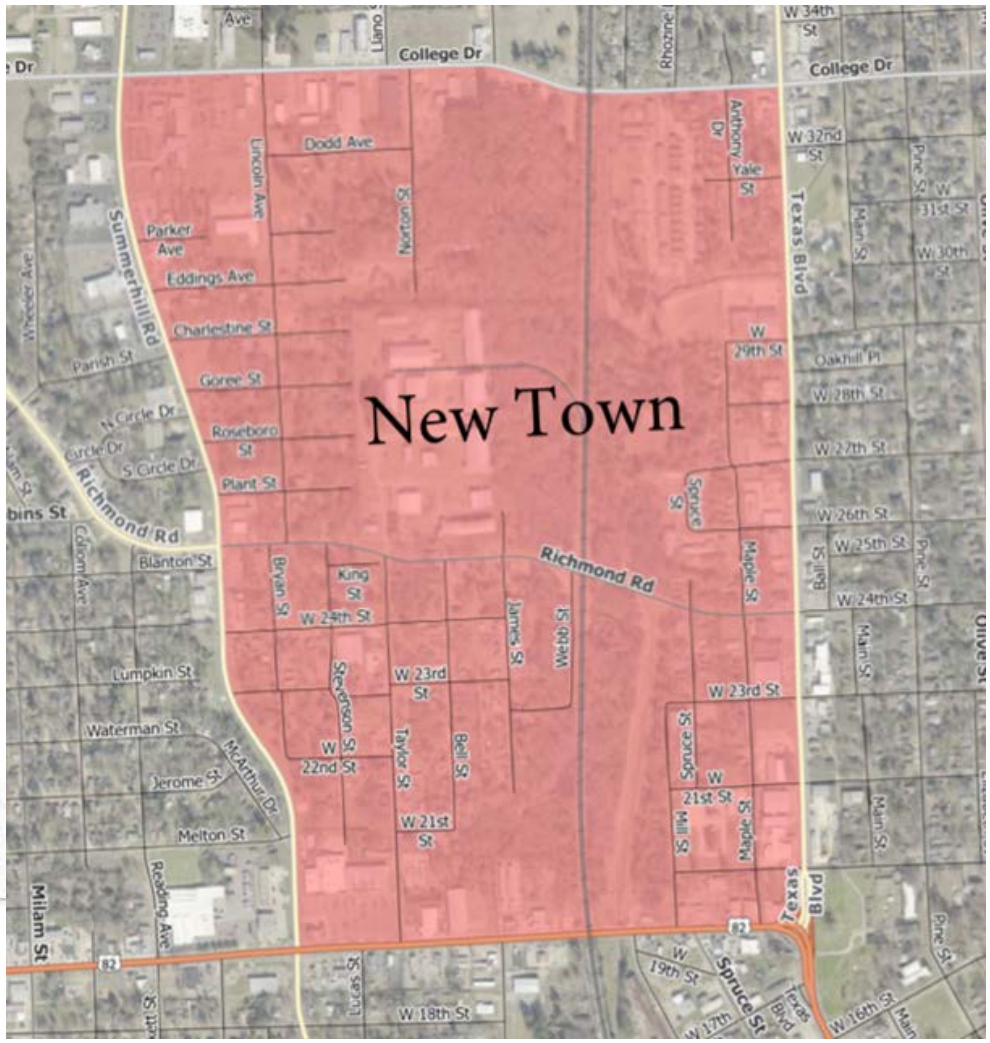
The name of the organization shall be the New Town Neighborhood Association referred herein as the Association.

## ARTICLE II. STATEMENT OF PURPOSE

The Association shall be open to all residents living within the boundaries established by the New Town Neighborhood Association who may consider and deal by all lawful means, with common and shared concerns, goals, and activities that affect the quality of life of its community.

The Association shall be focused on housing, community development, recreation, environmental, public safety, and other matters that affect the quality and character of the neighborhood.

## ARTICLE III. BOUNDARIES




Attachment: 2022-002 ATTH 01 New Town ByLaws REV 011022 (3615 : 2022-002 RES Recognizing New Town Neighborhood Association)

North Boundary: College Drive

South Boundary: New Boston Rd

West Boundary: Summerhill Rd

East Boundary: Texas Blvd

## ARTICLE IV. MEMBERSHIP

1. The membership of the Association shall consist of anyone who lives, works, or owns property within the neighborhood association boundaries who have submitted their names on/for a membership list.
2. A Voting Member shall be a household or business in attendance at an association meeting that has established membership in the Association. Each household or business within the neighborhood shall be entitled to one vote.
3. Membership shall not be denied on the basis of views or opinions contrary to the goals and purposes of the Association.

## ARTICLE V. MEETINGS

1. The Association shall hold quarterly meetings (meeting schedule is established by the association but must be at least yearly) for purposes of conducting business as determined by the officers.
2. The Association shall hold an annual meeting for the purpose of electing officers and standing committee chairs.
3. It shall be the duty of the President to call special meetings for purposes which shall be stated in the notice. Notices shall state the time, place, and purpose of the special meeting. No business outside of what has been stated in the notice shall be discussed at the special meeting.
4. Five members shall constitute a quorum for any meeting.
5. At least a seven (7) day notice shall be provided in advance of any association meeting. Every effort will be made to notify all interested parties and members of the Association of upcoming meetings either by direct mailing, pamphlets, newsletters, or announcements at regularly scheduled meetings.
6. All meetings shall be public and open to any interested persons.

Attachment: 2022-002 ATTH 01 New Town ByLaws REV 011022 (3615 : 2022-002 RES Recognizing New Town Neighborhood Association)

7. Residents who do not reside within the New Town Neighborhood Association boundaries are welcome to attend meetings and discuss issues but shall not have a vote.

## ARTICLE VI. NOMINATIONS, ELECTIONS, ANNUAL REPORTS AND INSTALLATION OF OFFICERS

1. Nominations of Officers shall be made from the floor at the annual meeting.
2. Election of Officers shall be held on the same day as the nominations.
3. Any vacancy which occurs during the term of any Officer shall be filled by appointment by the Board of Directors.
4. Any officer can be removed from office by a 2/3 majority vote of the Voting Members after a special meeting has been requested at least fourteen (14) days in advance.

## ARTICLE VII. OFFICERS

The Voting Members of the Association shall nominate and elect the Officers of the Association. The Officers shall hold office for a term of one (1) year or until successors are elected. The term of office shall begin at the close of the Annual Meeting. The Officers of the Association shall be President, Vice President, Secretary, and Treasurer. The Officers of the Association will comprise the Board of Directors.

President

The President shall call and preside at all meetings, shall act for and on behalf of the membership of the Association, shall appoint any special committees necessary for the operation of Association business, and shall act as official spokesperson for the Association.

Vice President

The Vice President shall, in the absence of the President, assume all of the duties of that office and shall be responsible for publicity and notification of meetings of the Association.

Secretary

The Secretary shall keep a permanent record of all formal meetings and all legal documents and transactions of the association. The Secretary shall transcribe the minutes of each meeting and shall maintain a file copy of same. The Secretary shall at each meeting read the minutes from the previous meeting and have available copies of the minutes for members to have.

Treasurer

The Treasurer shall keep all financial receipts and a permanent record of all financial business of the Association. An up-to-date financial report shall be submitted at each meeting.

Attachment: 2022-002 ATTH 01 New Town ByLaws REV 011022 (3615 : 2022-002 RES Recognizing New Town Neighborhood Association)

Neighborhood Advocates shall be composed of an appropriate number of voting Members, shall be appointed by the Board of Directors, and shall serve in the capacity of gathering and disseminating information critical to the implementation of the purpose of the Association. Every effort will be made to ensure that neighborhood advocates serve specific blocks or streets within the Association boundaries.

## ARTICLE VII. COMMITTEES

The President shall have the power to appoint committees as necessary to implement the purposes of the Association.

## ARTICLE IX. AMENDMENT OF BYLAWS

The New Town Neighborhood Association Bylaws shall be adopted by a vote of the general membership and may be amended by a majority vote of Voting Members. To amend, a formal written notice, which shall include the location, date, and time of the meeting must be given at least 10 days in advance at the direction of the President and disseminated either in person, by e-mail, by posting, or by mail by the Secretary. The notice and the agenda must include the wording of the proposed change. No change to the bylaws will be valid unless the majority vote to change is received.

**DATE ADOPTED:** December 21,2021

Melva H. Howe
**PRESIDENT**

Charlene Cornelius
**SECRETARY**

Attachment: 2022-002 ATTH 01 New Town ByLaws REV 011022 (3615 : 2022-002 RES Recognizing New Town Neighborhood Association)

2022-002 ATTH 02

# New Town

Neighborhood Association Boundary

Attachment: 2022-002 ATTH 02 New Town Map (3615 : 2022-002 RES Recognizing New Town Neighborhood Association)

# RESOLUTION NO. 2022 - 002

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF TEXARKANA, TEXAS, OFFICIALLY RECOGNIZING NEW TOWN NEIGHBORHOOD ASSOCIATION; AND ESTABLISHING AN EFFECTIVE DATE.**

**WHEREAS,** the City Council, along with staff and citizens, recognizes the importance of developing and maintaining healthy neighborhoods throughout the community; and

**WHEREAS,** the City of Texarkana, Texas, values citizen involvement and wishes to reach out to all segments of the community by supporting the formation of effective neighborhood associations; and

**WHEREAS,** the residents of the New Town area have a deep commitment to bring about positive change in their community with a dedicated group of residents that have joined together to establish a neighborhood association, elect a Board of Directors, and adopt Bylaws, (**ATTH 01**); and

**WHEREAS,** the New Town Neighborhood Association will be open to and serve residents and property owners of the City of Texarkana in an area bound to the north by College Drive, to the south by New Boston Road, to the west by Summerhill Road, and to the east by Texas Boulevard.

**NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF TEXARKANA, TEXAS:**

**SECTION 1:** The New Town Neighborhood Association is an officially recognized neighborhood association.

**SECTION 2:** This Resolution shall be in full force and effect from and after its passage and approval.

**PASSED AND APPROVED** in Regular Council Session on this the **24th day of January, 2022.**

ATTEST:

JENNIFER EVANS, CITY SECRETARY

BOB BRUGGEMAN, MAYOR

6:39 p.m.

Attachment: 2022-002 RES New Town Neighborhood Assoc. signed (3615 : 2022-002 RES Recognizing New Town Neighborhood Association)

# BYLAWS OF THE

# New Town Neighborhood Association

## ARTICLE I. NAME

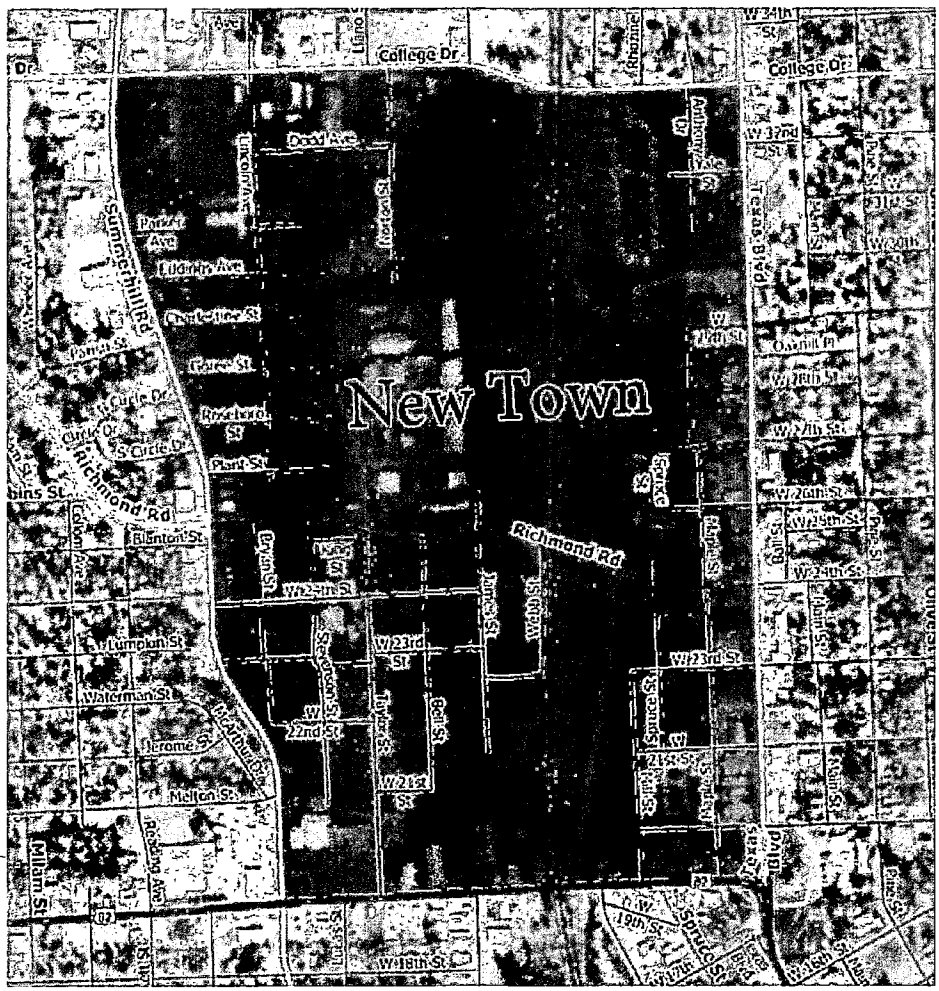
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The Association shall be focused on housing, community development, recreation, environmental, public safety, and other matters that affect the quality and character of the neighborhood.

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## ARTICLE IX. AMENDMENT OF BYLAWS

The New Town Neighborhood Association Bylaws shall be adopted by a vote of the general membership and may be amended by a majority vote of Voting Members. To amend, a formal written notice, which shall include the location, date, and time of the meeting must be given at least 10 days in advance at the direction of the President and disseminated either in person, by e-mail, by posting, or by mail by the Secretary. The notice and the agenda must include the wording of the proposed change. No change to the bylaws will be valid unless the majority vote to change is received.

**DATE ADOPTED:** December 21,2021

PRESIDENT

SECRETARY

Attachment: 2022-002 RES New Town Neighborhood Assoc. signed (3615 : 2022-002 RES Recognizing New Town Neighborhood Association)

**City of Texarkana, Texas**

# Briefing Sheet

Version:
**Update Date:** 2/8/2022 4:45 PM

**Lead Department:** City Manager **Action Officer:** Jennifer Evans, City Secretary

**Subject:** Ordinance No. 2022-003 of public convenience and necessity, approving the assignment and transfer of a public utility franchise to Summit Utilities Arkansas, Inc., assignee of CenterPoint Energy Resources Corp., for the continued provision of and to maintain and operate a natural gas utility business system in the City. [City Charter requires this ordinance to be read at three regular meetings of the City Council.]

**Briefing:** 2/14/2022 **Public Hearing:** 1/24/2022 **Council Vote:** 2/14/2022

**Item Schedule**

**Updates/History of Briefing:**

The fully executed Assignment and Assumption of Franchises document has been provided to the city since the first reading of this ordinance.

**Executive Summary and Background Information:**

Article XV of the City Charter governs Council authority with respect to public utility franchises. (Please refer to the attached 2-page Charter excerpt.) Pursuant to Article XV, Section 1 of the City Charter, in Ordinance No. 335-84, the City Council awarded a non-exclusive franchise privilege to Arkansas Louisiana Gas Company for the construction, maintenance and operation of a natural gas supply company, pursuant to of the City of Texarkana, Texas. The "franchise ordinance" has been amended over the years, primarily to increase franchise fee payments, currently set at four percent (4%) of the gross revenues received by the natural gas company by Ordinance No. 241-05.

The City Council's most recent action on setting natural gas rates took place on August 28, 2017, by Ordinance No. 2017-083. The City Council approved rate schedules and service charges proposed for residential and commercial gas service by Centerpoint; those rates, or tariffs, can be viewed at the Railroad Commission web site under the Centerpoint Energy Arkla listing -- http://www.old.rrc.texas.gov/data/gasservices/gastariffs/gftr0048b_6269.pdf -- and at Centerpoint's web site -- **https://www.centerpointenergy.com/en-us/corp/pages/rates-and-tariffs-for-incorporated-texarkana-service-area.aspx**.

In June 2021, Centerpoint Energy Resources Corp. and Summit Utilities Arkansas, Inc., filed with the Arkansas Public Service Commission a Joint Application for approval of a proposed transaction whereby CERC would sell, and SUA, as the ultimate owner and operator, would acquire certain of CERC's public utility natural gas assets, comprised of an operating unit or system, which provide service to customers in Arkansas, as well as certain areas located in Bowie County, Texas, including Texarkana, Texas. On December 6, 2021, the Arkansas Public Service Commission, found, ordered, and directed, among other things, that Summit has the experience and expertise to operate a public utility in compliance with Arkansas laws and regulations and provide quality customer service to Centerpoint's Arkansas customers, and granted a Certificate of Public Convenience and Necessity

pursuant to Arkansas law for Summit to operate as a natural gas utility to provide natural gas services in Arkansas effective upon the closing of the transaction with Centerpoint. [Link to the Arkansas order: http://www.apscservices.info/pdf/21/21-060-U_142_1.pdf. Similar administrative proceedings and orders were issued by Oklahoma regulators: https://imaging.occ.ok.gov/AP/Orders/occ30436073.pdf.] Summit then filed with the Arkansas Public Service Commission, in compliance with the commission's order, a revised tariff or rate structure; and pertinent to the City of Texarkana, Texas, the revised Arkansas tariff eliminated or terminated two riders, the Trial Billing Determinant Adjustment Tariff (BDA) and Formula Rate Plan Rider (FRP), which had been directly referenced and incorporated into the City's tariff approved by the City Council in 2017.

The City of Texarkana, Texas, maintains original jurisdiction over the natural gas utility, with the Texas Railroad Commission having jurisdiction over unincorporated areas and municipalities that have ceded jurisdiction to the commission. The City's franchise ordinance provides that the gas company "may not sell or transfer its franchise or rights to another … nor … transfer any rights under this franchise to another without approval by the City's [sic] Council." In compliance with the franchise ordinance, Summit intends to submit to the City Secretary prior to the final reading of this ordinance a duly executed instrument consistent with the requirements of the franchise ordinance, documenting Summit's purchase of Centerpoint's natural gas utility business and assets serving customers within the Texarkana, Texas, service territory and acquisition of substantially all of the utility operating assets of Centerpoint located in the Texarkana, Texas, service territory, and reciting acceptance of the terms of applicable law and the City's non-exclusive public utility franchise privilege.

Summit proposes no increase in the City's rates, but rather a continuation of the same tariff approved by the City Council in Ordinance No. 2017-083 except for deleting the defunct BDA and FRP riders given the elimination or termination of said riders from the Arkansas tariff structure. The proposed reauthorization of the 2017 tariff, with the exceptions noted, will be presented to the City Council for action in a separate ordinance after the City Council considers and acts upon the proposed franchise assignment and transfer to Summit.

**Potential Options:**

Approve the assignment and transfer of the public utility natural gas franchise to Summit, as assignee of Centerpoint, for the continued provision of and to maintain and operate a natural gas utility business system in the City.

NOTE: Pursuant to Charter requirements, this proposed ordinance must be read at three regular meetings of the City Council. In the meetings for the first and second readings, a vote will be taken solely to approve the respective readings. The City Manager and City Attorney have separately requested the presence of Summit representatives at the second reading and public hearing (set for the January 24 regular meeting) to make a presentation to the Council and address any questions of Councilmembers. After the third and final reading, a vote to consider approval of the assignment and transfer will be in order.

**Fiscal Implications:**

No change to the franchise fee. Publication costs pursuant to Charter requirements are to be paid for by Summit.

**Staff Recommendation:**

Approve each reading of the ordinance and, on the third and final reading, approve the assignment and transfer of the public utility natural gas franchise to Summit for the continued provision of and to maintain and operate a natural gas utility business system in the City.

**Advisory Board/Committee Review:**

NONE

**Board/Committee Recommendation:**

NOT APPLICABLE

**Advisory Board/Committee Meeting Date and Minutes:**

NOT APPLICABLE

**Attachments**

Excerpt: Article XV of the City Charter

Ord. No. 335-84 – the natural gas franchise ordinance

Ord. No. 241-05 – "four percent" franchise fee ordinance amendment

**Attachments**

a. 2022-003 ORD Summit - Centerpoint franchise transfer v2 (DOCX)
b. 2022-003 ATTH 01 Art XV Charter (PDF)
c. 2022-003 ATTH 02 Ord. 335-84 Texarkana (PDF)
d. 2022-003 ATTH 03 Ord. 241-05 Texarkana (PDF)
e. 2022-003 ATTH 04 Assignment of TXK Franchises - Fully Executed (PDF)
f. 2022-003 Goals & Perspectives (DOCX)
g. 2022-003 (2R) ORD CenterPoint franchise tanserfer signed (PDF)
h. 2022-003 (1R) ORD CenterPoint franchise transfer signed (PDF)

**Staff Coordination**

| | | | | |
|---|---|---|---|---|
| City Manager | David Orr | Department Head Review | Completed | 01/07/2022 9:42 AM |
| City Manager | David Orr | City Manager Review | Completed | 01/07/2022 9:45 AM |
| City Council | Jennifer Evans | Meeting | Completed | 01/10/2022 6:00 PM |

**Meeting History**

Attachment: 2022-003 ORD Summit - Centerpoint franchise transfer v2 (3619 : 2022-003 ORD CenterPoint franchise transfer to Summit Utilities)

**PUBLISH**

**ORDINANCE NO. 2022-003**

**AN ORDINANCE OF PUBLIC CONVENIENCE AND NECESSITY OF THE CITY COUNCIL OF THE CITY OF TEXARKANA, TEXAS, APPROVING THE ASSIGNMENT AND TRANSFER OF A PUBLIC UTILITY FRANCHISE TO SUMMIT UTILITIES ARKANSAS, INC., ASSIGNEE OF CENTERPOINT ENERGY RESOURCES CORP., D/B/A CENTERPOINT ENERGY ARKANSAS GAS, FOR THE CONTINUED PROVISION OF AND TO MAINTAIN AND OPERATE A NATURAL GAS UTILITY BUSINESS SYSTEM IN THE CITY OF TEXARKANA, TEXAS; PROVIDING FOR PUBLICATION; PROVIDING FOR A REPEALER CLAUSE AND A SEVERABILITY CLAUSE; AND ESTABLISHING AN EFFECTIVE DATE.**

**WHEREAS,** the City of Texarkana, Texas, by Ordinance No. 335-84 duly enacted on the Third and Final Reading on December 17, 1984, awarded a non-exclusive franchise privilege to Arkansas Louisiana Gas Company, its successors and assigns, for the construction, maintenance and operation of a natural gas supply company, pursuant to Article XV, Section 1 of the City Charter of the City of Texarkana, Texas; and

**WHEREAS,** Section 19 of Ordinance No. 335-84 provides that the gas company "may not sell or transfer its franchise or rights to another … nor … transfer any rights under this franchise to another without approval by the City's [sic] Council. Such franchise approval will not be granted until the … assignee … has filed in the office of the City Secretary of the City of Texarkana, Texas, an instrument, duly executed, reciting the fact of such … assignment … and accepting the terms of applicable law and this franchise."; and

**WHEREAS,** the City of Texarkana, Texas, by Ordinance No. 188-87 duly enacted on the Third and Final Reading on September 14, 1987, amended Section 11 of Ordinance No. 335-84 to increase the payment made by the gas company to the City from two percent (2%) of the gross revenues received by the company to three percent (3%) of the gross revenues so received; and

**WHEREAS,** the City of Texarkana, Texas, by Ordinance No. 241-05 duly enacted on the Third and Final Reading on October 10, 2005, amended Section 11 of Ordinance No. 335-84 to increase the payment made by the gas company to the City from three percent (3%) of the gross revenues received by the company to four percent (4%) of the gross revenues so received; and

**WHEREAS,** on August 28, 2017, by Ordinance No. 2017-083, the City Council approved rate schedules and service charges proposed for residential and commercial gas service by CenterPoint Energy Resources Corp. (CERC), to be effective as of September 1, 2017, and ordered CERC to file with the City Clerk tariff sheets containing residential and commercial rate schedules identical to those rate schedules included with said ordinance; and

**WHEREAS,** on June 11, 2021, CERC and Summit Utilities Arkansas, Inc. (SUA) filed with the Arkansas Public Service Commission a Joint Application for approval of a proposed transaction whereby CERC would sell, and SUA, as the ultimate owner and operator, would acquire certain of CERC's public utility natural gas assets, comprised of an operating unit or system, which provide service to customers in Arkansas, as well as certain areas located in Bowie County, Texas, including Texarkana, Texas; and

**WHEREAS,** on December 6, 2021, the Arkansas Public Service Commission, Docket No. 21-060-U, Order No. 11, found, ordered, and directed, among other things, that SUA has the experience and expertise to operate a public utility in compliance with Arkansas laws and regulations and provide quality customer

Attachment: 2022-003 ORD Summit - Centerpoint franchise transfer v2 (3619 : 2022-003 ORD CenterPoint franchise transfer to Summit Utilities)

**PUBLISH**

service to CERC's Arkansas customers, granted a Certificate of Public Convenience and Necessity pursuant to Arkansas law to operate as a natural gas utility to provide natural gas services in Arkansas effective upon the closing of the transaction with CERC, and cancelled the Certificate of Public Convenience and Necessity of CERC to operate as a natural gas utility to provide natural gas services in Arkansas effective upon the closing of the transaction with SUA; and

**WHEREAS,** on December 13, 2021, SUA filed with the Arkansas Public Service Commission, in compliance with Docket No. 21-060-U, Order No. 11, a revised tariff consistent with the Order; and pertinent to the City of Texarkana, Texas, the revised Arkansas tariff eliminated or terminated two riders, the Trial Billing Determinant Adjustment Tariff (BDA) and Formula Rate Plan Rider (FRP), which had been directly referenced and incorporated into the City's tariff approved by the City Council by Ordinance No. 2017-083; and

**WHEREAS,** SUA, as Assignee of CERC, intends to submit to the City Secretary prior to the final reading of this ordinance a duly executed instrument consistent with the requirements of Section 19 of Ordinance No. 335-84, documenting SUA's purchase of CERC's natural gas utility business and assets serving customers within the Texarkana, Texas, service territory and acquisition of substantially all of the utility operating assets of CERC located in the Texarkana, Texas, service territory, and reciting acceptance of the terms of applicable law and the City's non-exclusive public utility franchise privilege; and

**WHEREAS,** SUA proposes no increase in the City's rates, but rather a continuation of the same tariff approved by the City Council in Ordinance No. 2017-083 except for deleting the defunct BDA and FRP riders given the elimination or termination of said riders from the Arkansas tariff structure (the City Council shall consider and act upon SUA's proposal after the final reading and approval of this ordinance); and

**WHEREAS,** by this Ordinance, the City Council approves the assignment and transfer to SUA of the City's non-exclusive franchise privilege for the continued provision of and to maintain and operate a natural gas utility business system in the City of Texarkana, Texas.

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

**SECTION 1**. Pursuant to Article XV of the City Charter of the City of Texarkana, Texas, the City Council approves the assignment and transfer of the City's non-exclusive franchise privilege as set forth in Ordinance No. 335-84 as amended, to Summit Utilities Arkansas, Inc., for the continued provision of and to maintain and operate a natural gas utility business system in the City of Texarkana, Texas; and the duration of said franchise now held by Summit Utilities Arkansas, Inc., shall be for the period beginning with the effective date hereof and ending twenty-five (25) years thereafter.

**SECTION 2.** A copy of the acceptance of said franchise, in the form attached as Exhibit "A" to this Ordinance, shall, upon execution by Summit Utilities Arkansas, Inc., and the filing of said executed copy with the City Secretary of the City of Texarkana, Texas, be substituted for the placeholder form and thereafter shall be considered a part of this Ordinance and incorporated herein by reference for all purposes.

**SECTION 3:** In case a section, clause, sentence or part of this Ordinance shall be deemed or adjudged by a Court of competent jurisdiction to be invalid, then such invalidity shall not affect, impair or invalidate the remainder of this Ordinance.

**SECTION 4:** All ordinances or parts of ordinances in conflict herewith are specifically repealed to the extent of such conflict; provided, however, that nothing in this Ordinance shall be construed to waive, abandon, or repeal any rights or benefits inuring to the City of Texarkana, Texas, under the terms of Ordinance No. 335-84 or any amendments thereto.

**PUBLISH**

**SECTION 5:** Pursuant to Article XV of the City Charter of the City of Texarkana, Texas, this Ordinance amending a public utility franchise shall be read at three regular meetings of the Council and shall not be finally acted upon until thirty (30) days after the first reading thereof. Within ten (10) days following the first reading of this Ordinance, the full text hereof shall be published one time in the Texarkana Gazette, and the expense of such publication shall be borne by Summit Utilities Arkansas, Inc. Additionally, the caption of this Ordinance shall be published for three (3) consecutive days in the Texarkana Gazette within ten (10) days of the final passage of this Ordinance on third reading, and the expense of those publications shall also be borne by Summit Utilities Arkansas, Inc.

**SECTION 6:** This Ordinance shall be in full force and effect from and after its passage, approval, adoption, and publication, subject, however, to the filing of the acceptance of the Ordinance as provided in Section 2, above.

**FIRST READING APPROVED** in Regular Council Session on this the **10th day of January, 2022.**

**ATTEST:**

_____ _____

JENNIFER EVANS, CITY SECRETARY BOB BRUGGEMAN, MAYOR

**SECOND READING APPROVED** in Regular Council Session on this the **24th day of January, 2022.**

**ATTEST:**

_____ _____

JENNIFER EVANS, CITY SECRETARY BOB BRUGGEMAN, MAYOR

**THIRD READING APPROVED, PASSED, AND FINALLY ACTED UPON** in Regular Council Session on this the **14th day of February, 2022.**

**ATTEST:**

_____ _____

JENNIFER EVANS, CITY SECRETARY BOB BRUGGEMAN, MAYOR

Attachment: 2022-003 ORD Summit - Centerpoint franchise transfer v2 (3619 : 2022-003 ORD CenterPoint franchise transfer to Summit Utilities)

**PUBLISH**

# Exhibit A

**Acceptance of Summit Utilities Arkansas, Inc.**

**WHEREAS,** the City Council of the City of Texarkana, Texas, on the 14th day of February, 2022, enacted an Ordinance entitled:

**ORDINANCE NO. 2022-003**

**AN ORDINANCE OF PUBLIC CONVENIENCE AND NECESSITY OF THE CITY COUNCIL OF THE CITY OF TEXARKANA, TEXAS, APPROVING THE ASSIGNMENT AND TRANSFER OF A PUBLIC UTILITY FRANCHISE TO SUMMIT UTILITIES ARKANSAS, INC., ASSIGNEE OF CENTERPOINT ENERGY RESOURCES CORP., D/B/A CENTERPOINT ENERGY ARKANSAS GAS, ITS SUCCESSORS AND ASSIGNS, FOR THE CONTINUED PROVISION AND TO MAINTAIN AND OPERATE A NATURAL GAS UTILITY BUSINESS SYSTEM IN THE CITY OF TEXARKANA, TEXAS; PROVIDING FOR PUBLICATION; PROVIDING FOR A REPEALER CLAUSE; PROVIDING A SEVERABILITY CLAUSE; AND ESTABLISHING AN EFFECTIVE DATE.**

**WHEREAS,** said Ordinance was duly authenticated by the signatures of the Mayor and the City Secretary, and was properly caused to be published by the City Secretary.

**NOW, THEREFORE,** by and through its undersigned authorized officer, SUMMIT UTILITIES ARKANSAS, INC., hereby files this its written acceptance with the City Secretary of the City of Texarkana, Texas, accepting Ordinance No. 2022-003 and the provisions therein for an assignment and transfer of the public utility franchise originally set forth in Ordinance No. 335-84, as amended by Ordinance No. 188-87, as amended by Ordinance No. 241-05, and any subsequent amendments thereto, and as governed by Article XV of the City Charter of the City of Texarkana, Texas, all incorporated herein by reference for all purposes; and under the public utility franchise now assigned and granted for the time period stated in Ordinance No. 2022-003, SUMMIT UTILITIES ARKANSAS, INC., agrees to abide by the terms of said franchise and pay to the City of Texarkana, Texas, the amount established therein for the continued use and occupancy of the streets, alleys, highways, easements, parks, and other public places within the City.

**Summit Utilities Arkansas, Inc**.

**Attest:**

By: _____

Name: _____

Title: _____

By: _____

Name: _____

Title: _____

Filed in the office of the City Secretary of the City of Texarkana, Texas, on this the _____ day of _____, 2022.

_____
Jennifer Evans, TRMC
City Secretary

Attachment: 2022-003 ORD Summit - Centerpoint franchise transfer v2 (3619 : 2022-003 ORD CenterPoint franchise transfer to Summit Utilities)

# ARTICLE XV. FRANCHISES AND PUBLIC UTILITIES[1]

## Sec. 1. Power to grant or amend franchise; maximum term of franchise.

The Council shall have the power by ordinance to grant, renew, and extend all franchises of all public utilities of every character operating within the City, and, with consent of the franchise holder, to amend the same. Provided, however, that no franchise shall be granted for a term of more than twenty-five (25) years.

## Sec. 2. Ordinance granting franchise.

Every ordinance granting, renewing, extending, or amending a public utility franchise shall be read at three (3) regular meetings of the Council, and shall not be finally acted upon until thirty (30) days after the first reading thereof. Within ten (10) days following the first reading of the ordinance, the full text thereof shall be published one time in the official newspaper of the City, and the expense of such publication shall be borne by the prospective franchise holder.

## Sec. 3. Transfer of franchise.

No public utility franchise shall be transferred by the holder thereof except with the approval of the Council expressed by ordinance.

## Sec. 4. Forfeiture of franchise and regulation of holder thereof.

Every grant, renewal, extension, or amendment of a public utility franchise, whether so provided in the ordinance or not, shall be subject to the right of the Council:

(1) To forfeit any such franchise by ordinance at any time for failure of the holder thereof to comply with the terms of the franchise. Such power shall be exercised only after written notice to the franchise holder stating wherein the franchise holder has failed to comply with the terms of the franchise and setting a reasonable time for the correction of such failure, and shall be exercised only after hearing and after such reasonable time has expired.

(2) To impose reasonable regulations to insure safe, efficient and continuous service to the public.

(3) To require such expansion, extension, enlargement and improvements of plants and facilities as are necessary to provide adequate service to the public.

(4) To require every franchise holder to furnish to the City, without cost to the City, full information regarding the location, character, size, length and terminals of all facilities of such franchise holder in, over and under the streets, alleys, and other public property of the City; and to regulate and control the location, relocation, and removal of such facilities.

(5) To collect from every public utility operating in the City such proportion of the expense of excavating, grading, paving, repaving, constructing, reconstructing, draining, repairing, maintaining, lighting, sweeping, and sprinkling the streets, alleys, bridges, culverts, viaducts, and other public places of the City as represents the increased cost of such operations resulting from the occupancy of such public places by such public utility, and such proportion of the costs of such operations as results from the damage to or disturbance of such public places caused by such public utility; or to compel such public utility to perform, at its own expense, such operations as above listed which are made necessary by the occupancy of such public places by such utility or by damage to or disturbance of such public places caused by such public utility.

Attachment: 2022-003 ATTH 01 Art XV Charter (3619 : 2022-003 ORD CenterPoint franchise transfer to Summit Utilities)

(6) To require every franchise holder to allow other public utilities to use its poles and other facilities, including bridges and viaducts, whenever in the judgement of the Council such use shall be in the public interest, provided that in such event a reasonable rental shall be paid such owner of facilities for such use. Provided further, that inability of such public utilities to agree upon rentals for such facilities shall not be an excuse for failure to comply with such requirement by the Council.

(7) a. To require the keeping of accounts in such form as will accurately reflect the value of the property of each franchise holder which is used and useful in rendering its service to the public and the expenses, receipts and profits of all kinds of such franchise holder.

b. To examine and audit at any time during business hours the accounts and other records of any franchise holder.

c. To require reports on the operations of the utility, which shall be in such form and contain such information as the Council shall prescribe.

## Sec. 5. Regulation of rates.

The Council shall have full power, to the extent and in the manner authorized by state and federal law, after notice and hearing to regulate by ordinance the rates, charges, and fares of every public utility franchise holder operating in the City and of any other person, firm or corporation exercising any public privilege in the City.

Every such utility or person, firm or corporation who shall request an increase in rates, charges or fares, shall have, at the hearing of the Council called to consider such request, the burden of establishing by clear, competent and convincing evidence, the value of its investments properly allocable to service in the City, and the amount and character of its expenses and revenues connected with the rendering of such service. Such hearing of the Council shall be held not later than thirty (30) days from the date of the filing of a written request for an increase in rates, charges, or fares. If, upon such hearing, the Council is not satisfied with the sufficiency of the evidence so furnished, it shall be entitled to call upon such utility, person, firm, or corporation, for the furnishing of additional evidence at a subsequent date, to which said hearing may be adjourned, which adjourned hearing shall be held not later than thirty (30) days from the date of such original hearing. Upon calling for the furnishing of such additional evidence at such adjourned hearing the Council shall have the right to select and employ, then and later, rate consultants, auditors, and attorneys to conduct investigations, present evidence, advise the Council, and conduct litigation on such requested increase in rates, charges or fares; and said utility, person, firm, or corporation shall reimburse the City for its reasonable and necessary expenses so incurred. Such rate consultants, auditors and attorneys shall be qualified, competent, and of good standing in their professions. The Council shall within one hundred eighty (180) days after the date of said adjourned hearing determine and fix by ordinance the rates, charges, or fares to be charged by the applicant filing such request for an increase in rates, charges, or fares. No such utility, person, firm or corporation shall institute any legal action to contest any rates, charges or fares until the rates, charges or fares have been fixed by the Council in accordance with the procedures herein contained, provided however, the failure of the Council to make determination of rates, charges of [or] fares by ordinance within the one hundred eighty (180) day period herein specified shall be deemed a denial of the application for increase theretofore filed. Any time or times prescribed herein may be extended by resolution of the Council and written agreement of the applicant. Upon failure of the Council to hold any hearings or make determination of rates, charges, or fares by ordinance within the times or extended times as herein provided, the request for increase shall be deemed denied, and no further action shall be prerequisite to institution of legal action by the applicant to contest such rates, charges, or fares as theretofore fixed by the Council.

(Ord. No. 136-2000, § 25, 5-11-2000)

Attachment: 2022-003 ATTH 01 Art XV Charter (3619 : 2022-003 ORD CenterPoint franchise transfer to Summit Utilities)

ORDINANCE NO. 335-84

AN ORDINANCE AUTHORIZING AND GRANTING THE ARKANSAS LOUISIANA GAS COMPANY, ITS SUCCESSORS AND ASSIGNS, A FRANCHISE TO CONSTRUCT, MAINTAIN AND OPERATE A NATURAL GAS SYSTEM IN THE CITY OF TEXARKANA, BOWIE COUNTY, TEXAS; INCLUDING THE RIGHT TO CONSTRUCT, MAINTAIN, OPERATE, REPAIR, REMOVE AND REPLACE NATURAL GAS TRANSMISSION AND DISTRIBUTION LINES, OVER, UNDER AND THROUGH ANY OF THE PUBLIC STREETS, ALLEYS, AVENUES, SIDEWALKS, PARKS, PUBLIC GROUNDS AND OTHER PUBLIC PLACES OF SAID CITY OF TEXARKANA, BOWIE COUNTY, TEXAS, FOR SAID PURPOSES; PROVIDING FOR CONSIDERATION FOR THE FRANCHISE; PROVIDING FOR REGULATION BY THE CITY OF TEXARKANA, BOWIE COUNTY, TEXAS, GOVERNING THE CONDUCT, OPERATION, SERVICE AND RATES OF SAID ARKANSAS LOUISIANA GAS COMPANY; PROVIDING FOR THE DURATION AND TERMINATION OF THE FRANCHISE; REPEALING ALL ORDINANCES IN CONFLICT HEREWITH TO THE EXTENT OF SUCH CONFLICT; PROVIDING FOR A SEVERABILITY CLAUSE; PROVIDING FOR A PENALTY FOR VIOLATION OF THE TERMS OF THIS ORDINANCE; PROVIDING FOR PUBLICATION OF THIS ORDINANCE; AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, the Arkansas Louisiana Gas Company, a corporation, hereinafter referred to as the transmission and distribution "Company", is now and has been engaged in the natural gas business in the State of Texas and in furtherance thereof has constructed or maintained certain items of its plant facilities in the City of Texarkana, Bowie County, Texas, hereinafter referred to as the "City" for many years, pursuant to such rights as have been granted to it by and under the laws of the State of Texas and subject to the exercise of such reasonable rights and regulations under the police power as have been lawfully granted by and under said laws to said City; and

WHEREAS, Section 2.01 of Article 1446e of the Civil Statutes of the State of Texas (Gas Utility Regulatory Act) provides in part that the governing body of each municipality shall have exclusive original jurisdiction over all gas utility rates, operations and services provided by any gas utility within its City limits; and

WHEREAS, Article XV of the Charter of the City of Texarkana, Texas provides that the City Council of the said City shall have the power by Ordinance to grant, renew and extend all franchises of all public utilities of every character operating within the said City for a term not to exceed twenty-five (25) years; and

WHEREAS, the Arkansas Louisiana Gas Company was granted a franchise to provide natural gas and services to the City of Texarkana, Texas by the City Council of said City by Ordinance 18-58 approved and passed on the 25th day of March, 1958, the term of said granted franchise to expire on the 25th day of March, 1983;

Attachment: 2022-003 ATTH 02 Ord. 335-84 Texarkana (3619 : 2022-003 ORD CenterPoint franchise transfer to Summit Utilities)

2022-003 ATTH 02

7.3.c

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

SECTION 1.

That, for the purposes of this Ordinance, the following terms and their derivations shall have the meaning given herein. When not inconsistent with the context, words used in the present tense include the future, words in the plural number include the singular number, and words in the singular number include the plural number. The word "shall" is always mandatory and not merely directory.

(1) "Company" is the Arkansas Louisiana Gas Company, a corporate division of ARKLA, Inc., and its successors and assigns.

(2) "City" is the City of Texarkana, Bowie County, Texas.

(3) "City Council" or "Council" is the present City Council and its successors, elected as provided by the Charter of the City of Texarkana, Bowie County, Texas and other relevant statutes, or the incumbent or incumbents of any office or offices, hereafter created by law or by Charter, performing the same or similar functions as said City Council.

SECTION 2.

The said Company, its successors and assigns are hereby granted a franchise with full right, power and authority to acquire, install, operate, maintain, repair, and remove natural gas transmission and distribution lines and all other necessary apparatus and appliances within the present corporate limits of Texarkana, Texas and within said limits as the same from time to time may be extended, for the purpose of transmitting and distributing to said City and its inhabitants natural gas energy for heat, power, and miscellaneous other uses and for said purpose the said Company is granted the right and privilege to enter upon and use the public streets, avenues, bridges, highways, underpasses, alleys, parks, and other public grounds of said City to install, maintain, operate, repair or to remove such natural gas transmission and distribution lines, apparatus, appliances, connections and attachments as may be necessary and proper, subject to the terms hereinafter provided and further subject to applicable statutes and regulation. Authority is granted to the Company to lay underground natural gas transmission and distribution lines in the rights-of-way of streets, alleys and highways, and to break up the surface therefor, and to make proper excavations, and lay conduits under the streets and sidewalks, subject to the regulations, limitations and conditions herein prescribed. This franchise is to be in full force and effect for the period beginning with the effective date hereof and ending twenty-five (25) years thereafter.

Attachment: 2022-003 ATTH 02 Ord. 335-84 Texarkana (3619 : 2022-003 ORD CenterPoint franchise transfer to Summit Utilities)

SECTION 3.

a. That said natural gas transmission and distribution lines and other apparatus and appliances shall be installed and placed under the direction of the City Manager or his duly authorized agent and in such places and in such manner as will be consistent with safety and the least interference with other public uses of said streets, alleys, highways and public grounds of the City; provided, that said streets shall not be unnecessarily obstructed and shall within a reasonable length of time be placed in as good condition and repair as before said installation at the expense of the Company and the Company shall hold the City harmless from any liability arising from any negligence, act or omission of said the Company in the construction, maintenance and operation of said natural gas transmission and distribution system. Should the Company fail to clear obstructions or to make necessary repairs of conditions caused by the Company, the City may clear obstructions and make repairs, or cause them to be cleared or made, and the Company shall reimburse the City for the reasonable costs of same.

b. The City, upon 30-days written notice to the Company specifying new locations for facilities along the public rights-of-way, shall have the right to require the re-location of all lines, mains, pipes, meters and other appliances for the distribution of natural gas at the expense of the Company to conform to the changing of grade, improving, resurfacing, widening, straightening, reconstructing, or altering the course and width in the layout of streets or alleys or public ways, or to make room for the laying or changing of water, sanitary sewer, storm sewer or other utility lines owned by the City, where such Company facilities are located within public rights-of-way or easements owned by the City. Such relocation shall be at the expense of the Company, regardless of the source of funding for such alterations and changes, whether federal, state, or local. If, however, a particular funding source agreement permits expenditure of funds for public utility relocation, and if the total project funds available under the agreement for the overall project are sufficient, in the sole judgment of the City, to reimburse the Company for such relocations, as well as to complete the City project, then the City may allocate funds to the Company as reimbursement for relocations in an amount not to exceed any limitation or restriction set forth in the funding source agreement.

c. The City expressly reserves the right of exclusive dominion, control and jurisdiction of the use and occupancy of the public streets, alleys, public easements and highways in the City of Texarkana, Texas, and it is

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mutually agreed that all expense attached to and incurred in the transmission and distribution of natural gas shall be borne by the Company, except as herein provided.

SECTION 4.

The City shall have the right to require the Company to extend its natural gas transmission and distribution lines reasonable distances within legally authorized areas as authorized by this franchise for the distribution of natural gas to any person, firm or corporation residing or doing business within such distance along or from any public street, alley, highway, or other public place in which the Company facilities are located and who apply to the Company for such service, and the Company shall construct all natural gas transmission and distribution lines and set the meter at its own expense and cost at a suitable location on the premises of the applicant. Thereafter, yard line shall be inspected and maintained as perscribed in any applicable rules and regulations of the Company, City, State or Federal agency. All other initial costs of installation of service as outlined in the Company's rules and regulations shall be borne by the applicant. The Company, however, shall not be required to make any extension beyond and further than a reasonable distance from any public street, alley, highway, or other public place, unless in the opinion of the Company a reasonable and compensatory return or income on such additional expense incurred in making such further and distant extension will be forthcoming. Applicants may appeal Company decisions in such extension matters to the City Council. The Company shall file with the City for approval a gas main connection and extension policy consistent with this section, if no prior approval has been granted.

SECTION 5.

The Company shall make reasonable efforts to prevent interruptions of service, and shall, when interruptions occur, re-establish service in the shortest possible time. The Company shall make reasonable provisions to meet emergencies resulting from failure of service; provided that nothing in this section shall operate to modify or expand the Company's liability, if any, to third parties from interruptions or failure of service caused by force majeure or other causes beyond the reasonable control of the Company.

SECTION 6.

In all cases where gas is sold on meter basis, the billing meter shall be furnished to the consumer without charge, but said meter or meters shall remain the property of the Company.

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If an approved policy has not been previously filed, the Company shall file with the City for approval its policies regarding examination and testing of meters and other instruments. Such policies must be consistent with the regulations of the Railroad Commission of the State of Texas, and other applicable statutes and with the provisions of the Substantive Rules of the Railroad Commission and the City pertaining to meters.

SECTION 7.

RATES AND CHARGES

a. Proceedings before the City Council related to fixing of rates and charges shall be governed by the valid provisions of the City's Charter and by the Texas Gas Utility Regulatory Act (Article 1446e, Texas Civil Statutes), as amended, as applicable to the City.

b. The Company shall be permitted to charge rates for service in the City of Texarkana, Texas, as set forth on a rate schedule duly approved by passage of an Ordinance by the City Council after proceedings as prescribed by law. Said rates shall remain in effect until changed or readjusted in accordance with law and the City's regulatory powers, or the order, judgment and decrees of any superior regulatory body or court of competent jurisdiction.

SECTION 8.

The Company shall have the right to require each applicant for gas service to establish credit with the Company in accordance with procedures, rules and policies to be filed by the Company with the City and approved by the City Council. Said rules shall not be inconsistent with the Substantive Rules on this subject issued by the City and the Railroad Commission of the State of Texas.

SECTION 9.

The Company, its officers and employees, shall have the full rights and power to require of every consumer a contractual right of ingress and egress upon and from any and all consumers' properties for the purpose of installing, moving, changing and reading meters; and for the purpose of testing, examining and inspecting connections, at reasonable times if, as and when the Company chooses, in a manner not inconsistent with existing local, state, or federal laws or constitutional protections.

SECTION 10.

The Company shall have the right to refuse to supply gas service to any person, firm or corporation and to discontinue gas service to any firm, person or corporation in accordance with City, state and federal law or regula-



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tions and approved rules and regulations of the Company not inconsistent with such laws or regulations on file with the City governing the service applied for.

SECTION 11.

The Company, its successors and assigns, so long as it or they shall continue the use and occupancy of the streets, alleys, highways, easements, parks and other public places within the City under this franchise granted by City, and so long as it or they shall continue to serve City with natural gas in consideration of the rights and privileges herein granted, shall pay quarterly to City two percent (2%) of the gross revenues received by Company, its successors or assigns, during the immediately preceding calendar quarter from sales of natural gas within the corporate limits of the City of Texarkana, Texas. Said quarterly payments of two percent (2%) shall be payable quarterly during the term of this franchise on the first day of February, the first day of May, the first day of August and the first day of November of each year for the three-months periods ending respectively December 31, March 31, June 30 and September 30, respectively. This compensation shall be made by the Company and accepted by City as full payment for the privilege of using and occupying the streets, alleys, highways, easements and other public rights-of-way within the City and in lieu of other charges connected with that use and occupation, such as rentals, supervision and inspection, and in lieu of license and inspection fees, street or alley rentals, or any other license fees or street rentals of whatsoever kind and character which City may impose or hereafter be authorized and empowered by law to collect, excepting only the usual general or special ad valorem taxes which the City is authorized to levy and impose upon real and personal property and further excepting the right of the City to reimbursement from the Company for its reasonable and necessary consultant, auditor, and attorney fees as provided for in Article XV of the City's Charter and Section 3.03 of the Gas Utility Regulatory Act, as amended. Notwithstanding the above or any other provision of this franchise agreement, in the event that the Texas Civil Statutes are amended to provide that the aggregate amount which a city may charge a public utility for the use of its streets, alleys, and public ways may exceed the equivalent of two per cent (2%) of the gross receipts of such utility within such municipality, the City may, upon sixty (60) days written notice to Company, increase the amount of compensation provided for in this agreement to an amount not to exceed that which may be established by the said Texas Statutes, as amended, and in accordance with applicable regulatory provisions of the City of Texarkana and the Railroad Commission of the State of Texas.



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SECTION 12.

a. The Company shall file a quarterly report with the City reflecting gross receipts subject to the above stipulated franchise fee. Such report shall present gross receipts for calendar quarters ending December, 31, March 31, June 30 and September 30, and shall be due on the same date as is the franchise fee for each quarter as hereinbefore noted.

b. Penalty: Notwithstanding any other provision of this franchise agreement, there shall be assessed as a penalty an additional fee of ten percent (10%) of the amount due for quarterly or annual payments not received by the City on or before the applicable due date. Fees and penalties delinquent for more than thirty (30) days shall accrue interest at the rate of ten percent (10%) per annum.

SECTION 13.

This franchise is not intended to be and shall not be an exclusive franchise to the Company, but the same shall be a non-exclusive franchise only, subject to the City's rights to grant similar franchises to other gas transmission and distribution companies or corporations or firms, and subject to the right and privilege of the City to establish, operate and maintain a municipally owned natural gas transmission and distribution system.

In the event of the extension of the present city limits of the City of Texarkana, Texas, however the same may be brought about, all of the rights, duties, liabilities, obligations and covenants herein set forth likewise shall apply to such extensions of territory, if under the provision of applicable Texas Civil Statutes the Company is entitled to provide service in the extended territory.

SECTION 14.

The Company agrees that in the exercise of all the rights, powers and privileges incidental thereto, granted in this franchise, that it will:

a. Comply with all valid Ordinances of the City of Texarkana, Texas now in effect or hereafter enacted, relative to installation of natural gas transmission and distribution lines in, over or under the public properties of said City and in doing such work will indemnify and hold harmless the City from any and all liability which may arise by reason of any act done or omitted to be done by the Company, its successors and/or assigns.

b. That the Company agrees to and will be governed by all of the valid provisions of the Charter and Ordinances of the City of Texarkana, Texas, and by the laws of the State of Texas and the United States having to do with utilities and/or utility franchises and/or utility regulation.



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SECTION 15.

In addition to the other obligations hereunder, the Company expressly agrees, in consideration of the grant of this franchise, that in no event shall the Company have the right to charge a higher rate for natural gas and natural gas service within the City of Texarkana, Texas than is charged for the same and similar services in the City of Texarkana, Arkansas, so long as the governing body of the City retains exclusive original jurisdiction over the rates and operations of gas utilities within the City. It is understood that the purpose of this provision is to prevent discrimination in rates for services of the Company between the City of Texarkana, Texas and the City of Texarkana, Arkansas, which cities, although divided by a State border: are contiguous; share a jointly-owned water system, sewer system, and airport; operate a joint library service; the same telephone company; and by the grantee herein, the same gas company. In imposing this condition, the City is not waiving nor attempting to waive any part of its regulatory powers, nor does the Company, its successors or assigns, waive any rights which it may have to invoke the authority of the City Council of the City of Texarkana, Texas, the Railroad Commission of the State of Texas, or a Court or other regulating body having appellate jurisdiction in the matter, to secure and implement an order authorizing the charging of higher rates in Texarkana, Texas than are actually at the time being charged in Texarkana, Arkansas. If a higher rate is being charged in Texarkana, Arkansas under a temporary restraining order or bond, then the Company or its successors or assigns, shall not have the right to consider that such temporary rate is being charged in Texarkana, Arkansas but shall charge in Texarkana, Texas a rate not higher than the one which would then be in effect in Texarkana, Arkansas, but for such temporary order. Any lower rates granted to the City of Texarkana, Arkansas shall inure to the benefit of the City of Texarkana, Texas.

Nothing in this Section shall be construed to limit, inhibit, or otherwise affect the appellate jurisdiction of the Railroad Commission of the State of Texas, or any other regulatory or judicial body having such appellate jurisdiction, over rates, operations, and services of the Company within the City or any right of the Company to invoke such appellate jurisdiction over any order, decision or ordinance of the City of Texarkana, Texas, regarding the Company's rates, operations, or services within the City or the right to implement any resulting Commission order.

SECTION 16.

Company rules, regulations, and policies. The Company shall promulgate and file such rules, regulations, practices, terms, conditions and stan-



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dards governing the conduct of its business and affecting rates and natural gas service as shall be reasonably necessary to enable the Company to exercise its rights and to perform its obligations under this franchise, and to assure to the extent possible an uninterrupted service to each and all its customers, and same shall continue in force until amended by the Company or changed by the City or superior regulatory or judicial authority. Provided, however, that same shall not be in conflict with the provisions of this franchise or of the City Charter or Ordinances of the City or of the laws of the State of Texas or the United States.

SECTION 17.

Re-filing Required. Notwithstanding any other provision of this franchise, all rules, regulations, practices, terms, conditions and standards of the Company which affect rates or natural gas service and which were in force under prior franchises granted by the City, and which the Company desires to keep in force, shall be refiled with the City within 30 days of the effective date of this franchise, and same shall thereafter continue in force until amended by the Company or until changed by the City or superior regulatory authority or court of competent jurisdiction. Any of same existing prior to the effective date of this franchise and not so refiled shall be considered null and void as of the above-specified refiling deadline.

SECTION 18.

Conditions on Street Occupancy.

a. Use. All transmission and distribution structures, mains and equipment installed by the Company within the City shall be so located as to cause minimum interference with the proper use of streets, alleys and other public ways and places, and to cause minimum interference with the rights or reasonable convenience of property owners who adjoin any of the said streets, alleys or other public ways, places, and easements.

b. Disturbance of Surfaces. In case of any disturbance of pavement, sidewalk, driveway or other surfacing, the Company shall, at its own cost and expense and in a manner approved by the City, replace and restore all paving, sidewalk, driveway or surface of any street, alley or other right-of-way disturbed, in as good condition as before their work was commenced, to the satisfaction of the City pursuant to Section 3(a) of this Ordinance.

c. Placement of fixtures. The Company shall not place mains or other fixtures where the same will interfere with any electric lines, telephone wire or conduit, water hydrant, sewer, storm sewer, or water main, or appurtenances thereto, and all such mains or other fixtures shall be placed at or as



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close to the outer limit of the right-of-way line as is practical, and those placed in alleys shall be placed as close to the line of the lot abutting on said alley as practical, and then in such manner as not to interfere with the usual travel on said street, alleys and public ways.

d. Prior Approval Required. The Company, in the construction of its system, shall not take up nor excavate any pavement or street, alley or other public place at any time without first securing permission and approval of same and the method to be used from the City Manager of said City or from his designated representative; and providing further that in every case where possible, Company shall, in the construction of its system, bore beneath paved streets, curbs, and sidewalks instead of cutting them; and where any cutting or excavation of streets, alleys or public ways shall be necessary, the Company shall repair and replace same under supervision, direction and according to plans and specifications of the City Manager of the City of Texarkana, Texas or his designated representative; and that should the Company fail or refuse, as above required, to restore and replace such pavements, sidewalks, and excavations within sixty (60) days from the cutting and producing of such excavations, then the same may be replaced and restored by the City of Texarkana, Texas, at the expense of said Company, and including reasonable attorney's fees and court costs that the City may incur in securing a judgment for breach of the terms of this Section.

SECTION 19.

Approval of Transfer. The Company may not sell or transfer its franchise or rights to another, by sale of stock or otherwise, except as provided by law, nor may the Company transfer any rights under this franchise to another without approval by the City's Council. Such franchise approval will not be granted until the vendee, assignee or lessee has filed in the office of the City Secretary of the City of Texarkana, Texas, an instrument, duly executed, reciting the fact of such sale, assignment or lease and accepting the terms of applicable law and this franchise.

SECTION 20.

Right of Acquisition by the City. At the expiration of the term for which this franchise is granted, the City, at its election, shall have the right of acquisition, to the extent permitted under the relevant state and federal law, of those Company facilities located within the City limits of Texarkana, Texas. The Company agrees that the City shall be deemed to be a successor to the company with regard to those facilities located within the City, if such acquisition right is exercised by the City. The Company shall make it a con-



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dition of each contract for natural gas sales or service entered into by it with reference to operations under this franchise that the contract shall bind and benefit the successors and assigns of the Company.

SECTION 21.

Promulgation and Adoption of Substantive Rules by the City. In the further exercise of its police powers granted to it as an incorporated home rule City under the laws of the State of Texas, and in order to implement the terms of the franchise granted herein, the City may publish and adopt substantive rules which shall be binding upon the Company and the City, pursuant to and consistent with the provisions of the Gas Utility Regulatory Act and of the substantive rules of the Railroad Commission of the State of Texas.

SECTION 22.

Nothing in this Ordinance shall be construed to repeal, restrict, limit, modify or amend in any manner the right, power and authority of the City under the Charter of the City of Texarkana, Texas, the Constitution and laws of the State of Texas and of the United States to regulate the rates, charges, operations and services provided by the Company within the territorial limits of the City.

SECTION 23.

The City may at any time declare a conditional forfeiture of this grant for a continuing violation by the Company of any of the substantial terms hereof. In such event, the City shall give written notice, specifying all grounds on which forfeiture is claimed, by registered mail, addressed and delivered to the Company, to the attention of its president. The Company shall have sixty (60) days after receipt of such notice within which to discontinue said alleged violation, or to file suit in a court of competent jurisdiction for an adjudication or declaration of the rights of the parties with respect to the forfeiture of the franchise. No forfeitures shall be effective until and unless (1) the Company shall have continued such violation or violations for more than sixty (60) days after receipt of such written notice from the City without filing such suit; or (2) Company, shall have continued such violation or violations for more than sixty (60) days (or such longer period as the court in its discretion shall allow) after the entry or affirmance in a court of last resort of a final judgment finding and establishing the existence of such violations or violations, and that such violation or violations are sufficiently substantial to warrant forfeiture, and decreeing forfeiture as a consequence thereof. The Company shall not in any event be deemed to be in default of performance of any provisions of this grant, nor shall any forfeiture be invoked for violation or violations for failure to perform any provision hereunder when due to shortages



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of material, supplies and equipment beyond the control of the Company, or to fires, strikes, riots, storms, floods, war or other casualties, or to governmental regulations, limitations or restrictions as to the use of availability of materials, supplies or equipment or as to the use of the service, or to unforeseen or unusual demands for service, or for any other cause not reasonably or practicably within the control of the Company.

SECTION 24.

The Company shall maintain on file proper maps and plats showing the location of all natural gas lines and other facilities used for the transmission and distribution of natural gas within the corporate limits of the City. Such maps and plats shall be made available for inspection by the City at all reasonable times.

SECTION 25.

Penalty.

Any person, firm or corporation who or which knowingly fails to perform a duty imposed on it by this Ordinance or fails, neglects, or refuses to obey a final order, rule, regulation, direction or requirement of the City Council acting in its capacity as the regulatory authority over the franchise herein granted shall be guilty of a misdemeanor punishable by a fine of not more than Two Hundred Dollars ($200.00) for each offense. Each day during which such violation continues shall be considered a separate offense.

SECTION 26.

All Ordinances or parts of Ordinances in conflict herewith, are hereby repealed to the extent of such conflict.

SECTION 27.

If any section, sentence, clause or paragraph of this Ordinance is for any reason held to be illegal, ultra vires, or unconstitutional, such invalidity shall not affect the validity of the remaining portion of this Ordinance.

SECTION 28.

The Company shall have sixty (60) days from and after the passage and approval of this Ordinance to file its written acceptance thereof with the City Secretary of the City of Texarkana, Texas, and upon such acceptance being so filed, this Ordinance shall take effect and be in full force ten days from and after the date of its passage and approval on third reading as noted herein below.



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SECTION 29.

This Ordinance is in lieu of and substitution for Ordinance 18-58 granting a franchise to the Company on March 25, 1958 and any other Ordinance granting, amending or amplyfying a franchise heretofore adopted by the governing body of the City of Texarkana, Texas, with respect to Arkansas Louisiana Gas Company.

SECTION 30.

Nothing in this franchise should be construed as being contrary to the Gas Utility Regulatory Act, Article 1446e, Texas Civil Statutes. Additionally, this franchise should not be construed as either affecting in any manner the rights, duties and obligations of either party under Article 1446e except as authorized by the said statute or as affecting any right that the Company may have to appeal any action or order of the City Council of the City of Texarkana, Texas, to the Railroad Commission of Texas and to implement the result of such appeal.

SECTION 31

In accordance with Article XV of the Charter of the City of Texarkana, Texas, this Ordinance granting a public utility franchise shall be read at three regular meetings of the Council and shall not be finally acted upon until thirty (30) days after the first reading thereof. Within ten (10) days following the first reading of this Ordinance, the full text hereof shall be published one time in the Texarkana Gazette, and the expense of such publication shall be borne by the Company.

Additionally, the caption of this Ordinance shall be published for three consecutive days in the Texarkana Gazette within ten days of the final passage of this Ordinance on third reading, and the expense of those publications shall also be borne by the Company.

Approved on first reading in Regular Council Session on the 12th day of November, 1984.

DURWOOD SWANGER, Mayor

ATTEST:

CHRISTIE HARDIN, City Secretary 8:25 P.M.



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Approved on second reading in Regular Council Session on the 26th day of November, 1984.

DURWOOD SWANGER, Mayor

ATTEST:

CHRISTIE HARDIN, City Secretary 8:56 P.m.

Approved on third reading, passed and finally acted upon on the 17th day of December, 1984, which date is thirty (30) days or more after the date of first reading noted hereinabove.

DURWOOD SWANGER, Mayor

ATTEST:

CHRISTIE HARDIN, City Secretary 9:12 P.m.

APPROVED AS TO FORM:

JAMES R. GALLMAN, City Attorney

Accepted this 23rd day of January, 1985.

ARKANSAS LOUISIANA GAS COMPANY

BY:

ITS:

(SEAL)





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# ORDINANCE NO. 241-05

**AN ORDINANCE OF PUBLIC CONVENIENCE AND NECESSITY OF THE CITY OF TEXARKANA, TEXAS, AMENDING ORDINANCE NO. 335-84, AS AMENDED BY ORDINANCE NO. 188-87, GRANTING A FRANCHISE TO ARKANSAS LOUISIANA GAS COMPANY, ITS SUCCESSORS AND ASSIGNS, TO CONSTRUCT, MAINTAIN AND OPERATE A NATURAL GAS SYSTEM IN THE CITY OF TEXARKANA, TEXAS BY REVISING SECTION 11 PROVIDING FOR CONSIDERATION FOR THE FRANCHISE; CONTAINING A SEVERABILITY CLAUSE; CONTAINING A REPEALER CLAUSE; PROVIDING FOR PUBLICATION; AND PROVIDING FOR AN EFFECTIVE DATE.**

**WHEREAS**, the City of Texarkana, Texas, by Ordinance 335-84 duly enacted on the Third and Final Reading on the 17th day of December, 1984, awarded a non-exclusive franchise privilege to Arkansas Louisiana Gas Company, its successors and assigns, (the "Company"), for the construction, maintenance and operation of a natural gas supply company; and

**WHEREAS**, the City of Texarkana, Texas, by Ordinance No. 188-87 duly enacted on the Third and Final Reading on the 14th day of September, 1987, amended Section 11 of Ordinance No. 335-84 to increase the payment made by the Company to the City from two percent (2%) of the gross revenues received by the Company to three percent (3%) of the gross revenues so received; and

**WHEREAS**, the City has determined that the best interest of the City of Texarkana, Texas, would be served by further amending Section 11 of Said Ordinance to increase the payment currently made by the Company to the City from three percent (3%) of the gross revenues received by the Company to four percent (4%) of the gross revenues so received;

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

**SECTION 1:** That Section 11 of Ordinance No. 335-84, as amended by Ordinance No. 188-87, is hereby amended to read as follows:

> "Section 11. The Company, its successors and assigns, so long as it or they shall continue the use and occupancy of the streets, alleys, highways, easements, parks and other public places within the City under this franchise granted by City, and so long s it or they shall continue to serve City with natural gas in consideration of the rights and privileges herein granted, shall pay quarterly to City during the continuance of this agreement a sum of money equal to four percent (4%) of the gross revenues received by



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Company, its successors assigns, during the immediately preceding calendar quarter from sales of natural gas within the corporate limits of the City of Texarkana, Texas. Said quarterly payments of four percent (4%) shall be payable quarterly during the term of this franchise on the first day of February, the first day of May, the first day of August and the first day of November of each year for the three-month periods ending respectively December 31, March 31, June 30 and September 20, respectively. This compensation shall be made by Company and accepted by City as full payment for the privilege of using and occupying the streets, alleys, highways, easements, and other public rights-of-way within the City and in lieu of other charges connected with that use and occupation, such as rentals, supervision and inspection, and in lieu of license and inspection fees, street or alley rentals, or any other license fees or street rentals of whatsoever kind and character which City may impose or hereafter be authorized and empowered by law to collect, excepting only the usual general or special ad valorem taxes which the City is authorized to levy and impose upon real and personal property and further excepting the right of the City to reimbursement from the Company for its reasonable and necessary consultant, auditor, and attorney fees as provided for in Article XV of the City's Charter and Section 3.03 of the Gas Utility Regulatory Act, as amended. Notwithstanding the above or any other provision of this franchise agreement, in the event that the Texas Civil Statutes are amended to provide that the aggregate amount which a city may charge a public utility for the use of its streets, alleys, and public ways may exceed the equivalent of two percent (2%) of the gross receipts of such utility within such municipality, the City may, upon sixty (60) days written notice to Company, increase the amount of compensation provided for in this agreement to an amount not to exceed that which may be established by the said Texas Statutes, as amended, and in accordance with applicable regulatory provisions of the City of Texarkana and the Railroad Commission of the State of Texas."

**SECTION 2:** That a copy of the acceptance of said amendment shall, upon execution by the Company and filing with the City Secretary of the City of Texarkana, Texas, be attached hereto as Exhibit "A" and thereafter considered a part hereof.

**SECTION 3:** It is further provided that in case a section, clause, sentence or part of this Ordinance shall be deemed or adjudged by a court of competent jurisdiction to be invalid, then such invalidity shall not affect, impair, or invalidate the remainder of this Ordinance.

**SECTION 4:** That all Ordinances or parts of Ordinances in conflict herewith are specifically repealed to the extent of such conflict.



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**SECTION 5:** In accordance with Article XV of the Charter of the City of Texarkana, Texas, this Ordinance amending a public utility franchise shall be read at three regular meetings of the Council and shall not be finally acted upon until thirty (30) days after the first reading thereof. Within ten (10) days following the first reading of this Ordinance, the full text hereof shall be published one time in the Texarkana Gazette, and the expense of such publication hall be borne by the Company. Additionally, the caption of this Ordinance shall be published for three (3) consecutive days in the Texarkana Gazette within ten (10) days of the final passage of this Ordinance on third reading, and the expense of those publications shall also be borne by the Company.

**SECTION 6:** That this Ordinance shall be in full force and effect from and after its passage, approval, adoption, and publication, subject, however, to the filing of the acceptance of the Ordinance as provided hereinabove, and thereafter, notwithstanding the provisions setting out the schedule of quarterly payments in amended Section 11 as set out under Ordinance Section 1 hereinabove, to begin on April 1, 2006, for the calendar quarter for which payment shall be due on August 1, 2006.

**FIRST READING APPROVED** in Regular Council Session on this the 12th day of September, 2005.

JAMES W. BRAMLETT, MAYOR

ATTEST:

GERI HADDOCK, CITY SECRETARY 8:02 p.m.

**SECOND READING APPROVED** in Regular Council Session on this the 26th day of September, 2005.

JAMES W. BRAMLETT, MAYOR

ATTEST:

GERI HADDOCK, CITY SECRETARY 7:33 p.m.

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Amend start date 10/10/05

Attachment: 2022-003 ATTH 03 Ord. 241-05 Texarkana (3619 : 2022-003 ORD CenterPoint franchise transfer to Summit Utilities)

**THIRD READING APPROVED, PASSED, AND FINALLY ACTED UPON** on this the 10th day of October, 2005, which date is thirty (30) days or more after the date of First Reading noted hereinabove.

JAMES W. BRAMLETT, MAYOR

ATTEST:

GERI HADDOCK, CITY SECRETARY 8:45 p.m.

APPROVED AS TO FORM:

THOMAS H. ARNOLD, CITY ATTORNEY

G:\Attorney\ORDS. 1994-2005\05ord\241.doc
Amend start date 10/10/05

Attachment: 2022-003 ATTH 03 Ord. 241-05 Texarkana (3619 : 2022-003 ORD CenterPoint franchise transfer to Summit Utilities)

## ACCEPTANCE

**WHEREAS**, the City Council of the City of Texarkana, Texas, did on the 10th day of October, 2005, enact an Ordinance entitled:

**ORDINANCE NO. 241-05**

**AN ORDINANCE OF PUBLIC CONVENIENCE AND NECESSITY OF THE CITY OF TEXARKANA, TEXAS, AMENDING ORDINANCE NO. 335-84, AS AMENDED BY ORDINANCE NO. 188-87, GRANTING A FRANCHISE TO ARKANSAS LOUISIANA GAS COMPANY, ITS SUCCESSORS AND ASSIGNS, TO CONSTRUCT, MAINTAIN AND OPERATE A NATURAL GAS SYSTEM IN THE CITY OF TEXARKANA, TEXAS, BY REVISING SECTION 11 PROVIDING FOR CONSIDERATION FOR THE FRANCHISE; CONTAINING A SEVERABILITY CLAUSE; CONTAINING A REPEALER CLAUSE; PROVIDING FOR PUBLICATION; AND PROVIDING FOR AN EFFECTIVE DATE.**

**WHEREAS**, said Ordinance was passed and finally acted upon on the 10th day of October, 2005, was duly authenticated by the signatures of the Mayor and the City Secretary, and was properly caused to be published by the City Secretary.

**NOW, THEREFORE**, by and through its undersigned authorized officer, CenterPoint Energy Resources Corp., successor to Arkansas Louisiana Gas Company, a corporate division of ARKLA, Inc., ("Company") hereby accepts said Ordinance providing for an amendment to Section 11 of Ordinance No. 335-84, as amended by Ordinance No. 188-87, providing for payment by the Company to the City of the amount established therein for the continued use and occupancy of the streets, alleys, highways, easements, parks, and other public places with the City under the franchise granted to the Company and files this its written acceptance with the City Secretary of the City of Texarkana, Texas.

CenterPoint Energy Resources Corp.,
Successor to Arkansas Louisiana Gas Company, a Corporate division of ARKLA, Inc.

BY: Wayne R. Reed

TITLE: Regional Vice President

ATTEST:

Kay L. Henderson
Assistant Secretary

**ACCEPTANCE** filed in the office of the City Secretary of Texarkana, Texas, this _____day of _____, A.D. 2005.

GERI HADDOCK, City Secretary

G:\Attorney\ORDS. 1994-2005\05ord\241.doc
Amend start date 10/10/05

Attachment: 2022-003 ATTH 03 Ord. 241-05 Texarkana (3619 : 2022-003 ORD CenterPoint franchise transfer to Summit Utilities)

Attachment: 2022-003 ATTH 04 Assignment of TXK Franchises - Fully Executed (3619 : 2022-003 ORD CenterPoint franchise transfer to Summit

# ASSIGNMENT AND ASSUMPTION OF FRANCHISES

THIS ASSIGNMENT AND ASSUMPTION OF FRANCHISES (this "**Assignment**") dated as of this 10th day of January, 2022, is by and between **CENTERPOINT ENERGY RESOURCES CORP.**, a Delaware corporation d/b/a **CENTERPOINT ENERGY ARKANSAS GAS** ("**Assignor**") and **SUMMIT UTILITIES ARKANSAS, INC.**, a Colorado corporation ("**Assignee**").

## RECITALS

**WHEREAS**, Assignor and Southern Col Midco, LLC, a Delaware limited liability company ("SC MidCo"), are parties to that certain Asset Purchase Agreement, dated as of April 29, 2021 (together with the exhibits and schedules thereto, the "**Purchase Agreement**");

**WHEREAS**, pursuant to and in accordance with the Purchase Agreement, SC MidCo has designated Assignee as the purchaser of Assignor's natural gas utility business and assets serving customers within the Texarkana, TX service territory at or prior to the closing, and Assignee will acquire substantially all of the utility operating assets of Assignor located in the Texarkana, TX service territory so that Assignee may provide continued utility service to customers formerly served by Assignor;

**WHEREAS,** pursuant to and in accordance with the Purchase Agreement, Assignor desires to grant, convey, assign, and transfer to Assignee, and Assignee desires to acquire and assume from Assignor, all of Assignor's right, title and benefits as of the date hereof in and to those certain franchises and granted to Assignor, or Assignor's predecessors in interest, as listed on **EXHIBIT A**, which is attached hereto and incorporated herein (each individually, a "**Franchise**" and collectively, the "**Franchises**"); and

**WHEREAS**, Assignor and Assignee desire to execute this Assignment for the purpose of accomplishing the transfer of the Franchises to Assignee for purposes on continued utility service in each respective franchised territory in connection with the purchase and sale of other utility assets.

**NOW, THEREFORE**, for good and valuable consideration, the receipt and sufficiency of which is hereby agreed and acknowledged, and subject to the terms of the Purchase Agreement, Assignor does hereby grant, convey, assign, and transfer to Assignee and its successors and assigns, all of the rights, title, and benefits in, to, under, or with respect to the Franchises granting the right to enter upon the public ways to install, operate and maintain a distribution system along, across, over and under the public ways for the privilege of transporting, distributing and selling natural gas to consumers and the public generally within the corporate limits of the respective municipalities granting each Franchise, together with any and all accessories and appurtenances, rights, privileges and advantages thereunto belonging or in any way appertaining.

Assignee for itself, its successors and assigns, expressly assumes, and agrees to faithfully discharge, all obligations and responsibilities of Assignor under the terms of the Franchises hereby assigned. Assignee further agrees to accept the terms of applicable law and the Franchises.

This Assignment shall be effective as of January 10, 2022.

This Assignment may be executed in several counterparts, each of which shall be deemed to be an original, and such counterparts together shall constitute but one and the same instrument.

**IN WITNESS WHEREOF**, Assignor and Assignee have caused this Assignment to be signed in their respective corporate names by their duly authorized officers.

**ASSIGNOR:**

**CENTERPOINT ENERGY RESOURCES CORP.**, a Delaware corporation d/b/a CenterPoint Energy Arkansas Gas

By: _____

Name: Darin Carroll

Title: Vice President Operations Support

**ASSIGNEE:**

**SUMMIT UTILITIES ARKANSAS, INC.**, a Colorado corporation

By: _____

Name: _____

Title: _____



Attachment: 2022-003 ATTH 04 Assignment of TXK Franchises - Fully Executed (3619 : 2022-003 ORD CenterPoint franchise transfer to Summit

**IN WITNESS WHEREOF**, Assignor and Assignee have caused this Assignment to be signed in their respective corporate names by their duly authorized officers.

**ASSIGNOR:**

**CENTERPOINT ENERGY RESOURCES CORP.**, a Delaware corporation, d/b/a Centerpoint Energy Arkansas Gas

By:_____

Name:_____

Title:_____

**ASSIGNEE:**

**SUMMIT UTILITIES ARKANSAS, INC.**, a Colorado corporation

By: Steven E. Birchfield

Name: Steven E. Birchfield

Title: Executive Vice President & CFO



Attachment: 2022-003 ATTH 04 Assignment of TXK Franchises - Fully Executed (3619 : 2022-003 ORD CenterPoint franchise transfer to Summit

Attachment: 2022-003 ATTH 04 Assignment of TXK Franchises - Fully Executed (3619 : 2022-003 ORD CenterPoint franchise transfer to Summit

## EXHIBIT A

## FRANCHISES

1. That certain franchise granted by Ordinance No. 9-88 of the Town of Nash, Bowie County, Texas, in favor of Arkansas Louisiana Gas Company, a division of Arkla, Inc., approved on September 13, 1988, granting the right to enter upon the public ways to install, operate and maintain a distribution system along, across, over and under the public ways for the privilege of transporting, distributing and selling gas to consumers and the public generally within the corporate limits of Nash, Texas.

2. That certain franchise granted by Ordinance No. 103 of the Town of Redwater, Bowie County, Texas, in favor of Arkansas Louisiana Gas Company, a division of Arkla, Inc., approved on December 5, 1988, granting the right to enter upon the public ways to install, operate and maintain a distribution system along, across, over and under the public ways for the privilege of transporting, distributing and selling gas to consumers and the public generally within the corporate limits of Redwater, Texas.

3. That certain franchise granted by Ordinance No. 335-84 of the City of Texarkana, Bowie County, Texas, in favor of Arkansas Louisiana Gas Company, a division of Arkla, Inc., approved on November 12, 1984, as amended by Ordinance No. 188-87 approved on September 14, 1987, and Ordinance No. 241-05 approved on October 10, 2005, granting the right to enter upon the public ways to install, operate and maintain a distribution system along, across, over and under the public ways for the privilege of transporting, distributing and selling gas to consumers and the public generally within the corporate limits of Texarkana, Texas.

4. That certain rental Ordinance of the City of Wake Village, Bowie County, Texas, approved on January 14, 1947, granting the right to enter upon the public ways to install, operate and maintain a distribution system along, across, over and under the public ways for the privilege of transporting, distributing and selling gas to consumers and the public generally within the corporate limits of Wake Village, Texas.

# City of Texarkana, Texas

| Developing Perspectives and Goals Pending Approval by the City Council: | |
|---|---|
| **Perspectives** | **Goals** |
| Serve the Community | ☐ Promote an Environmentally Sensitive & Livable Community<br>☐ Provide a Safe Community<br>☑ Deliver Quality Services<br>☐ Foster a Healthy Community |
| Run the Operations | ☐ Enhance Community Preparedness & Responsiveness<br>☐ Maximize Partnership Opportunities<br>☐ Provide Courteous & Responsive Customer Service<br>☐ Model a Positive City Image<br>☑ Deliver Efficient Services<br>☐ Cultivate Community Involvement & Access |
| Manage the Resources | ☐ Maintain Fiscal Strength<br>☐ Maximize Utilization & Resources<br>☐ Invest in Infrastructure & Transportation |
| Develop Personnel | ☐ Develop a Skilled & Diverse Workforce<br>☐ Create a Positive & Rewarding Work Culture |
| **Perspectives and Goals Additional Comments:** | |

| Resource Impact: | |
|---|---|
| Staff time required if item is approved: | No Additional |
| **Other Potential Impacts:** | |

| Public Information Plan: | | | |
|---|---|---|---|
| ☐ | Newspaper Notice (Required by Statute) | ☐ | Public Hearing (Required by Statute) |
| ☐ | Public Forum/Input Session | ☐ | Press Release |
| ☐ | E-News Distribution | ☐ | Website Notice |
| ☐ | Social Media (Twitter, Facebook, etc.) | ☐ | Special Mailing |
| ☐ | Flyers Posted | ☐ | Banners Posted |
| ☐ | Survey | ☐ | Automated Phone Call |
| ☐ | None Required | ☐ | |
| Other: | | | |

Attachment: 2022-003 Goals & Perspectives (3619 : 2022-003 ORD CenterPoint franchise transfer to Summit Utilities)

Attachment: 2022-003 (2R) ORD CenterPoint franchise tanserfer signed (3619 : 2022-003 ORD CenterPoint franchise transfer to Summit

**ORDINANCE NO. 2022-003**

**AN ORDINANCE OF PUBLIC CONVENIENCE AND NECESSITY OF THE CITY COUNCIL OF THE CITY OF TEXARKANA, TEXAS, APPROVING THE ASSIGNMENT AND TRANSFER OF A PUBLIC UTILITY FRANCHISE TO SUMMIT UTILITIES ARKANSAS, INC., ASSIGNEE OF CENTERPOINT ENERGY RESOURCES CORP., D/B/A CENTERPOINT ENERGY ARKANSAS GAS, FOR THE CONTINUED PROVISION OF AND TO MAINTAIN AND OPERATE A NATURAL GAS UTILITY BUSINESS SYSTEM IN THE CITY OF TEXARKANA, TEXAS; PROVIDING FOR PUBLICATION; PROVIDING FOR A REPEALER CLAUSE AND A SEVERABILITY CLAUSE; AND ESTABLISHING AN EFFECTIVE DATE.**

**WHEREAS,** the City of Texarkana, Texas, by Ordinance No. 335-84 duly enacted on the Third and Final Reading on December 17, 1984, awarded a non-exclusive franchise privilege to Arkansas Louisiana Gas Company, its successors and assigns, for the construction, maintenance and operation of a natural gas supply company, pursuant to Article XV, Section 1 of the City Charter of the City of Texarkana, Texas; and

**WHEREAS,** Section 19 of Ordinance No. 335-84 provides that the gas company "may not sell or transfer its franchise or rights to another … nor … transfer any rights under this franchise to another without approval by the City's [sic] Council. Such franchise approval will not be granted until the … assignee … has filed in the office of the City Secretary of the City of Texarkana, Texas, an instrument, duly executed, reciting the fact of such … assignment … and accepting the terms of applicable law and this franchise."; and

**WHEREAS,** the City of Texarkana, Texas, by Ordinance No. 188-87 duly enacted on the Third and Final Reading on September 14, 1987, amended Section 11 of Ordinance No. 335-84 to increase the payment made by the gas company to the City from two percent (2%) of the gross revenues received by the company to three percent (3%) of the gross revenues so received; and

**WHEREAS,** the City of Texarkana, Texas, by Ordinance No. 241-05 duly enacted on the Third and Final Reading on October 10, 2005, amended Section 11 of Ordinance No. 335-84 to increase the payment made by the gas company to the City from three percent (3%) of the gross revenues received by the company to four percent (4%) of the gross revenues so received; and

**WHEREAS,** on August 28, 2017, by Ordinance No. 2017-083, the City Council approved rate schedules and service charges proposed for residential and commercial gas service by CenterPoint Energy Resources Corp. (CERC), to be effective as of September 1, 2017, and ordered CERC to file with the City Clerk tariff sheets containing residential and commercial rate schedules identical to those rate schedules included with said ordinance; and

**WHEREAS,** on June 11, 2021, CERC and Summit Utilities Arkansas, Inc. (SUA) filed with the Arkansas Public Service Commission a Joint Application for approval of a proposed transaction whereby CERC would sell, and SUA, as the ultimate owner and operator, would acquire certain of CERC's public utility natural gas assets, comprised of an operating unit or system, which provide service to customers in Arkansas, as well as certain areas located in Bowie County, Texas, including Texarkana, Texas; and

**WHEREAS,** on December 6, 2021, the Arkansas Public Service Commission, Docket No. 21-060-U, Order No. 11, found, ordered, and directed, among other things, that SUA has the experience and expertise to operate a public utility in compliance with Arkansas laws and regulations and provide quality customer

service to CERC's Arkansas customers, granted a Certificate of Public Convenience and Necessity pursuant to Arkansas law to operate as a natural gas utility to provide natural gas services in Arkansas effective upon the closing of the transaction with CERC, and cancelled the Certificate of Public Convenience and Necessity of CERC to operate as a natural gas utility to provide natural gas services in Arkansas effective upon the closing of the transaction with SUA; and

**WHEREAS,** on December 13, 2021, SUA filed with the Arkansas Public Service Commission, in compliance with Docket No. 21-060-U, Order No. 11, a revised tariff consistent with the Order; and pertinent to the City of Texarkana, Texas, the revised Arkansas tariff eliminated or terminated two riders, the Trial Billing Determinant Adjustment Tariff (BDA) and Formula Rate Plan Rider (FRP), which had been directly referenced and incorporated into the City's tariff approved by the City Council by Ordinance No. 2017-083; and

**WHEREAS,** SUA, as Assignee of CERC, intends to submit to the City Secretary prior to the final reading of this ordinance a duly executed instrument consistent with the requirements of Section 19 of Ordinance No. 335-84, documenting SUA's purchase of CERC's natural gas utility business and assets serving customers within the Texarkana, Texas, service territory and acquisition of substantially all of the utility operating assets of CERC located in the Texarkana, Texas, service territory, and reciting acceptance of the terms of applicable law and the City's non-exclusive public utility franchise privilege; and

**WHEREAS,** SUA proposes no increase in the City's rates, but rather a continuation of the same tariff approved by the City Council in Ordinance No. 2017-083 except for deleting the defunct BDA and FRP riders given the elimination or termination of said riders from the Arkansas tariff structure (the City Council shall consider and act upon SUA's proposal after the final reading and approval of this ordinance); and

**WHEREAS,** by this Ordinance, the City Council approves the assignment and transfer to SUA of the City's non-exclusive franchise privilege for the continued provision of and to maintain and operate a natural gas utility business system in the City of Texarkana, Texas.

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

**SECTION 1**. Pursuant to Article XV of the City Charter of the City of Texarkana, Texas, the City Council approves the assignment and transfer of the City's non-exclusive franchise privilege as set forth in Ordinance No. 335-84 as amended, to Summit Utilities Arkansas, Inc., for the continued provision of and to maintain and operate a natural gas utility business system in the City of Texarkana, Texas; and the duration of said franchise now held by Summit Utilities Arkansas, Inc., shall be for the period beginning with the effective date hereof and ending twenty-five (25) years thereafter.

**SECTION 2.** A copy of the acceptance of said franchise, in the form attached as Exhibit "A" to this Ordinance, shall, upon execution by Summit Utilities Arkansas, Inc., and the filing of said executed copy with the City Secretary of the City of Texarkana, Texas, be substituted for the placeholder form and thereafter shall be considered a part of this Ordinance and incorporated herein by reference for all purposes.

**SECTION 3:** In case a section, clause, sentence or part of this Ordinance shall be deemed or adjudged by a Court of competent jurisdiction to be invalid, then such invalidity shall not affect, impair or invalidate the remainder of this Ordinance.

**SECTION 4:** All ordinances or parts of ordinances in conflict herewith are specifically repealed to the extent of such conflict; provided, however, that nothing in this Ordinance shall be construed to waive, abandon, or repeal any rights or benefits inuring to the City of Texarkana, Texas, under the terms of Ordinance No. 335-84 or any amendments thereto.

Attachment: 2022-003 (2R) ORD CenterPoint franchise tanserfer signed (3619 : 2022-003 ORD CenterPoint franchise transfer to Summit

**SECTION 5:** Pursuant to Article XV of the City Charter of the City of Texarkana, Texas, this Ordinance amending a public utility franchise shall be read at three regular meetings of the Council and shall not be finally acted upon until thirty (30) days after the first reading thereof. Within ten (10) days following the first reading of this Ordinance, the full text hereof shall be published one time in the Texarkana Gazette, and the expense of such publication shall be borne by Summit Utilities Arkansas, Inc. Additionally, the caption of this Ordinance shall be published for three (3) consecutive days in the Texarkana Gazette within ten (10) days of the final passage of this Ordinance on third reading, and the expense of those publications shall also be borne by Summit Utilities Arkansas, Inc.

**SECTION 6:** This Ordinance shall be in full force and effect from and after its passage, approval, adoption, and publication, subject, however, to the filing of the acceptance of the Ordinance as provided in Section 2, above.

**FIRST READING APPROVED** in Regular Council Session on this the **10th day of January, 2022.**

**ATTEST:**

JENNIFER EVANS, CITY SECRETARY

BOB BRUGGEMAN, MAYOR

6:21 p.m.

**SECOND READING APPROVED** in Regular Council Session on this the **24th day of January, 2022.**

**ATTEST:**

JENNIFER EVANS, CITY SECRETARY

BOB BRUGGEMAN, MAYOR

6:51 p.m.

**THIRD READING APPROVED, PASSED, AND FINALLY ACTED UPON** in Regular Council Session on this the **14th day of February, 2022.**

**ATTEST:**

JENNIFER EVANS, CITY SECRETARY

BOB BRUGGEMAN, MAYOR

Attachment: 2022-003 (2R) ORD CenterPoint franchise tanserfer signed (3619 : 2022-003 ORD CenterPoint franchise transfer to Summit

# Exhibit A

**Acceptance of Summit Utilities Arkansas, Inc.**

**WHEREAS,** the City Council of the City of Texarkana, Texas, on the 14th day of February, 2022, enacted an Ordinance entitled:

**ORDINANCE NO. 2022-003**

**AN ORDINANCE OF PUBLIC CONVENIENCE AND NECESSITY OF THE CITY COUNCIL OF THE CITY OF TEXARKANA, TEXAS, APPROVING THE ASSIGNMENT AND TRANSFER OF A PUBLIC UTILITY FRANCHISE TO SUMMIT UTILITIES ARKANSAS, INC., ASSIGNEE OF CENTERPOINT ENERGY RESOURCES CORP., D/B/A CENTERPOINT ENERGY ARKANSAS GAS, ITS SUCCESSORS AND ASSIGNS, FOR THE CONTINUED PROVISION AND TO MAINTAIN AND OPERATE A NATURAL GAS UTILITY BUSINESS SYSTEM IN THE CITY OF TEXARKANA, TEXAS; PROVIDING FOR PUBLICATION; PROVIDING FOR A REPEALER CLAUSE; PROVIDING A SEVERABILITY CLAUSE; AND ESTABLISHING AN EFFECTIVE DATE.**

**WHEREAS,** said Ordinance was duly authenticated by the signatures of the Mayor and the City Secretary, and was properly caused to be published by the City Secretary.

**NOW, THEREFORE,** by and through its undersigned authorized officer, SUMMIT UTILITIES ARKANSAS, INC., hereby files this its written acceptance with the City Secretary of the City of Texarkana, Texas, accepting Ordinance No. 2022-003 and the provisions therein for an assignment and transfer of the public utility franchise originally set forth in Ordinance No. 335-84, as amended by Ordinance No. 188-87, as amended by Ordinance No. 241-05, and any subsequent amendments thereto, and as governed by Article XV of the City Charter of the City of Texarkana, Texas, all incorporated herein by reference for all purposes; and under the public utility franchise now assigned and granted for the time period stated in Ordinance No. 2022-003, SUMMIT UTILITIES ARKANSAS, INC., agrees to abide by the terms of said franchise and pay to the City of Texarkana, Texas, the amount established therein for the continued use and occupancy of the streets, alleys, highways, easements, parks, and other public places within the City.

**Summit Utilities Arkansas, Inc.**

**Attest:**

By: _____

Name: _____

Title: _____

By: _____

Name: _____

Title: _____

Filed in the office of the City Secretary of the City of Texarkana, Texas, on this the _____ day of _____, 2022.

_____
Jennifer Evans, TRMC
City Secretary

Attachment: 2022-003 (2R) ORD CenterPoint franchise tanserfer signed (3619 : 2022-003 ORD CenterPoint franchise transfer to Summit

Attachment: 2022-003 (1R) ORD CenterPoint franchise transfer signed (3619 : 2022-003 ORD CenterPoint franchise transfer to Summit

# ORDINANCE NO. 2022-003

**AN ORDINANCE OF PUBLIC CONVENIENCE AND NECESSITY OF THE CITY COUNCIL OF THE CITY OF TEXARKANA, TEXAS, APPROVING THE ASSIGNMENT AND TRANSFER OF A PUBLIC UTILITY FRANCHISE TO SUMMIT UTILITIES ARKANSAS, INC., ASSIGNEE OF CENTERPOINT ENERGY RESOURCES CORP., D/B/A CENTERPOINT ENERGY ARKANSAS GAS, FOR THE CONTINUED PROVISION OF AND TO MAINTAIN AND OPERATE A NATURAL GAS UTILITY BUSINESS SYSTEM IN THE CITY OF TEXARKANA, TEXAS; PROVIDING FOR PUBLICATION; PROVIDING FOR A REPEALER CLAUSE AND A SEVERABILITY CLAUSE; AND ESTABLISHING AN EFFECTIVE DATE.**

**WHEREAS,** the City of Texarkana, Texas, by Ordinance No. 335-84 duly enacted on the Third and Final Reading on December 17, 1984, awarded a non-exclusive franchise privilege to Arkansas Louisiana Gas Company, its successors and assigns, for the construction, maintenance and operation of a natural gas supply company, pursuant to Article XV, Section 1 of the City Charter of the City of Texarkana, Texas; and

**WHEREAS,** Section 19 of Ordinance No. 335-84 provides that the gas company "may not sell or transfer its franchise or rights to another … nor … transfer any rights under this franchise to another without approval by the City's [sic] Council. Such franchise approval will not be granted until the … assignee … has filed in the office of the City Secretary of the City of Texarkana, Texas, an instrument, duly executed, reciting the fact of such … assignment … and accepting the terms of applicable law and this franchise."; and

**WHEREAS,** the City of Texarkana, Texas, by Ordinance No. 188-87 duly enacted on the Third and Final Reading on September 14, 1987, amended Section 11 of Ordinance No. 335-84 to increase the payment made by the gas company to the City from two percent (2%) of the gross revenues received by the company to three percent (3%) of the gross revenues so received; and

**WHEREAS,** the City of Texarkana, Texas, by Ordinance No. 241-05 duly enacted on the Third and Final Reading on October 10, 2005, amended Section 11 of Ordinance No. 335-84 to increase the payment made by the gas company to the City from three percent (3%) of the gross revenues received by the company to four percent (4%) of the gross revenues so received; and

**WHEREAS,** on August 28, 2017, by Ordinance No. 2017-083, the City Council approved rate schedules and service charges proposed for residential and commercial gas service by CenterPoint Energy Resources Corp. (CERC), to be effective as of September 1, 2017, and ordered CERC to file with the City Clerk tariff sheets containing residential and commercial rate schedules identical to those rate schedules included with said ordinance; and

**WHEREAS,** on June 11, 2021, CERC and Summit Utilities Arkansas, Inc. (SUA) filed with the Arkansas Public Service Commission a Joint Application for approval of a proposed transaction whereby CERC would sell, and SUA, as the ultimate owner and operator, would acquire certain of CERC's public utility natural gas assets, comprised of an operating unit or system, which provide service to customers in Arkansas, as well as certain areas located in Bowie County, Texas, including Texarkana, Texas; and

**WHEREAS,** on December 6, 2021, the Arkansas Public Service Commission, Docket No. 21-060-U, Order No. 11, found, ordered, and directed, among other things, that SUA has the experience and expertise to operate a public utility in compliance with Arkansas laws and regulations and provide quality customer

service to CERC's Arkansas customers, granted a Certificate of Public Convenience and Necessity pursuant to Arkansas law to operate as a natural gas utility to provide natural gas services in Arkansas effective upon the closing of the transaction with CERC, and cancelled the Certificate of Public Convenience and Necessity of CERC to operate as a natural gas utility to provide natural gas services in Arkansas effective upon the closing of the transaction with SUA; and

**WHEREAS,** on December 13, 2021, SUA filed with the Arkansas Public Service Commission, in compliance with Docket No. 21-060-U, Order No. 11, a revised tariff consistent with the Order; and pertinent to the City of Texarkana, Texas, the revised Arkansas tariff eliminated or terminated two riders, the Trial Billing Determinant Adjustment Tariff (BDA) and Formula Rate Plan Rider (FRP), which had been directly referenced and incorporated into the City's tariff approved by the City Council by Ordinance No. 2017-083; and

**WHEREAS,** SUA, as Assignee of CERC, intends to submit to the City Secretary prior to the final reading of this ordinance a duly executed instrument consistent with the requirements of Section 19 of Ordinance No. 335-84, documenting SUA's purchase of CERC's natural gas utility business and assets serving customers within the Texarkana, Texas, service territory and acquisition of substantially all of the utility operating assets of CERC located in the Texarkana, Texas, service territory, and reciting acceptance of the terms of applicable law and the City's non-exclusive public utility franchise privilege; and

**WHEREAS,** SUA proposes no increase in the City's rates, but rather a continuation of the same tariff approved by the City Council in Ordinance No. 2017-083 except for deleting the defunct BDA and FRP riders given the elimination or termination of said riders from the Arkansas tariff structure (the City Council shall consider and act upon SUA's proposal after the final reading and approval of this ordinance); and

**WHEREAS,** by this Ordinance, the City Council approves the assignment and transfer to SUA of the City's non-exclusive franchise privilege for the continued provision of and to maintain and operate a natural gas utility business system in the City of Texarkana, Texas.

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

**SECTION 1**. Pursuant to Article XV of the City Charter of the City of Texarkana, Texas, the City Council approves the assignment and transfer of the City's non-exclusive franchise privilege as set forth in Ordinance No. 335-84 as amended, to Summit Utilities Arkansas, Inc., for the continued provision of and to maintain and operate a natural gas utility business system in the City of Texarkana, Texas; and the duration of said franchise now held by Summit Utilities Arkansas, Inc., shall be for the period beginning with the effective date hereof and ending twenty-five (25) years thereafter.

**SECTION 2.** A copy of the acceptance of said franchise, in the form attached as Exhibit "A" to this Ordinance, shall, upon execution by Summit Utilities Arkansas, Inc., and the filing of said executed copy with the City Secretary of the City of Texarkana, Texas, be substituted for the placeholder form and thereafter shall be considered a part of this Ordinance and incorporated herein by reference for all purposes.

**SECTION 3:** In case a section, clause, sentence or part of this Ordinance shall be deemed or adjudged by a Court of competent jurisdiction to be invalid, then such invalidity shall not affect, impair or invalidate the remainder of this Ordinance.

**SECTION 4:** All ordinances or parts of ordinances in conflict herewith are specifically repealed to the extent of such conflict; provided, however, that nothing in this Ordinance shall be construed to waive, abandon, or repeal any rights or benefits inuring to the City of Texarkana, Texas, under the terms of Ordinance No. 335-84 or any amendments thereto.

Attachment: 2022-003 (1R) ORD CenterPoint franchise transfer signed (3619 : 2022-003 ORD CenterPoint franchise transfer to Summit

**SECTION 5:** Pursuant to Article XV of the City Charter of the City of Texarkana, Texas, this Ordinance amending a public utility franchise shall be read at three regular meetings of the Council and shall not be finally acted upon until thirty (30) days after the first reading thereof. Within ten (10) days following the first reading of this Ordinance, the full text hereof shall be published one time in the Texarkana Gazette, and the expense of such publication shall be borne by Summit Utilities Arkansas, Inc. Additionally, the caption of this Ordinance shall be published for three (3) consecutive days in the Texarkana Gazette within ten (10) days of the final passage of this Ordinance on third reading, and the expense of those publications shall also be borne by Summit Utilities Arkansas, Inc.

**SECTION 6:** This Ordinance shall be in full force and effect from and after its passage, approval, adoption, and publication, subject, however, to the filing of the acceptance of the Ordinance as provided in Section 2, above.

**FIRST READING APPROVED** in Regular Council Session on this the **10th day of January, 2022.**

**ATTEST:**

JENNIFER EVANS, CITY SECRETARY BOB BRUGGEMAN, MAYOR

6:21 p.m.

**SECOND READING APPROVED** in Regular Council Session on this the **24th day of January, 2022.**

**ATTEST:**

JENNIFER EVANS, CITY SECRETARY BOB BRUGGEMAN, MAYOR

**THIRD READING APPROVED, PASSED, AND FINALLY ACTED UPON** in Regular Council Session on this the **14th day of February, 2022.**

**ATTEST:**

JENNIFER EVANS, CITY SECRETARY BOB BRUGGEMAN, MAYOR

Attachment: 2022-003 (1R) ORD CenterPoint franchise transfer signed (3619 : 2022-003 ORD CenterPoint franchise transfer to Summit Utilities)

# Exhibit A

**Acceptance of Summit Utilities Arkansas, Inc.**

**WHEREAS,** the City Council of the City of Texarkana, Texas, on the 14th day of February, 2022, enacted an Ordinance entitled:

**ORDINANCE NO. 2022-003**

**AN ORDINANCE OF PUBLIC CONVENIENCE AND NECESSITY OF THE CITY COUNCIL OF THE CITY OF TEXARKANA, TEXAS, APPROVING THE ASSIGNMENT AND TRANSFER OF A PUBLIC UTILITY FRANCHISE TO SUMMIT UTILITIES ARKANSAS, INC., ASSIGNEE OF CENTERPOINT ENERGY RESOURCES CORP., D/B/A CENTERPOINT ENERGY ARKANSAS GAS, ITS SUCCESSORS AND ASSIGNS, FOR THE CONTINUED PROVISION AND TO MAINTAIN AND OPERATE A NATURAL GAS UTILITY BUSINESS SYSTEM IN THE CITY OF TEXARKANA, TEXAS; PROVIDING FOR PUBLICATION; PROVIDING FOR A REPEALER CLAUSE; PROVIDING A SEVERABILITY CLAUSE; AND ESTABLISHING AN EFFECTIVE DATE.**

**WHEREAS,** said Ordinance was duly authenticated by the signatures of the Mayor and the City Secretary, and was properly caused to be published by the City Secretary.

**NOW, THEREFORE,** by and through its undersigned authorized officer, SUMMIT UTILITIES ARKANSAS, INC., hereby files this its written acceptance with the City Secretary of the City of Texarkana, Texas, accepting Ordinance No. 2022-003 and the provisions therein for an assignment and transfer of the public utility franchise originally set forth in Ordinance No. 335-84, as amended by Ordinance No. 188-87, as amended by Ordinance No. 241-05, and any subsequent amendments thereto, and as governed by Article XV of the City Charter of the City of Texarkana, Texas, all incorporated herein by reference for all purposes; and under the public utility franchise now assigned and granted for the time period stated in Ordinance No. 2022-003, SUMMIT UTILITIES ARKANSAS, INC., agrees to abide by the terms of said franchise and pay to the City of Texarkana, Texas, the amount established therein for the continued use and occupancy of the streets, alleys, highways, easements, parks, and other public places within the City.

**Summit Utilities Arkansas, Inc.**

**Attest:**

By: _____

Name: _____

Title: _____

By: _____

Name: _____

Title: _____

Filed in the office of the City Secretary of the City of Texarkana, Texas, on this the _____ day of _____, 2022.

_____
Jennifer Evans, TRMC
City Secretary

Attachment: 2022-003 (1R) ORD CenterPoint franchise transfer signed (3619 : 2022-003 ORD CenterPoint franchise transfer to Summit

**City of Texarkana, Texas**

# Briefing Sheet

Version:
**Update Date:** 2/8/2022 2:29 PM

**Lead Department:** City Manager **Action Officer:** Jennifer Evans, City Secretary

**Subject:** Ordinance No. 2022-004 amending Ordinance No. 2017-083, substituting Summit Utilities Arkansas, Inc., as the natural gas provider and franchise holder for the City, reauthorizing identical residential and commercial rate schedules previously authorized with exceptions, and ordering the rates to be charged by Summit for natural gas and natural gas service to the City's residential and commercial customers.

**Briefing:** 2/14/2022 **Public Hearing:** 1/24/2022 **Council Vote:** 2/14/2022

**Item Schedule**

**Updates/History of Briefing:**

Cumulative updates to the proposed ordinance form following the first briefing:

- Page 2 adds a "whereas" recital with the history of the City's Natural Gas Franchise Ordinances;
- Section 4 adds the retroactive effective date of January 10, 2022, which was the date of the CERC/Summit closing;
- Section 7 adds a superseding clause, providing that Ord. No. 2022-003 and the City's Natural Gas Franchise Ordinances supersede or control over this ordinance in the event of any conflict;
- Section 7 adds an interpretative sentence that the Council, having been made aware of the Arkansas three-year customer credit rider, does not by this ordinance find or affirm that the absence or lack of a credit in the reauthorized 2017 rate schedule complies with Ordinance No. 335-84.

**Executive Summary and Background Information:**

On August 28, 2017, by Ordinance No. 2017-083, the City Council approved rate schedules and service charges proposed for residential and commercial gas service by CenterPoint and ordered Centerpoint to file with the City tariff sheets containing residential and commercial rate schedules identical to those rate schedules included with said ordinance. The tariff sheets included two riders existing in the Arkansas rate structure: the Trial Billing Determinant Adjustment Tariff (BDA); and the Formula Rate Plan Rider (FRP). The current rate schedules and service charges for residential and commercial gas service can be viewed at the Railroad Commission web site under the Centerpoint Energy Arkla listing -- http://www.old.rrc.texas.gov/data/gasservices/gastariffs/gftr0048b_6269.pdf -- and at Centerpoint's web site -- **https://www.centerpointenergy.com/en-us/corp/pages/rates-and-tariffs-for-incorporated-texarkana-service-area.aspx**.

As detailed in the briefing materials for Ordnance No. 2022-003, Summit Utilities Arkansas, Inc., is acquiring Centerpoint's public utility natural gas assets, including those assets which provide service to certain areas located in Bowie County, Texas, including Texarkana, Texas, and has secured regulatory

approval from both the States of Arkansas and Oklahoma. Pertinent to the City of Texarkana, Texas, the revised Arkansas tariff eliminated or terminated the BDA and FRP riders which had been directly referenced and incorporated into the City's 2017 tariff.

Summit proposes no increase in the City's rates, but rather a continuation of the same tariff approved by the City Council in Ordinance No. 2017-083 except for deleting the defunct BDA and FRP riders given the elimination of said riders from the Arkansas tariff structure. The City Council found and determined, in the 201 tariff ordinance, that the rate schedules and service charges proposed for residential and commercial gas service were just, proper, reasonable, and lawful rates for such natural gas service, and that finding and determination has not changed notwithstanding the elimination of the defunct BDA and FRP riders given the elimination or termination of said riders from the Arkansas tariff structure. The packet materials include a redline detail of the 2017 tariff with the proposal changes of substituting Summit as the natural gas provider and eliminating the defunct BDA and FRP riders.

**Potential Options:**

Substitute Summit as the natural gas provider and franchise holder for the City of Texarkana, Texas, for the City's tariff, and reauthorize the residential and commercial rate schedules authorized in Ordinance No. 2017-083, with the exception of the BDA and FRP riders which are now defunct given the elimination or termination of said riders from the Arkansas tariff structure.

NOTE: Unlike the franchise assignment ordinance, the tariff ordinance will not require three separate readings but will be presented in tandem with the franchise assignment. The City Manager and City Attorney have separately requested the presence of Summit representatives at the January 24 regular meeting to make a presentation to the Council and to address any questions of Councilmembers. After the third and final reading and vote to consider approval of the franchise assignment ordinance (set for the February 14 regular meeting), the tariff ordinance will then be submitted to the Council for action. At such time, the "blank" in Section 4 of the proposed ordinance will contain the appropriate effective date for the tariff as reauthorized.

**Fiscal Implications:**

No increase in natural gas rates; no change to the Council-approved 2017 tariff except for the deletion of the defunct BDA and FRP riders which were eliminated from the Arkansas tariff.

**Staff Recommendation:**

Approve the ordinance as presented, reauthorizing the residential and commercial rate schedules authorized in Ordinance No. 2017-083 with the exception of the defunct BDA and FRP riders, substituting Summit in the tariff in place of Centerpoint as the natural gas provider and franchise holder for the City of Texarkana, Texas, and ordering Summit to issue and file with the City Secretary new tariff sheets in the form attached to the ordinance as Exhibit "A".

**Advisory Board/Committee Review:**

NONE

**Board/Committee Recommendation:**

NOT APPLICABLE

**Advisory Board/Committee Meeting Date and Minutes:**

NOT APPLICABLE

**Attachments:**

Exhibit "A" to Ordinance: "clean" copy of 2017 tariff as revised to reflect
Redline of revisions to 2017 tariff
2017 tariff ordinance -- Ord. 2017-083 with Exhibit "A"

**Attachments**

a. 2022-004 ORD Summit - readopt tariff REVISED for FEB 14 (DOCX)
b. 2022-004 EXH 'A' Clean TXK TX Service Area Tariffs (PDF)
c. 2022-004 ATTH 01 Redline TXK TX Service Area Tariffs (PDF)
d. 2022-004 ATTH 02 2017 Tariff & EXH 'A' (PDF)
e. 2022-004 Goals & Perspectives (DOCX)
f. 2022-004 ORD Reauthorizing Summit to charge for natural gas signed (PDF)

**Staff Coordination**

| | | | | |
|---|---|---|---|---|
| City Manager | David Orr | Department Head Review | Completed | 01/07/2022 9:42 AM |
| City Manager | David Orr | City Manager Review | Completed | 01/07/2022 9:42 AM |
| City Council | Jennifer Evans | Meeting | Completed | 01/10/2022 6:00 PM |

**Meeting History**

Attachment: 2022-004 ORD Summit - readopt tariff REVISED for FEB 14 (3620 : 2022-004 ORD Reauthorizing Summit to charge natural gas

# ORDINANCE NO. 2022-004

**AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF TEXARKANA, TEXAS, AMENDING ORDINANCE NO. 2017-083, SUBSTITUTING SUMMIT UTILITIES ARKANSAS, INC., ASSIGNEE OF CENTERPOINT ENERGY RESOURCES CORP., AS THE NATURAL GAS PROVIDER AND FRANCHISE HOLDER FOR THE CITY OF TEXARKANA, TEXAS; REAUTHORIZING IDENTICAL RESIDENTIAL AND COMMERCIAL RATE SCHEDULES AUTHORIZED IN ORDINANCE NO. 2017-083 WITH EXCEPTIONS; ORDERING THE RATES TO BE CHARGED BY SUMMIT UTILITIES ARKANSAS, INC., FOR NATURAL GAS AND NATURAL GAS SERVICE TO RESIDENTIAL AND COMMERCIAL CUSTOMERS WITHIN THE CITY OF TEXARKANA, TEXAS; PROVIDING FOR REPEALER, SUPERSEDING, AND SEVERABILITY CLAUSES; AND ESTABLISHING AN EFFECTIVE DATE.**

**WHEREAS,** on August 28, 2017, by Ordinance No. 2017-083, the City Council approved rate schedules and service charges proposed for residential and commercial gas service by CenterPoint Energy Resources Corp., d/b/a Centerpoint Energy Arkansas Gas (CERC), and ordered CERC to file with the City Clerk tariff sheets containing residential and commercial rate schedules identical to those rate schedules included with said ordinance; and

**WHEREAS,** on June 11, 2021, CERC and Summit Utilities Arkansas, Inc. (SUA) filed with the Arkansas Public Service Commission a Joint Application for approval of a proposed transaction whereby CERC would sell, and SUA, as the ultimate owner and operator, would acquire certain of CERC's public utility natural gas assets, comprised of an operating unit or system, which provide service to customers in Arkansas, as well as certain areas located in Bowie County, Texas, including Texarkana, Texas; and

**WHEREAS,** on December 6, 2021, the Arkansas Public Service Commission, Docket No. 21-060-U, Order No. 11, found, ordered, and directed, among other things, that SUA has the experience and expertise to operate a public utility in compliance with Arkansas laws and regulations and provide quality customer service to CERC's Arkansas customers, granted a Certificate of Public Convenience and Necessity pursuant to Arkansas law to operate as a natural gas utility to provide natural gas services in Arkansas effective upon the closing of the transaction with CERC, and cancelled the Certificate of Public Convenience and Necessity of CERC to operate as a natural gas utility to provide natural gas services in Arkansas effective upon the closing of the transaction with SUA; and

**WHEREAS,** on December 13, 2021, SUA filed with the Arkansas Public Service Commission, in compliance with Docket No. 21-060-U, Order No. 11, a revised tariff consistent with the Order; and pertinent to the City of Texarkana, Texas, the revised Arkansas tariff eliminated or terminated two riders, the Trial Billing Determinant Adjustment Tariff (BDA) and Formula Rate Plan Rider (FRP), which had been directly referenced and incorporated in the City's tariff approved by the City Council by Ordinance No. 2017-083; and

Attachment: 2022-004 ORD Summit - readopt tariff REVISED for FEB 14 (3620 : 2022-004 ORD Reauthorizing Summit to charge natural gas

**WHEREAS,** on January 18, 2022, SUA provided the City of Texarkana, Texas, with an "Assignment and Assumption of Franchises" effective January 10, 2022, executed by CERC as Assignor and SUA as Assignee, with CERC assigning and transferring to SUA all of CERC's right, title, and benefits as of the effective date to the natural gas franchise granted by Ordinance No. 335-84 of the City Council approved on November 12, 1984, as amended by Ordinance No. 188-87 approved on September 14, 1987, and Ordinance No. 241-05 approved on October 10, 2005 (collectively, "the City's Natural Gas Franchise Ordinances"), granting the right to enter upon the public ways to install, operate and maintain a distribution system along, across, over and under the public ways for the privilege of transporting, distributing and selling gas to consumers and the public generally within the corporate limits of the City of Texarkana, Texas; and

**WHEREAS,** the City of Texarkana, Texas, by Ordinance No. 2022-003, duly enacted on the Third and Final Reading on February 14, 2022, approved the assignment and transfer to SUA, as Assignee of CERC, of the City's Natural Gas Franchise Ordinances (that is, the non-exclusive franchise privilege to SUA) for natural gas and natural gas service to residential and commercial customers within the City of Texarkana, Texas; and

**WHEREAS,** SUA proposes no increase in the City's rates, but rather a continuation of the same tariff approved by the City Council in Ordinance No. 2017-083 except for deleting the defunct BDA and FRP riders given the elimination of said riders from the Arkansas tariff structure; and

**WHEREAS,** the City Council found and determined, in Ordinance No. 2017-083, that the rate schedules and service charges proposed for residential and commercial gas service were just, proper, reasonable, and lawful rates for such natural gas service, and that finding and determination has not changed notwithstanding the elimination of the defunct BDA and FRP riders given the elimination or termination of said riders from the Arkansas tariff structure; and

**WHEREAS,** by this Ordinance, the City Council amends Ordinance No. 2017-083 to substitute SUA in place of CERC as the natural gas provider and, except for deletion of the BDA and FRP riders, reauthorizes the residential and commercial rate schedules identical to those rate schedules authorized in Ordinance No. 2017-083.

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

**SECTION 1**. Upon SUA filing with the City Secretary a fully-executed written acceptance of Ordinance No. 2022-003 as set out in Exhibit "A" to that ordinance (that is, accepting the assignment and transfer of the City's public utility franchise and agreeing to abide by the terms of the City's Natural Gas Franchise Ordinances), Ordinance No. 2017-083 is amended as follows:

a. SUA is substituted in place of CERC as the natural gas provider and franchise holder for the City of Texarkana, Texas;

b. The residential and commercial rate schedules authorized in Ordinance No. 2017-083 are reauthorized, with the exception of the BDA and FRP riders which are now defunct given the elimination or termination of said riders from the Arkansas tariff structure; and

Attachment: 2022-004 ORD Summit - readopt tariff REVISED for FEB 14 (3620 : 2022-004 ORD Reauthorizing Summit to charge natural gas

c. SUA is hereby ordered to issue and file with the City Secretary of the City of Texarkana, Texas, tariff sheets in the form that SUA has proposed and submitted to the City, attached hereto as Exhibit "A", substituting SUA in place of CERC, deleting the BDA and FRP riders, containing the applicable effective date, and containing in all other respects residential and commercial rate schedules identical to those rate schedules authorized in Ordinance No. 2017-083.

**SECTION 2**. The rates and rate schedules ordered in Section 1 of this Ordinance and as set out in Exhibit "A" to be filed with the City are hereby adopted, established, and authorized as proper, reasonable, and lawful rates for such natural gas service; and such rates and rate schedules are to be observed by SUA, its successors and assigns, until changed as provided by the Gas Utility Regulatory Act, Texas Utility Code Chapter 101, *et seq.*

**SECTION 3**. This Order, determining the level of rates to be charged and applied by SUA, shall be served upon SUA by United States Mail.

**SECTION 4**. The tariff sheets approved by this Ordinance shall become effective retroactive with bills rendered on or after January 10, 2022.

**SECTION 5**. Although the form of the Exhibit "A" tariff that SUA has proposed and submitted to the City references other Texas municipalities in the footer of each page, nothing in this Ordinance should be construed as the City Council exercising any jurisdiction or authority on behalf of said municipalities in approving tariffs, rates, or rate schedules for those municipalities; no such jurisdiction nor authority has been extended to the City, and such should not be inferred.

**SECTION 6**. All applications and motions to intervene in this matter, if any, however designated, are hereby denied.

**SECTION 7**. Except as otherwise provided below, all ordinances or parts of ordinances in conflict herewith are specifically repealed to the extent of such conflict; provided, however, that nothing in this ordinance shall be construed to repeal, modify, or interpret (i) Ordinance No. 2017-083 except as amended by Section 1 of this ordinance, and (ii) Ordinance No. 2022-003 or the City's Natural Gas Franchise Ordinances, which shall also supersede and control over this ordinance in the event any part of this ordinance shall be declared to be in conflict or noncompliant with either Ordinance No. 2022-003 or the City's Natural Gas Franchise Ordinances. Notwithstanding any other section of this ordinance, the City Council, having been made aware of SUA's tariff and rate structure for the State of Arkansas which includes a new three-year customer credit rider, does not by this ordinance find or affirm that the absence or lack of a commensurate credit inuring to the benefit of the City of Texarkana, Texas, in the rates and rate schedules as set out in Exhibit "A" complies with Ordinance No. 335-84.

**SECTION 8**. If any portion of the rates or service charges established herein shall be declared invalid for any reason, the invalidity hereof shall in no manner affect the validity and enforcement of the remainder of such rates for service charges.

**SECTION 9:** This Ordinance shall be in full force and effect from and after its passage and approval.

**PASSED AND APPROVED** in Regular Council Session on this the **14th day of February, 2022.**

**ATTEST:**

| | |
|---|---|
| Jennifer Evans, City Secretary | Bob Bruggeman, Mayor |

Attachment: 2022-004 ORD Summit - readopt tariff REVISED for FEB 14 (3620 : 2022-004 ORD Reauthorizing Summit to charge natural gas

**TEXARKANA, TEXAS SERVICE AREA**

Original Sheet No. 1-1.1/3

Replacing: Sheet No.

Summit Utilities Arkansas, Inc.
(Name of Company)

Kind of Service: Natural Gas Class of Service: Residential

PART I – Rate Schedule No. 1

**Title: RESIDENTIAL FIRM SALES SERVICE (RS-1)** Effective: (to be determined)

## 1. RESIDENTIAL FIRM SALES SERVICE (RS-1)

1.1. AVAILABILITY

1.1.1. This rate is available to any consumer where gas is delivered to an individually metered, single, private dwelling and its appurtenances, the major use of which is for household appliances, and for the personal comfort and convenience of those persons residing therein. This rate schedule is not available for any dwelling used principally for commercial purposes. Natural gas supplied hereunder is for the individual use of the customer at the point of delivery and shall not be resold or shared with others. Standby service is not available under this rate schedule.

1.2. RATES

1.2.1. Each customer receiving service under this rate schedule shall be charged the sum of (a), (b), and (c) as follows:

(a) Monthly Customer Charge -- $10.75. The monthly customer charge shall be pro-rated in the months that the customer initiates and terminates gas service.

(b) Distribution Rate:

First 15 Ccf at $0.45335 per Ccf
Over 15 Ccf at $0.36576 per Ccf

(c) Gas Supply Rate - The Gas Supply Rate will be calculated and adjusted periodically as defined in the Company's Gas Supply Rate Rider.



Attachment: 2022-004 EXH 'A' Clean TXK TX Service Area Tariffs (3620 : 2022-004 ORD Reauthorizing Summit to charge natural gas rates)

**TEXARKANA, TEXAS SERVICE AREA**

Original Sheet No. 1-1.2/3

Replacing: Sheet No.

Summit Utilities Arkansas, Inc.
(Name of Company)

Kind of Service: Natural Gas Class of Service: Residential

PART I – Rate Schedule No. 1

**Title: RESIDENTIAL FIRM SALES SERVICE (RS-1)** Effective: (to be determined)

(d) WNA Rider will be applicable only to volumes in excess of 15 Ccf per month.

1.3. MINIMUM CHARGE

1.3.1. Monthly Customer Charge -- $10.75. The monthly customer charge shall be pro-rated in the months that the customer initiates and terminates gas service.

1.4. RIDERS

1.4.1. In addition to the Gas Supply Rate Rider, the following riders are applicable to service under this rate schedule:

| Rider Name | Description | Identification on Customer Bills |
|---|---|---|
| TA | Municipal Tax Adjustment | Municipal Franchise Adj |
| WNA | Weather Normalization Adjustment | Weather Normalization Adj |
| EECR | Energy Efficiency Cost Recovery Rider | EE Cost Rate |

1.4.2. Service will be rendered under this rate schedule until service is discontinued to customer or the schedule is superseded.



Attachment: 2022-004 EXH 'A' Clean TXK TX Service Area Tariffs (3620 : 2022-004 ORD Reauthorizing Summit to charge natural gas rates)

**TEXARKANA, TEXAS SERVICE AREA**

Original Sheet No. 1-1.3/3

Replacing: Sheet No.

Summit Utilities Arkansas, Inc.
(Name of Company)

Kind of Service: Natural Gas Class of Service: Residential

PART I – Rate Schedule No. 1

**Title: RESIDENTIAL FIRM SALES SERVICE (RS-1)** Effective: (to be determined)

1.5. RULES AND REGULATIONS GOVERNING UTILITY SERVICE

1.5.1. The Company's Standard Rules and Regulations, as the same may from time to time be changed in accordance with the law, shall be applicable to service under this rate schedule.



Attachment: 2022-004 EXH 'A' Clean TXK TX Service Area Tariffs (3620 : 2022-004 ORD Reauthorizing Summit to charge natural gas rates)

**TEXARKANA, TEXAS SERVICE AREA**

Original Sheet No. 1-2.1/7

Replacing: Sheet No.

Summit Utilities Arkansas, Inc.
(Name of Company)

Kind of Service: Natural Gas Class of Service: Small Commercial

PART I – Rate Schedule No. 2

**Title: SMALL COMMERCIAL FIRM SALES SERVICE (SCS-1)**

Effective: (to be determined)

## 2. SMALL COMMERCIAL FIRM SALES SERVICE (SCS-1)

### 2.1. AVAILABILITY

2.1.1. This rate schedule is available at points of adequate capacity and suitable pressure on the Company's existing facilities. This rate schedule is available to any consumer engaging in business, professional, institutional or other non-residential activity supplied at an individually metered point of delivery for all uses of gas. Natural gas supplied hereunder is for the individual use of the customer at the point of delivery and shall not be resold or shared with others. Standby service is not available under this rate schedule.

2.1.2. Gas consumption under this rate schedule is limited to 365,000 Ccf in any 12 consecutive month period. If at any time, it is anticipated, based on Company's estimate, that the customer will consume in excess of 365,000 Ccf per year in the succeeding 12 consecutive month period, the customer shall become subject to the applicable large commercial firm service rate schedule.

2.1.3. Company has historically allowed the volume usage of meters at business facilities under common ownership and subject to this rate schedule to be aggregated for the sole purpose of establishing eligibility for transportation as referenced in Part 3.1.3. of Rate Schedule LCS-1. Customers historically qualifying for transportation under this aggregation provision shall remain subject to the rates and charges under this rate schedule in addition to any additional specific rates, charges, or adjustment riders peculiar to the Transportation Supply Option ("TSO") set out in Rate Schedule LCS-1, such as, but not limited to, administrative fees. Customers aggregating volume shall be subject to all provisions and policies governing TSO option customers as specified in LCS-1, except as provided for herein. Although no aggregation will be allowed for eligibility, the ability to aggregate for eligibility purposes at existing and new locations shall remain



Attachment: 2022-004 EXH 'A' Clean TXK TX Service Area Tariffs (3620 : 2022-004 ORD Reauthorizing Summit to charge natural gas rates)

**TEXARKANA, TEXAS SERVICE AREA**

Original Sheet No. 1-2.2/7

Replacing: Sheet No.

Summit Utilities Arkansas, Inc.
(Name of Company)

Kind of Service: Natural Gas Class of Service: Small Commercial

PART I – Rate Schedule No. 2

**Title: SMALL COMMERCIAL FIRM SALES SERVICE (SCS-1)**

Effective: (to be determined)

unchanged for transportation customers eligible under such aggregation provision prior to September 21, 2002. Future aggregation for the purpose of qualification, except as otherwise referenced herein, is prohibited. Each individual account of historically qualified customers shall be treated as a separate account and shall be subject to the same rates and charges under the originating SCS-1 or LCS-1 rate schedule, and are additionally subject to any specific rates, charges or riders specific to the TSO.

For the purpose of establishing eligibility for the "TSO" defined in the LCS rate schedule, customers experiencing or anticipating an average daily demand of 10 MMBtu per day during the preceding or succeeding twelve months will be eligible for the TSO. Customers qualifying for transportation who choose the TSO shall be subject to rates and charges under the SCS-1 rate schedule, and are additionally subject to any additional specific rates, charges or riders specific to the TSO.

2.1.4. Customers converting from transportation service to sales service will be required to contract for such sales services between the months of February through April preceding the expiration of the primary or any succeeding term of the Customer's existing contract. Customers seeking to contract for sales service during the required time frame will be allowed to convert to sales service provided that the Company is able to secure firm upstream transportation capacity and other upstream pipeline services sufficient to meet the Customer's needs. Any such conversion will be effective upon the expiration of the term of the Customer's existing contract, unless the Company and the Customer agree otherwise.

2.1.5. Seasonal Transportation. Customer facilities experiencing more than 80% of annual load during the flow months April through October, and who experience or anticipate an average daily demand of more than 10 MMBtu per day during any consecutive 30-day period of the preceding or succeeding April through October, are eligible to transport on a seasonal



Attachment: 2022-004 EXH 'A' Clean TXK TX Service Area Tariffs (3620 : 2022-004 ORD Reauthorizing Summit to charge natural gas rates)

**TEXARKANA, TEXAS SERVICE AREA**

Original Sheet No. 1-2.3/7

Replacing: Sheet No.

Summit Utilities Arkansas, Inc.
(Name of Company)

Kind of Service: Natural Gas Class of Service: Small Commercial

PART I – Rate Schedule No. 2

**Title: SMALL COMMERCIAL FIRM SALES SERVICE (SCS-1)**

Effective: (to be determined)

basis. Customers meeting the aforementioned criteria, may elect the TSO option and choose a subsequent return to the System Supply Option ("SSO") only once during the calendar year. Customers electing the TSO on a seasonal basis, pursuant to notice given prior to May 31st or thirty days prior to commencement of service, whichever is earlier, may receive transportation service for a continuous period of at least 30 days between April 1 and October 31. Customers electing the TSO option on a seasonal basis are subject to the TSO contract administration fee. Additionally, each participating location shall pay a $300 set-up fee upon initial election and upon any subsequent return to transportation service.

2.2. RATES

2.2.1. Each customer receiving service under this rate schedule shall be charged the sum of (a), (b), and (c) as follows:

(a) Monthly Customer Charge - $14.67. The monthly customer charge shall be pro-rated in the months that the customer initiates and terminates gas service.

(b) Distribution Rate for customers electing the SSO option:

| | |
|---|---|
| First 1,500 Ccf at | $0.17133 |
| 1,501 – 15,000 Ccf at | $0.12959 |
| Over 15,000 Ccf at | $0.05555 |

Distribution Rate for customers electing the TSO option:

| | |
|---|---|
| First 150 MMBtu at | $1.68620 |
| 151 – 1,500 MMBtu at | $1.27534 |
| Over 1,500 MMBtu at | $0.54673 |



Attachment: 2022-004 EXH 'A' Clean TXK TX Service Area Tariffs (3620 : 2022-004 ORD Reauthorizing Summit to charge natural gas rates)

**TEXARKANA, TEXAS SERVICE AREA**

Original Sheet No. 1-2.4/7

Replacing: Sheet No.

Summit Utilities Arkansas, Inc.
(Name of Company)

Kind of Service: Natural Gas Class of Service: Small Commercial

PART I – Rate Schedule No. 2

**Title: SMALL COMMERCIAL FIRM SALES SERVICE (SCS-1)**

Effective: (to be determined)

(c) Gas Supply Rate - The Gas Supply Rate will be calculated and adjusted periodically as defined in the Company's Gas Supply Rate Rider.

(d) WNA Rider will be applicable only to volumes in excess of 78 Ccf.

2.2.2. Rates for customers historically qualifying for service under the Part 2.1.3. aggregation provision and customers qualifying for transportation under this rate schedule will be subject to thermal adjustment. Delivered volumes will be adjusted by the appropriate thermal content factor obtained from the nearest available chromatograph or sampling location (Ccf / 10) x thermal content factor = MMBtu).

2.3. MINIMUM CHARGE

2.3.1. Monthly Customer Charge -- $14.67. The monthly customer charge shall be pro-rated in the months that the customer initiates and terminates gas service.

2.4. TELEMETERING

2.4.1.

Telemetering is required for customers electing and qualifying for transportation service. Company shall install telemetry equipment of standard make and manufacture to determine hourly and daily flow at customer's point of delivery. Customer shall choose between analog telemetry and wireless telemetry, if suitable wireless service is available. Customer will pay Company for telemetry equipment under one of the following payment options as chosen by the customer:

( ) Option 1: Customer agrees to provide an analog phone line for each meter and pay for standard telemetry equipment and installation costs for each meter. Customer will be subject to meter reading fees for an inoperable phone line for each meter.



Attachment: 2022-004 EXH 'A' Clean TXK TX Service Area Tariffs (3620 : 2022-004 ORD Reauthorizing Summit to charge natural gas rates)

**TEXARKANA, TEXAS SERVICE AREA**

Original Sheet No. 1-2.5/7

Replacing: Sheet No.

Summit Utilities Arkansas, Inc.
(Name of Company)

Kind of Service: Natural Gas Class of Service: Small Commercial

PART I – Rate Schedule No. 2

**Title: SMALL COMMERCIAL FIRM SALES SERVICE (SCS-1)**

Effective: (to be determined)

( ) Option 2: Customer will provide an analog phone line for each meter but elects to pay a monthly fee for standard telemetry equipment and installation costs for each meter. The fee will be $30 per month per meter for meters that do not require pressure instrumentation and $84 per month per meters that do require pressure instrumentation. The customer will be subject to meter reading fees for an inoperable phone line for each meter.

( ) Option 3: Customer elects wireless service through Summit Utilities Arkansas, Inc. for each meter and agrees to pay for standard telemetry equipment and installation costs for each meter. The wireless service fee will be $10 per month per meter, and Customer will not be subject to meter reading fees.

( ) Option 4: Customer elects wireless service through Summit Utilities Arkansas, Inc. for each meter and elects to pay a monthly fee for standard telemetry equipment and installation costs for each meter. The fee will be $40 per month for meters that do not require pressure instrumentation and $94 per month per meter for meters that do require pressure instrumentation. The customer will not be subject to meter reading fees.

In the event customer has in place working telemetering facilities and equipment; and the customer receives system supply service; and Company determines it necessary to keep the telemeter(s) operational, Company will arrange and pay for the associated telecommunications cost while the customer receives sales service under this rate schedule.

2.4.2. If customer chooses analog telemetry, then customer shall be responsible for installing and maintaining telecommunications lines. Should customer fail to maintain or repair telecommunications lines required to communicate with telemetry equipment, Company shall have the right to



Attachment: 2022-004 EXH 'A' Clean TXK TX Service Area Tariffs (3620 : 2022-004 ORD Reauthorizing Summit to charge natural gas rates)

**TEXARKANA, TEXAS SERVICE AREA**

Original Sheet No. 1-2.6/7

Replacing: Sheet No.

Summit Utilities Arkansas, Inc.
(Name of Company)

Kind of Service: Natural Gas Class of Service: Small Commercial

PART I – Rate Schedule No. 2

**Title: SMALL COMMERCIAL FIRM SALES SERVICE (SCS-1)**

Effective: (to be determined)

bill customer all labor and expense required to manually read the meter, at whatever intervals the Company may deem necessary.

If customer chooses wireless telemetry, then customer shall pay Company $10 per month per meter for wireless telemetry service for the entire period such meter(s) is(are) served under this or any other transportation rate schedule.

2.5. RIDERS

2.5.1. In addition to the Gas Supply Rate Rider, the following riders are applicable to service under this rate schedule:

| Rider Name | Description | Identification on Customer Bills |
|---|---|---|
| TA | Municipal Tax Adjustment | Municipal Franchise Adj |
| WNA | Weather Normalization Adjustment | Weather Normalization Adj |
| EECR | Energy Efficiency Cost Recovery Rider | EE Cost Rate |



Attachment: 2022-004 EXH 'A' Clean TXK TX Service Area Tariffs (3620 : 2022-004 ORD Reauthorizing Summit to charge natural gas rates)

**TEXARKANA, TEXAS SERVICE AREA**

Original Sheet No. 1-2.7/7

Replacing: Sheet No.

Summit Utilities Arkansas, Inc.
(Name of Company)

Kind of Service: Natural Gas Class of Service: Small Commercial

PART I – Rate Schedule No. 2

**Title: SMALL COMMERCIAL FIRM SALES SERVICE (SCS-1)**

Effective: TBD

2.5.2. Service will be rendered under this rate schedule until service is discontinued to customer, the customer qualifies for service under the large commercial firm service rate schedule, or the schedule is superseded.

2.6. RULES AND REGULATIONS GOVERNING UTILITY SERVICE

2.6.1. The Company's Standard Rules and Regulations, as the same may from time to time be changed in accordance with the law, shall be applicable to service under this rate schedule.



Attachment: 2022-004 EXH 'A' Clean TXK TX Service Area Tariffs (3620 : 2022-004 ORD Reauthorizing Summit to charge natural gas rates)

**TEXARKANA, TEXAS SERVICE AREA**

Original Sheet No. 1-3.1/37

Replacing: Sheet No.

Summit Utilities Arkansas, Inc.
(Name of Company)

Kind of Service: Natural Gas Class of Service: Large Commercial

PART I - Rate Schedule No. 3

**Title: LARGE COMMERCIAL FIRM SERVICE (LCS-1)** Effective: (to be determined)

## 3. LARGE COMMERCIAL FIRM SERVICE (LCS-1)

### 3.1. AVAILABILITY

3.1.1. This rate schedule is available at points of adequate capacity and suitable pressure on the Company's existing facilities. This rate schedule is available to any customer at a particular facility owned or operated by customer who enters into a large volume commercial service agreement ("Agreement") with Company, in the form appended to this rate schedule on reasonable terms and conditions acceptable to the Company, for delivery of gas at the facility, provided such facility has experienced, or anticipates, an average daily demand of more than 100 MMBtu per day during the preceding or succeeding twelve (12) months, respectively.

For the purpose of establishing eligibility for the Transportation Supply Option ("TSO") defined in this rate schedule, customers experiencing or anticipating an average daily demand of 10 MMBtu per day during the preceding or succeeding twelve months will be eligible for the TSO. Customers choosing the TSO will remain under their originating SCS or LCS rate schedules, and are additionally subject to any specific rates, charges or riders specific to the TSO.

3.1.2. Company has historically allowed the volume usage of meters at facilities under common ownership and subject to other commercial rate schedules to be aggregated for the sole purpose of establishing eligibility for transportation. Although no aggregation will be allowed for eligibility, the ability to aggregate for eligibility purposes at existing and new locations shall remain unchanged for transportation customers eligible under such aggregation provision prior to September 21, 2002. Future aggregation for the purpose of qualification, except as otherwise referenced herein, is prohibited. Each individual account of historically qualified customers shall be treated as a separate account and shall be subject to the same rates and charges under the originating SCS or LCS rate schedule, and are



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**TEXARKANA, TEXAS SERVICE AREA**

Original Sheet No. 1-3.2/37

Replacing: Sheet No.

Summit Utilities Arkansas, Inc.
(Name of Company)

Kind of Service: Natural Gas Class of Service: Large Commercial

PART I - Rate Schedule No. 3

**Title: LARGE COMMERCIAL FIRM SERVICE (LCS-1)** Effective: (to be determined)

additionally subject to any specific rates, charges or riders specific to the TSO.

3.1.3. Customers under this rate schedule may choose between two sources of supply, as follows:

(a) System Supply Option ("SSO") - under which customer will be delivered natural gas supply designated as general system supply of Company.

(b) Transportation Supply Option ("TSO") - under which customer will be delivered natural gas supply received for customer's account at points of receipt on Company's distribution facilities.

3.1.4. The customer's election between the two supply options under this rate schedule shall be set forth in the requisite Agreement which will specify the term (duration) of this customer election. Under no circumstances shall the Company be obligated to (a) deliver natural gas volumes to a customer under this rate schedule from a supply source other than the one reflected in customer's election embodied in the Agreement or (b) enter into an agreement with a term of less than one year. LCS customers failing to execute the requisite agreement setting forth the supply option election, shall default to the System Supply Option, and shall remain until such time that an agreement setting forth the alternative supply option is executed.

3.1.5. If customer has human needs requirements, or other requirements necessary for the preservation of life, health or physical property, the Company will require customer to certify and document such requirements in writing prior to the start of service. The Customer shall update the Company in writing when its human needs requirements change.

3.1.6. Additionally, if customer has human needs requirements under the TSO, the Company will require customer to certify and document to Company that it:



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**TEXARKANA, TEXAS SERVICE AREA**

Original Sheet No. 1-3.3/37

Replacing: Sheet No.

Summit Utilities Arkansas, Inc.
(Name of Company)

Kind of Service: Natural Gas Class of Service: Large Commercial

PART I - Rate Schedule No. 3

**Title: LARGE COMMERCIAL FIRM SERVICE (LCS-1)** Effective: (to be determined)

(a) has made firm pipeline capacity and gas supply arrangements sufficient to ensure non-interruptible deliveries to satisfy its level of human needs requirements. This documentation will include written acknowledgement from the upstream pipeline that firm, primary delivery point capacity is under contract for the appropriate location that will service customer, and that such capacity is under contract for the entire November through March time period; or,

(b) has one or more alternative energy back-up systems in place to provide for continuous energy to satisfy the total human needs requirements that otherwise would be met by natural gas. In such instance, there will be no requirement to meet this firm pipeline capacity and gas supply provision.

3.1.7. Customers converting from sales service to transportation service shall bear the supply-related cost/credit shifts or additional costs/credits, if any, directly resulting from that conversion, including existing pipeline commitments, existing gas supply costs, and additional administrative costs. The Company shall maintain adequate records to demonstrate such costs and to substantiate that this result has been achieved, and shall make such information available to the converting customer upon request. Upon request, Company shall provide a good faith estimate of such costs/credits based upon representations made by the customer as to usage, demand, timing, and other factors.

3.1.8 Customers converting from transportation service to sales service will be required to contract for such sales service between the months of February through April preceding the expiration of the primary or any succeeding term of the Customer's existing contract. Customers seeking to contract for sales service during the required time frame will be allowed to convert to sales service provided that the Company is able to secure firm upstream transportation capacity and other upstream pipeline services sufficient to



Attachment: 2022-004 EXH 'A' Clean TXK TX Service Area Tariffs (3620 : 2022-004 ORD Reauthorizing Summit to charge natural gas rates)

**TEXARKANA, TEXAS SERVICE AREA**

Original Sheet No. 1-3.4/37

Replacing: Sheet No.

Summit Utilities Arkansas, Inc.
(Name of Company)

Kind of Service: Natural Gas Class of Service: Large Commercial

PART I - Rate Schedule No. 3

**Title: LARGE COMMERCIAL FIRM SERVICE (LCS-1)** Effective: (to be determined)

meet the Customer's needs. Any such conversion will be effective upon the expiration of the term of the Customer's existing contract, unless the Company and the Customer agree otherwise.

3.1.9. Seasonal Transportation. Customer facilities experiencing more than 80% of annual load during the flow months April through October, and who has experienced or anticipates an average daily demand of more than 10 MMBtu per day during any consecutive 30-day period of the preceding or succeeding April through October, are eligible to transport on a seasonal basis. Customers meeting the aforementioned criteria, may elect the TSO option and choose a subsequent return to the SSO option only once during the calendar year. Customers electing the TSO option on a seasonal basis, pursuant to notice given prior to May 31st or thirty days prior to commencement of service, whichever is earlier, may receive transportation service for a continuous period of at least 30 days between April 1 and October 31. Customers electing the TSO option on a seasonal basis are subject to the TSO contract administration fee. Additionally, each participating location shall pay a $300 set-up fee upon initial election and upon any subsequent return to transportation service.

3.2. MAXIMUM QUANTITIES

3.2.1. Company and customer shall agree upon a Maximum Daily Winter Quantity ("MDWQ") applicable to the period from November through March which will be reflected in the Agreement, and shall establish the maximum MMBtu Quantity that the Company will be obligated to deliver on a firm basis on any given day to customer's point of delivery until such maximum quantity is revised pursuant to Part 3.2.4.

3.2.2. Average Daily Volume shall be calculated by dividing the annual volume by 365.

3.2.3. Under no circumstances is Company required to agree to an MDWQ, Average Daily Volume or other quantity-related obligation under this rate



Attachment: 2022-004 EXH 'A' Clean TXK TX Service Area Tariffs (3620 : 2022-004 ORD Reauthorizing Summit to charge natural gas rates)

**TEXARKANA, TEXAS SERVICE AREA**

Original Sheet No. 1-3.5/37

Replacing: Sheet No.

Summit Utilities Arkansas, Inc.
(Name of Company)

Kind of Service: Natural Gas Class of Service: Large Commercial

PART I - Rate Schedule No. 3

**Title: LARGE COMMERCIAL FIRM SERVICE (LCS-1)** Effective: (to be determined)

schedule that it finds inconsistent with actual expected operating outcomes or load requirements based on observed historical operating data, the level and nature of currently installed natural gas facilities, equipment and appliances, or other relevant, reasonable and appropriate information or data. When entering into a new Agreement, an existing customer will not be required to agree to an MDWQ, Average Daily Volume or other quantity-related obligation under this rate schedule that is less than the quantities in effect during the previous Agreement, provided, however, that the quantities sought by the customer were actually experienced during the two-year period preceding the new Agreement.

3.2.4. Unless agreed otherwise, should customer deliveries exceed the Initial MDWQ during the period from November through March, then delivery demand set on that day shall reestablish the MDWQ and shall hereinafter be referred to as the Replacement MDWQ. Should annual deliveries exceed previously established levels, for the prior 12-month period, then the Initial Average Daily Volume will be reestablished for the annual period, and shall be known as the Replacement Average Daily Volume. The Replacement MDWQ or Average Daily Volume, respectively, become effective on the first day of the month after which the excess occurred for all meters read on and after that date, and continue for the remaining term of the contract or until such time that a Replacement MDWQ or Average Daily Volume is established. The Replacement MDWQ or Average Daily Volume shall not, however, exceed the quantity that is capable of being received or delivered on a firm basis. In the event that the Replacement MDWQ or Average Daily Volume would otherwise exceed the quantity that is capable of being received or delivered on a firm basis, then the Replacement MDWQ or Average Daily Volume shall be the maximum level that can be received or delivered on a firm basis.



Attachment: 2022-004 EXH 'A' Clean TXK TX Service Area Tariffs (3620 : 2022-004 ORD Reauthorizing Summit to charge natural gas rates)

**TEXARKANA, TEXAS SERVICE AREA**

Original Sheet No. 1-3.6/37

Replacing: Sheet No.

Summit Utilities Arkansas, Inc.
(Name of Company)

Kind of Service: Natural Gas Class of Service: Large Commercial

PART I - Rate Schedule No. 3

**Title: LARGE COMMERCIAL FIRM SERVICE (LCS-1)** Effective: (to be determined)

3.2.5. Company shall not be obligated to receive or deliver more than the Maximum Hourly Quantity ("MHQ"). If customer takes gas in excess of the specified MHQ at the point of delivery without the approval of Company, and such excess flow causes physical harm to the Company, its other customers or its facilities, then customer shall reimburse Company for the actual cost of damages or harm or repairs to its facilities, plus overhead expenses, within 15 days after the date of Company's invoice to customer for such damages.

3.3. CAPACITY DEMAND

3.3.1. Each individually metered point of delivery under this rate schedule shall have a capacity demand ("CD"), equal to the higher of:

(a) The Initial MDWQ specified in customer's Agreement with Company, subject to the maximum quantities provision herein, or the Replacement MDWQ as established pursuant to the provisions of Part 3.2.4.

(b) The Initial Average Daily Volume specified in customer's Agreement with Company, or the Replacement Average Daily Volume as established pursuant to the provisions of Part 3.2.4.

3.3.2. This CD shall be the billing determinant for both distribution demand charges and Fixed Storage Charges, Fixed Gas Supply Charges and Fixed Transportation Charges (GSR Demand) under the Gas Supply Rate Rider. The Initial MDWQ or Initial Average Daily Volume, the higher of which is also known as the Initial CD, shall remain in place until such time as a Replacement MDWQ or Replacement Average Daily Volume, the higher of which is also known as the Replacement CD, is established pursuant to the provisions of Part 3.2.4. During the course of the contract term, the CD established as billing determinant shall be the higher of the Initial CD under the contract or any Replacement CD established during the previous 12-month period. Unless agreed upon otherwise, if during the course of a



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**TEXARKANA, TEXAS SERVICE AREA**

Original Sheet No. 1-3.7/37

Replacing: Sheet No.

Summit Utilities Arkansas, Inc.
(Name of Company)

Kind of Service: Natural Gas Class of Service: Large Commercial

PART I - Rate Schedule No. 3

**Title: LARGE COMMERCIAL FIRM SERVICE (LCS-1)** Effective: (to be determined)

multi-year contract, any Replacement CD established pursuant to Part 3.2.4. does not re-occur during any prior 12-month period, then effective the first day of the following month the Replacement CD will be established as the higher of the Initial CD or highest daily volume during the MDWQ period that falls within the previous twelve months. In no instance shall the Replacement CD be based upon usage occurring before the effective date of the customer's Agreement.

3.4. RATES

3.4.1. Each customer receiving service under this rate schedule, other than small commercial firm sales service customers historically qualifying under the Part 3.1.2. aggregation provision, shall be charged the sum of (a), (b), (c) and (d) as follows:

(a) Distribution Customer Charge - $290.00 per month. The monthly customer charge shall be pro-rated in the months that the customer initiates and terminates gas service.

(b) Distribution Demand Charge per MMBtu of CD per month:

(i) $8.01586per MMBtu of CD up to 400 MMBtu of CD

plus, if applicable

(ii) $1.23854 per MMBtu of CD over 400 MMBtu of CD.

(c) Gas Supply Rate Rider :

(i) SSO - The Gas Supply Rate will be calculated and adjusted periodically as defined in the Company's Gas Supply Rate Rider.

(ii) TSO - The customer will provide the appropriate LUFG-in-Kind as described in the Company's Gas Supply Rate Rider. Volumes provided as LUFG-in-Kind will not be considered



Attachment: 2022-004 EXH 'A' Clean TXK TX Service Area Tariffs (3620 : 2022-004 ORD Reauthorizing Summit to charge natural gas rates)

**TEXARKANA, TEXAS SERVICE AREA**

Original Sheet No. 1-3.8/37

Replacing: Sheet No.

Summit Utilities Arkansas, Inc.
(Name of Company)

Kind of Service: Natural Gas Class of Service: Large Commercial

PART I - Rate Schedule No. 3

**Title: LARGE COMMERCIAL FIRM SERVICE (LCS-1)** Effective: (to be determined)

in the calculation of Capacity Demand and shall not be subject to Distribution Charges.

3.4.2. Monthly charges applicable to customers under the TSO described in Part 3.1.3. of this rate schedule, including small commercial firm sales service customers historically qualifying under the Part 3.1.2. aggregation provision of this rate schedule or qualifying for transportation under the SCS rate schedule, are as follows:

(a) Contract Administration Fees:

TSO - $332.61 per month.

3.5. MINIMUM CHARGE

The sum of (a), (b), and (c) if applicable:

(a) Distribution Customer Charge - $290.00 per month. The monthly customer charge shall be pro-rated in the months that the customer initiates and terminates gas service.

(b) Distribution Demand Charge - per MMBtu of CD per month:

(i) $8.01586 per MMBtu of CD up to 400 MMBtu of CD

plus, if applicable

(ii) $1.23854 per MMBtu of CD over 400 MMBtu of CD

(c) Contract Administration Fee – TSO - $332.61 per month.



Attachment: 2022-004 EXH 'A' Clean TXK TX Service Area Tariffs (3620 : 2022-004 ORD Reauthorizing Summit to charge natural gas rates)

**TEXARKANA, TEXAS SERVICE AREA**

Original Sheet No. 1-3.9/37

Replacing: Sheet No.

Summit Utilities Arkansas, Inc.
(Name of Company)

Kind of Service: Natural Gas Class of Service: Large Commercial

PART I - Rate Schedule No. 3

**Title: LARGE COMMERCIAL FIRM SERVICE (LCS-1)** Effective: (to be determined)

3.6. TELEMETERING EQUIPMENT

3.6.1. Telemetering is required for all customers who receive service pursuant to this rate schedule, including customers qualifying under Part 3.1.2. of the aggregation provision of this rate schedule. If Company does not have telemetry at customer's point of delivery, upon execution of the Agreement, Company shall install telemetry equipment of standard make and manufacture to determine hourly and daily flow of gas at customer's point of delivery. Customer shall choose between analog telemetry and wireless telemetry, if suitable wireless service is available. Customer will pay Company for telemetry equipment under one of the following payment options as chosen by the customer:

( ) Option 1: Customer agrees to provide an analog phone line for each meter and pay for standard telemetry equipment and installation costs for each meter. Customer will be subject to meter reading fees for an inoperable phone line for each meter.

( ) Option 2: Customer will provide an analog phone line for each meter but elects to pay a monthly fee for standard telemetry equipment and installation costs for each meter. The fee will be $30 per month per meter for meters that do not require pressure instrumentation and $84 per month per meters that do require pressure instrumentation. The customer will be subject to meter reading fees for an inoperable phone line for each meter.

( ) Option 3: Customer elects wireless service through Summit Utilities Arkansas, Inc. for each meter and agrees to pay for standard telemetry equipment and installation costs for each meter. The wireless service fee will be $10 per month per meter, and Customer will not be subject to meter reading fees.

( ) Option 4: Customer elects wireless service through Summit Utilities Arkansas, Inc. for each meter and elects to pay a monthly fee for standard telemetry equipment and installation costs for each meter. The fee will be $40 per month for meters that do not require pressure instrumentation and $94 per month per meter for meters that do



Attachment: 2022-004 EXH 'A' Clean TXK TX Service Area Tariffs (3620 : 2022-004 ORD Reauthorizing Summit to charge natural gas rates)

**TEXARKANA, TEXAS SERVICE AREA**

Original Sheet No. 1-3.10/37

Replacing: Sheet No.

Summit Utilities Arkansas, Inc.
(Name of Company)

Kind of Service: Natural Gas Class of Service: Large Commercial

PART I - Rate Schedule No. 3

**Title: LARGE COMMERCIAL FIRM SERVICE (LCS-1)** Effective: (to be determined)

require pressure instrumentation. The customer will not be subject to meter reading fees.

3.6.2. If customer chooses analog telemetry, then customer shall be responsible for installing and maintaining telecommunications lines. Should customer fail to maintain or repair telecommunications lines required to communicate with telemetry equipment, Company shall have the right to bill customer all labor and expense required to manually read the meter, at whatever intervals the Company may deem necessary.

If customer chooses wireless telemetry, then customer shall pay Company $10 per month per meter for wireless telemetry service for the entire period such meter(s) is(are) served under this or any other transportation rate schedule.

3.7. RIDERS

3.7.1 In addition to the Gas Supply Rate Rider, the following riders are applicable to service under this rate schedule:

| Rider Name | Description | Identification on Customer Bills |
|---|---|---|
| TA | Municipal Tax Adjustment | Municipal Franchise Adj |
| EECR | Energy Efficiency Cost Recovery Rider | EE Cost Rate |

3.7.2. Service will be rendered under this rate schedule until service is discontinued to customer, the customer qualifies for service under the small commercial firm sales service rate schedule, or the schedule is superseded.

3.8. RULES AND REGULATIONS GOVERNING UTILITY SERVICE



Attachment: 2022-004 EXH 'A' Clean TXK TX Service Area Tariffs (3620 : 2022-004 ORD Reauthorizing Summit to charge natural gas rates)

**TEXARKANA, TEXAS SERVICE AREA**

Original Sheet No. 1-3.11/37

Replacing: Sheet No.

Summit Utilities Arkansas, Inc.
(Name of Company)

Kind of Service: Natural Gas Class of Service: Large Commercial

PART I - Rate Schedule No. 3

**Title: LARGE COMMERCIAL FIRM SERVICE (LCS-1)** Effective: (to be determined)

3.8.1. The Company's Standard Rules and Regulations, as the same may from time to time be changed in accordance with the law, shall be applicable to service under this rate schedule.

3.9. BILLING AND PAYMENT

3.9.1. Customer's bills will be based on capacity demand and the quantity of MMBtu's delivered to customer at the delivery point. Such bills shall be rendered promptly after the close of each billing period and shall be paid within fourteen (14) days after the date the bill is mailed or made available electronically. Company shall have the right to bill customer each month hereunder on the basis of nominated quantities or estimated quantities, provided that adjustments shall be made to such quantities in subsequent months' billings based on actual quantities delivered. Amounts past due hereunder shall bear interest from the due date until paid at the maximum lawful rate. The Company shall not discontinue service to customer for violation of its rates and policies nor for non-payment of bills, without first having diligently tried to induce the customer to comply with its rates and policies, or to pay amounts due the Company. Company may suspend service to customer after written notice shall have been given to the customer by the Company in the manner provided for in the Commission's Rules. Company may require as a condition of recommencement or continuation of service the maximum refundable deposit or bond allowed by the Commission to secure payment of bills. Interest at such rates as are required by the Commission shall be paid on any such deposit amount.

3.10. DEFINITIONS

3.10.1. The following terms when used herein shall be construed to have the following meaning, except where the context of their use clearly indicates another meaning:

3.10.2. The term "Large Volume Commercial Customer Agreement" (Agreement) shall mean a written and fully executed agreement between Company and



Attachment: 2022-004 EXH 'A' Clean TXK TX Service Area Tariffs (3620 : 2022-004 ORD Reauthorizing Summit to charge natural gas rates)

**TEXARKANA, TEXAS SERVICE AREA**

Original Sheet No. 1-3.12/37

Replacing: Sheet No.

Summit Utilities Arkansas, Inc.
(Name of Company)

Kind of Service: Natural Gas Class of Service: Large Commercial

PART I - Rate Schedule No. 3

**Title: LARGE COMMERCIAL FIRM SERVICE (LCS-1)** Effective: (to be determined)

customer which provides for service under the applicable supply option of this rate schedule.

3.10.3. The term "customer" shall mean the party so identified in the Agreement, or its designee.

3.10.4. The term "day" or "daily" shall mean a period of twenty-four (24) consecutive hours, beginning and ending as near as practicable to 9:00 a.m., Central Standard Time, at the point at which delivery of gas is made.

3.10.5. The term “month,” “Service Month,” or “monthly” shall mean the period beginning at or as near as practicable to 9:00 a.m., Central Standard Time, on the first day of the calendar month and ending as near as practicable to 9:00 a.m. on the first day of the next succeeding calendar month.

3.10.6. The term "year" or "service year" shall mean a period of three hundred sixty-five (365) consecutive days beginning on the date specified in the Agreement for the commencement of the term of service or any anniversary thereof; provided, however, that any year which contains a date of February 29, shall consist of three hundred sixty-six (366) consecutive days.

3.10.7. The term "cubic foot" shall mean the volume of gas which occupies one (1) cubic foot when said gas is at a temperature of sixty degrees (60 degrees) Fahrenheit, and at a pressure of 14.73 pounds per square inch absolute.

3.10.8. The term "Mcf" shall mean one thousand (1,000) cubic feet of gas.

3.10.9. The term "Btu" shall mean British Thermal Unit.

3.10.10. The term "MMBtu" shall mean one million (1,000,000) Btu's.

3.10.11. The term "gas supply" as it relates to purchased gas costs shall mean the charge for the product known as natural gas, and does not include any



Attachment: 2022-004 EXH 'A' Clean TXK TX Service Area Tariffs (3620 : 2022-004 ORD Reauthorizing Summit to charge natural gas rates)

**TEXARKANA, TEXAS SERVICE AREA**

Original Sheet No. 1-3.13/37

Replacing: Sheet No.

Summit Utilities Arkansas, Inc.
(Name of Company)

Kind of Service: Natural Gas Class of Service: Large Commercial

PART I - Rate Schedule No. 3

**Title: LARGE COMMERCIAL FIRM SERVICE (LCS-1)** Effective: (to be determined)

charges associated with delivery of the product by Company or any supplier pipeline of the Company.

3.10.12. The term "balancing" shall mean the service provided by Company when quantities of gas received by Company at the Point(s) of Receipt differ at any time from the quantities of gas delivered by Company at the Point(s) of Delivery under the Agreement.

3.10.13. 3.10.13.The term "Point(s) of Receipt" shall mean the point or points specified in the Agreement where Company agrees to receive gas for transportation for the account of customer.

3.10.14.The term "Point(s) of Delivery" shall mean the point or points specified in the Agreement where Company agrees to deliver gas transported for the account of customer.

3.10.15.The term "imbalance" shall mean the difference in the MMBtu's of natural gas which customer takes at the Point(s) of Delivery and the MMBtu's which customer provides for transportation at the Point(s) of Receipt.

3.10.16.The term “Average Daily Volume” shall be calculated by dividing the annual volume by 365.

3.10.17.The term “Maximum Hourly Quantity” or “MHQ” shall mean the maximum MMBtu Company is obligated to deliver or receive for customer’s account in any single hour. Company shall not be obligated to agree to a maximum hourly quantity greater than 1/15 of, MDWQ or Average Daily Volume.

3.10.18.The term “Initial CD” shall mean the higher of the Average Daily Volume or the Maximum Daily Winter Quantity “MDWQ.” The Initial CD shall be negotiated by the Company and the customer.



Attachment: 2022-004 EXH 'A' Clean TXK TX Service Area Tariffs (3620 : 2022-004 ORD Reauthorizing Summit to charge natural gas rates)

**TEXARKANA, TEXAS SERVICE AREA**

Original Sheet No. 1-3.14/37

Replacing: Sheet No.

Summit Utilities Arkansas, Inc.
(Name of Company)

Kind of Service: Natural Gas Class of Service: Large Commercial

PART I - Rate Schedule No. 3

**Title: LARGE COMMERCIAL FIRM SERVICE (LCS-1)** Effective: (to be determined)

3.10.19. The term "Initial Maximum Daily Winter Quantity" shall mean the Maximum Daily Winter Quantity "MDWQ" reflected on the initial Exhibit A to the Large Volume Commercial Customer Agreement.

3.10.20. The term "Replacement CD" shall mean a daily volume higher than the Initial CD, that is substituted and used as a CD pursuant to Part 3.3.2.

3.10.21. The term "Replacement Maximum Daily Winter Quantity" shall mean the Maximum Daily Winter Quantity "MDWQ" reflected on the revised Exhibit A to the Large Volume Commercial Customer Agreement.

3.10.22. The term "*Inside FERC* Enable-East First-of-the-Month Index," or "Enable Index," shall mean the price published in Platt's *Inside FERC*'s *Gas Market Report* under the heading "Prices of Spot Gas Delivered to Pipelines" for "Enable Gas Transmission, LLC." "East" under the subheading "Index" for the applicable Month of gas delivery. For any month in which Platt's *Inside FERC Gas Market Report* fails to report an Enable Index, Company shall substitute the price published in Platt's *Inside FERC Gas Market Report* under the heading "Market Center Spot Gas Prices" for "Henry Hub" under the subheading "Index" for the applicable Month of gas delivery (the "Henry Hub Index"), adjusted to reflect a historical variance between the Enable Index and the Henry Hub Index. The variance shall be the average of the difference between the Henry Hub Index and the Enable Index for the two most recent months in which both indices were published by Platt's *Inside FERC's Gas Market Report*. "

3.11. GOVERNMENTAL REGULATIONS

3.11.1. Service hereunder shall be subject to all relevant present and future local, state and federal laws and all rules, regulations and orders of regulatory authorities having jurisdiction over any of the parties, as applicable, and the obligations of all parties hereunder are subject to obtaining whatever regulatory approvals and authorizations are necessary for the lawful



Attachment: 2022-004 EXH 'A' Clean TXK TX Service Area Tariffs (3620 : 2022-004 ORD Reauthorizing Summit to charge natural gas rates)

**TEXARKANA, TEXAS SERVICE AREA**

Original Sheet No. 1-3.15/37

Replacing: Sheet No.

Summit Utilities Arkansas, Inc.
(Name of Company)

Kind of Service: Natural Gas Class of Service: Large Commercial

PART I - Rate Schedule No. 3

**Title: LARGE COMMERCIAL FIRM SERVICE (LCS-1)** Effective: (to be determined)

implementation of the Agreement, on continuing conditions satisfactory to the party affected. Customer shall cooperate with the Company by providing promptly all information and in making whatever reports or filings are necessary in regard to service rendered under this rate schedule. Neither party shall be held in default for failure to perform hereunder if such failure is due to good faith compliance with the requirements of any such laws, orders, rules and regulations. Should any governmental body having jurisdiction impose on the Company or the services provided hereunder or otherwise require service hereunder on terms and conditions that are unacceptable to Company, in its sole discretion, then Company may terminate service hereunder at any time thereafter upon notice to customer. Customer shall also reimburse Company, or cause Company to be reimbursed, for any fees, taxes (other than income and property taxes) or other charges levied or paid by Company to any governmental authorities in connection with or attributable to the services provided hereunder.

3.12. MEASUREMENT

3.12.1. Except as may be otherwise provided elsewhere herein or required by law, the measurement and testing of gas received and delivered hereunder shall be done by Company, or its designee, as measuring party in accordance with the following:

3.12.2. The gas received by Company hereunder shall be measured as follows:

3.12.2.A. The unit of volume shall be 1,000 cubic feet of gas (Mcf) at a temperature base of 60 degrees Fahrenheit and at a pressure base of 14.73 pounds per square inch absolute. Whenever the actual conditions of pressure and temperature of the particular gas stream being measured differ from the above standard, conversion of the volume from such actual conditions to the above standard conditions shall be made in accordance with the Ideal Gas Laws corrected for super-compressibility in



Attachment: 2022-004 EXH 'A' Clean TXK TX Service Area Tariffs (3620 : 2022-004 ORD Reauthorizing Summit to charge natural gas rates)

**TEXARKANA, TEXAS SERVICE AREA**

Original Sheet No. 1-3.16/37

Replacing: Sheet No.

Summit Utilities Arkansas, Inc.
(Name of Company)

Kind of Service: Natural Gas Class of Service: Large Commercial

PART I - Rate Schedule No. 3

**Title: LARGE COMMERCIAL FIRM SERVICE (LCS-1)** Effective: (to be determined)

accordance with the method customarily used by the measuring party.

3.12.2.B. Measurements of gas shall always be in accordance with requirements of law, and if the procedures, bases, or standards herein contemplated to be used in the determination of gas volumes are changed by law or regulatory action, the applicable rates shall be appropriately modified and adjusted to the extent necessary to the end that calculations to determine sums of money due hereunder after the change will reach the same end result in dollars and cents as would have been reached in the absence of such change.

3.12.2.C. The temperature of the gas at each point of receipt shall be (i) determined by a recording thermometer, (ii) determined by taking the average of the daily readings of an indicating thermometer, or (iii) assumed by mutual agreement to be 60 degrees Fahrenheit, provided that, if a recording thermometer is not being used, customer shall have the right, by reimbursing the cost of the equipment and its installation, to require the use of a recording thermometer. The Btu content of the gas per cubic foot shall be determined on a dry basis in accordance with good engineering practice in a manner reasonably calculated to result in a fair and accurate determination.

3.12.2.D. The specific gravity of the gas shall be determined in accordance with good engineering practice as often as found necessary in operation.

3.12.2.E. Standard type measuring and testing equipment necessary to measure and determine quantities hereunder shall be installed, operated and maintained in a workmanlike manner. Readings, calibrations, tests, repairs and adjustments of said equipment,



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**TEXARKANA, TEXAS SERVICE AREA**

Original Sheet No. 1-3.17/37

Replacing: Sheet No.

Summit Utilities Arkansas, Inc.
(Name of Company)

Kind of Service: Natural Gas Class of Service: Large Commercial

PART I - Rate Schedule No. 3

**Title: LARGE COMMERCIAL FIRM SERVICE (LCS-1)** Effective: (to be determined)

and changing of charts, shall be done only by employees or agents of measuring party and in accordance with good engineering practice as often as found necessary in operation. Orifice meters, if used, shall be installed and operated, and volumes computed, in accordance with the latest version of the American Gas Association Gas Measurement Committee Report and Appendices thereto, and such amendments thereof as measuring party may place in use on its system for transactions of this type. Customer shall have access to the measuring and testing equipment at reasonable times, and shall have the right to have a representative present at tests, calibrations and adjustments thereof. Upon request by customer for a special test of any meter or auxiliary equipment, the accuracy of same shall be verified promptly, provided that the cost of such special test shall be borne by customer unless the percentage of inaccuracy is found to be more than two percent (2%), then previous readings shall be corrected to zero error for the period of time during which the equipment was known to be inaccurate, or if not known then to the shorter of six (6) months or the last date that the meter was tested; if said total inaccuracy is not more than two percent (2%), then previous reading shall be considered correct but the equipment shall be adjusted to read correctly. Measuring party shall not be required to verify the accuracy of such equipment more than once in any 90-day period, unless customer has a specific and verifiable reason to believe that the equipment is inaccurate by more than 2%.

3.12.2.F. If any meter or auxiliary equipment is out of service or out for repair for a period of time so that the quantity of gas delivered cannot be ascertained or computed from the reading thereof, then the quantity delivered during such period shall be estimated



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**TEXARKANA, TEXAS SERVICE AREA**

Original Sheet No. 1-3.18/37

Replacing: Sheet No.

Summit Utilities Arkansas, Inc.
(Name of Company)

Kind of Service: Natural Gas Class of Service: Large Commercial

PART I - Rate Schedule No. 3

**Title: LARGE COMMERCIAL FIRM SERVICE (LCS-1)** Effective: (to be determined)

upon the basis of the best data available, using the first of the following methods which is feasible: (i) by correcting the error if the percentage of error is ascertainable by calibration, test, or mathematical calculations; (ii) by using the registration of any check equipment installed and accurately registering, or (iii) by estimating the volume on the basis of deliveries during preceding periods under similar conditions when the equipment was registering accurately.

3.12.2.G. Upon request, measurement charts and records shall be submitted to customer for examination, the same to be returned within twenty (20) days. The measurement charts and records for a given accounting month shall be conclusively presumed correct if no written objection thereto is served on Company within the 12-month period following the given accounting month. All test data, meter charts and similar records shall be preserved for a period of at least one (1) year.

3.12.2.H. The formal measurement and testing of gas hereunder shall only be by the equipment operated by measuring party, but customer may install, operate and maintain, at customer's own cost, risk and expense and in the same manner as is required for the primary equipment hereunder, check measuring and testing equipment of standard type, provided that the same does not interfere with the operation of the primary equipment. Company shall have the same rights with respect to check equipment as customer has with respect to the primary equipment.

3.12.2.I. If Company causes any or all of the foregoing measurements and testing procedures to be done by a third-party designee, then in such event:



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**TEXARKANA, TEXAS SERVICE AREA**

Original Sheet No. 1-3.19/37

Replacing: Sheet No.

Summit Utilities Arkansas, Inc.
(Name of Company)

Kind of Service: Natural Gas Class of Service: Large Commercial

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**Title: LARGE COMMERCIAL FIRM SERVICE (LCS-1)** Effective: (to be determined)

3.12.2.I(1) Customer's rights hereunder with respect to the third-party's equipment and procedures will be subject to reasonable arrangements by Company with such third party; and

3.12.2.I(2) If the third party's usual and customary procedures differ in particular respects from the detailed procedures set out above, then the third-party's procedures, and measured quantities resulting therefrom shall be acceptable and used hereunder so long as they are consistent with good engineering practice in the industry.

3.12.2.J. The gas delivered by Company to customer after transportation shall be measured in the same manner as are volumes sold by Company to customers of similar size as customer under Company's sales rate schedules.

3.12.2.K. Volume measured in Mcf will be subject to thermal adjustment and billed in MMBtu as measured on a dry basis. Delivered volumes will be adjusted by the appropriate thermal content factor obtained from the nearest available chromatograph or sampling location. The formula for conversion from Mcf to MMBtu is as follows: Mcf x thermal content factor = MMBtu.



Attachment: 2022-004 EXH 'A' Clean TXK TX Service Area Tariffs (3620 : 2022-004 ORD Reauthorizing Summit to charge natural gas rates)

**TEXARKANA, TEXAS SERVICE AREA**

Original Sheet No. 1-3.20/37

Replacing: Sheet No.

Summit Utilities Arkansas, Inc.
(Name of Company)

Kind of Service: Natural Gas Class of Service: Large Commercial

PART I - Rate Schedule No. 3

**Title: LARGE COMMERCIAL FIRM SERVICE (LCS-1)** Effective: (to be determined)

3.13. FORCE MAJEURE

3.13.1. Neither customer nor Company shall be liable to the other for failure to perform their respective obligations under the Agreement (other than to make any and all payments thereunder) due to acts or conditions beyond the reasonable control of the parties affected. The obligations of the affected party to perform shall be suspended so long as and to the extent that performance is prevented by the occurrence of such acts or conditions. Such acts or conditions shall be deemed to include, but not be limited to, fire, labor disputes, acts of God, the elements, wars, epidemics, riots, civil disturbances, explosions, breakdown of equipment, test and repairs of pipeline facilities, freezing of wells or pipelines, requirements of local, state or federal authorities, failure of any intermediate transporters relied upon by Company to transport the gas for any reason, failure of appropriate regulatory approvals or lack of sufficient capacity, the inability of Company to obtain or maintain such regulatory authorizations as may be necessary for the lawful performance of the service contemplated hereby on continuing conditions satisfactory to Company, the curtailment of service by Company in accordance with Company's curtailment plan as effective from time to time, failure of gas supply and any other cause, similar or dissimilar, not within the reasonable control of the party claiming relief. The party affected shall notify the other promptly and shall remedy the cause of suspension with reasonable diligence, retaining to such party unqualified discretion in settling labor disputes.

3.14. OPERATING INFORMATION AND FORECASTS

3.14.1. Customer, upon request, shall furnish or cause to be furnished to Company from time to time such reasonable data as in Company's judgment is necessary for the proper analysis of the daily and annual gas load requirements of customer for this service. Customer at all times shall keep Company informed of anticipated significant changes in the size and character of such load requirements.



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**TEXARKANA, TEXAS SERVICE AREA**

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Replacing: Sheet No.

Summit Utilities Arkansas, Inc.
(Name of Company)

Kind of Service: Natural Gas Class of Service: Large Commercial

PART I - Rate Schedule No. 3

**Title: LARGE COMMERCIAL FIRM SERVICE (LCS-1)** Effective: (to be determined)

3.15. USE

3.15.1. All gas delivered to customer under the Agreement shall be for customer's own use and shall not be resold.

3.16. NON-SYSTEM SUPPLY: TERMS AND CONDITIONS

3.16.1. Customer transactions operating under the SSO described in Part 3.1.3. of this rate schedule shall be governed by Company's other generally applicable rates and policies. The operating terms and conditions of service provided hereinafter, in addition to the Company's other generally applicable rates and policies not consistent therewith, shall apply to customer transactions under the TSO of this rate schedule.

3.17. NOTICES

3.17.1. Notices, requests, demands, statements, or bills provided for under this rate schedule and the Agreement (other than those related to nomination, scheduling and other operational issues having immediate operational consequence and requiring shorter notice that either Company or customer may desire to give the other, as provided for under Part 3.32.1.) shall be in writing and if delivered shall be considered as duly delivered when mailed by registered or certified mail to the post office address of Company or customer as indicated in the Agreement, or at such other address as either shall designate by formal written notice to the other. Routine, non-operational communications, including monthly statements and payments if received, shall be considered as duly delivered when mailed by either registered, certified or ordinary mail or when provided electronically.



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**TEXARKANA, TEXAS SERVICE AREA**

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Replacing: Sheet No.

Summit Utilities Arkansas, Inc.
(Name of Company)

Kind of Service: Natural Gas Class of Service: Large Commercial

PART I - Rate Schedule No. 3

**Title: LARGE COMMERCIAL FIRM SERVICE (LCS-1)** Effective: (to be determined)

3.18. RECEIPT OF GAS FOR TRANSPORT

3.18.1. The customer must tender the gas for transportation hereunder at a mutually agreeable point or points as specified in the Agreement at whatever pressure is necessary to effect deliveries of the gas against the fluctuating working pressures maintained in Company's system at that point from time to time. Company will not be obligated to accept any gas into such system for transportation that does not meet the quality specifications required to be met by Company's suppliers when delivering gas to Company for sales to Company's customers.

3.18.2. Company will be responsible for installing and operating the necessary tap and measurement facilities at each point of receipt to receive and measure the gas delivered for transportation hereunder. If Company agrees to provide new or additional facilities to perform the services requested by customer, upon Company's request, customer shall reimburse Company, or cause Company to be reimbursed, for all costs of construction, installation and/or acquisition of such facilities.

3.19. DELIVERY OF GAS BY COMPANY AFTER TRANSPORTATION

3.19.1. Except as may be otherwise specified elsewhere herein, the gas shall be tendered for delivery after transportation at the working pressures maintained from time to time by the delivering party at the designated point of delivery as specified in the Agreement from time to time. It is recognized that the gas delivered to customer after transportation will not be the same gas that Company received for transportation, but that the gas delivered after transportation will meet the quality specifications applicable to gas that Company sells on its system from its general system supply. Company will use its best efforts consistent with the prudent operation of its system to deliver gas meeting such specifications but shall not be liable in damages for failure to do so. If the gas tendered by Company fails at any time to conform to any of said specifications, then customer shall notify Company



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**TEXARKANA, TEXAS SERVICE AREA**

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Replacing: Sheet No.

Summit Utilities Arkansas, Inc.
(Name of Company)

Kind of Service: Natural Gas Class of Service: Large Commercial

PART I - Rate Schedule No. 3

**Title: LARGE COMMERCIAL FIRM SERVICE (LCS-1)** Effective: (to be determined)

of such deficiency and thereupon may, at customer's option, refuse to accept delivery pending correction by Company.

3.19.2. The point where responsibility for the gas shall pass to customer after transportation shall be at the outlet of the delivery facilities at the designated point of delivery. Customer shall provide reasonable access to the premises at the point of delivery for any purpose connected with this service.

3.19.3. Company shall install, operate and maintain whatever facilities are necessary to deliver the gas at the point or points of delivery hereunder and shall indemnify customer and hold it harmless from and against any and all claims, actions, suits, damages, liabilities, penalties, costs and expenses arising out of use, possession or presence of the gas before it passes the point of delivery. If Company agrees to provide new or additional facilities to perform services requested by customer, upon Company's request, customer shall reimburse Company, or cause Company to be reimbursed, for all costs of construction, installation and/or acquisition of such facilities.

3.19.4. Customer shall install, operate and maintain at its own expense whatever facilities are necessary to safely receive and utilize the gas at and beyond the point of delivery hereunder, and shall indemnify Company and hold it harmless from and against any and all claims, actions, suits, damages, liabilities, penalties, costs and expenses arising out of the use, possession, or presence of the gas at and after it passes the point of delivery.

3.19.5. If the services of one or more other transporters are necessary for Company to provide the service herein contemplated, Company's obligations hereunder shall be subject to the availability of such services by others on continuing terms and conditions acceptable to Company, and in such event, customer agrees that Company may act as agent for customer in arranging for such services, including execution of the necessary agreements therefore and administering same, and arranging and confirming capacity release transactions necessary to facilitate the transaction, provided that, unless



Attachment: 2022-004 EXH 'A' Clean TXK TX Service Area Tariffs (3620 : 2022-004 ORD Reauthorizing Summit to charge natural gas rates)

**TEXARKANA, TEXAS SERVICE AREA**

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Replacing: Sheet No.

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(Name of Company)

Kind of Service: Natural Gas Class of Service: Large Commercial

PART I - Rate Schedule No. 3

**Title: LARGE COMMERCIAL FIRM SERVICE (LCS-1)** Effective: (to be determined)

otherwise provided elsewhere, any costs and/or charges or penalties associated with such services by a third party to the point of delivery hereunder shall be borne by customer.

3.20. SCHEDULING AND NOMINATIONS

3.20.1. Nominations for gas flow shall be submitted by customer to Company no later than 10:00 a.m. Central Standard Time the day prior to gas flow; provided however, if a change in the nomination level is desired on a weekend or Company holiday, then nominations shall be submitted by customer to Company no later than 10:00 a.m. Central Standard Time the last business day immediately prior to such weekend or holiday. Nominations shall be submitted via the Company's internet based nomination system. Company and customer may agree on other means of submitting nominations from time to time. Nomination quantities shall be expressed in MMBtu. Company shall not be required to confirm a nomination that is: (A) inconsistent with the recently observed deliveries and projected deliveries for the Service Month; or (B) higher than the MDWQ or MDSQ in the applicable season; or (C) not confirmed by the upstream pipeline. For these purposes, the projected deliveries for the Service Month shall be equal to the arithmetic average of the number of observed deliveries within the Service Month to date multiplied by the number of days in the Service Month. Once a nomination is made and confirmed by the Company, that nomination will remain in effect through the end of the month or until changed by the customer. Company shall confirm nominated volume to Pipeline.

3.20.2. Company will require customer to comply with the scheduling and nominating procedures as set forth in customer's upstream pipeline supplier's transportation tariffs as on file with and approved by the Federal Energy Regulatory Commission. Customer shall be liable for and shall compensate Company for any costs imposed upon Company as a result of customer's scheduling and nomination deviations or non-compliance.



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**TEXARKANA, TEXAS SERVICE AREA**

Original Sheet No. 1-3.25/37

Replacing: Sheet No.

Summit Utilities Arkansas, Inc.
(Name of Company)

Kind of Service: Natural Gas Class of Service: Large Commercial

PART I - Rate Schedule No. 3

**Title: LARGE COMMERCIAL FIRM SERVICE (LCS-1)** Effective: (to be determined)

3.21. BALANCING

3.21.1. General Intent: These balancing provisions are in recognition of the fact that Company's upstream transportation, storage and no-notice service capacity is reserved for the exclusive use by Company for transactions related to its system supply.

3.21.1.A. SSO transactions are allocated costs associated with the Company's upstream transportation, storage and no-notice service capacity. Therefore, SSO transactions have defined relative rights to those upstream services.

3.21.1.B. TSO transactions are not allocated any costs associated with the Company's upstream transportation, storage and no-notice services or associated capacity. Therefore, TSO transactions carry no explicit or implicit right to make use of the Company's upstream services or associated capacity.

3.21.2. [Reserved.]

3.21.3. [Reserved.]

3.21.4. Company shall make available electronically daily imbalance information which shall notify customer of any imbalance under an Agreement in the current Service Month, based on the best information then available to Company, including, but not limited to data such as nominations, allocations, electronic measurement data, and meter observations. The provision of such information shall not relieve customer of its obligations under this tariff to avoid, correct or eliminate actual imbalances.

3.21.5. Customers shall make a good faith effort to: (i) conform their takes each day at delivery points with their deliveries to Company at receipt points on the same day and thereby minimize imbalances; and (ii) to correct any such imbalances as soon as practical. Company shall monitor the accumulation of daily imbalances by customer and shall have the right to



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**TEXARKANA, TEXAS SERVICE AREA**

Original Sheet No. 1-3.26/37

Replacing: Sheet No.

Summit Utilities Arkansas, Inc.
(Name of Company)

Kind of Service: Natural Gas Class of Service: Large Commercial

PART I - Rate Schedule No. 3

**Title: LARGE COMMERCIAL FIRM SERVICE (LCS-1)** Effective: (to be determined)

take corrective action pursuant to this tariff, as required, to eliminate customer encroachment upon upstream transportation, storage, or no-notice service capacity held by Company for general system supply.

3.21.5.A. A Critical Period Event may be called for operational purposes relating to a physical event causing or threatening a system failure and/or existence of an Operational Flow Order ("OFO") on the upstream pipeline. Additionally, the Company's declaration of a Critical Period Event will be location-specific, when possible, and the Company is not required to apply the Critical Period Event where corrective action would not be curative of the critical situation. A Critical Period Event declared for economic purposes shall be applicable only to customers with an annual average customer delivery of 100 MMBtu or less. Critical Period Events declared for economic purposes may be declared only on days when the *Gas Daily* price differs by more than $.50 per MMBtu from the *Inside FERC* Enable-East First-of-the-Month Index. The Company shall notify affected customers verbally of the critical situation and customers shall have a minimum of twenty-four (24) hours to bring receipts and deliveries into balance, or other longer time periods as deemed applicable by the Company. If, after the specified notice period indicated in Company's notice to customer of critical situation, customer has not balanced receipts and deliveries, Company shall have the right to balance deliveries and receipts. Company shall not be obligated to redeliver a greater volume of gas to the point of delivery than it received at the point of receipt for customer's account, as indicated by the upstream delivering pipeline, until such time as Company determines that the critical situation no longer exists. An imbalance that occurs during such critical situation, after the



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**TEXARKANA, TEXAS SERVICE AREA**

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Summit Utilities Arkansas, Inc.
(Name of Company)

Kind of Service: Natural Gas Class of Service: Large Commercial

PART I - Rate Schedule No. 3

**Title: LARGE COMMERCIAL FIRM SERVICE (LCS-1)** Effective: (to be determined)

expiration of the notice period, may not be carried forward for clearing during the month, but instead may, at the Company's option, be cashed out based on the "Critical Period Price."

(i) The Critical Period Price shall be the applicable regional posting for the upstream pipeline expressed in ($/MMBtu) for the day of delivery as found in the publication *Gas Daily* under the heading "Daily Price Survey" and under the subheading "Midpoint." If *Gas Daily* fails to publish this information for the upstream pipeline for the day of delivery, then the Critical Period Price shall be based upon the same information published by *Gas Daily* in regard to Henry Hub for the day of delivery, adjusted to reflect the variance between the most recently published monthly indices for the applicable upstream pipeline and Henry Hub.

(ii) If, on any day during a critical situation, after the expiration of the notice period, customer delivers to Company volumes of gas that are greater than customer's gas requirements at the point of delivery then Company can purchase such over-delivered volumes at the point of delivery from customer at the following rates per MMBtu. The first 6% of over-delivered volumes will be cashed out at the Critical Period Price. Amounts greater than 6% will be cashed out at a rate equal to 50% of the Critical Period Price.

(iii) If, on any day during a critical situation, after the expiration of the notice period, customer delivers to



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**TEXARKANA, TEXAS SERVICE AREA**

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(Name of Company)

Kind of Service: Natural Gas Class of Service: Large Commercial

PART I - Rate Schedule No. 3

**Title: LARGE COMMERCIAL FIRM SERVICE (LCS-1)** Effective: (to be determined)

Company volumes of gas that are less than customer's gas requirements at the point of delivery, then Company may require customer to purchase such deficiency at the point of delivery from Company at the following rates per MMBtu. The first 6% of under-delivered volumes will be cashed out at the Critical Period Price. Amounts greater than 6% will be cashed out at a rate equal to 150% of the Critical Period Price for the day in which the deficiency occurred.

(iv) Any Critical Period imbalance incurred of 10 MMBtu or less shall not be subject to Critical Period cash-out pricing. Such imbalances will be deferred until the end of the month, and will be cashed out in accordance with the terms of Part 3.21.8.

(v) Company shall make a reasonable effort to provide 24 hours' notice of the issuance of a CPE. Upon issuance of notice of a CPE, Company will allow shipper to submit revised nominations to the extent permitted by the upstream pipeline declaring an OFO, in an attempt to minimize imbalance activity on the Company's system. During any CPE, Company shall remain obligated to deliver all natural gas supplies that it receives on behalf of each individual shipper.

3.21.5.B. For any multi-day period measured from the beginning of the first day of the Month where a cumulative imbalance is equal to or greater than 6% of the projected deliveries for the Service Month, Company may at its option, eliminate, through an intra-month cash-out action, all or part of said cumulative imbalance.



Attachment: 2022-004 EXH 'A' Clean TXK TX Service Area Tariffs (3620 : 2022-004 ORD Reauthorizing Summit to charge natural gas rates)

**TEXARKANA, TEXAS SERVICE AREA**

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Summit Utilities Arkansas, Inc.
(Name of Company)

Kind of Service: Natural Gas Class of Service: Large Commercial

PART I - Rate Schedule No. 3

**Title: LARGE COMMERCIAL FIRM SERVICE (LCS-1)** Effective: (to be determined)

For these purposes, the projected deliveries for the Service Month shall be equal to the arithmetic average of the number of observed deliveries within the Service Month to date multiplied by the number days in the Service Month. The "cash-out" price applicable to such intra-month cash-out transactions for cash out quantities that are 3% or less of deliveries shall be equal to 75% of the Critical Period Price for cash-out purchases by Company from customer and 125% of Critical Period Price for cash-out purchases required of customer from Company. The "cash-out" price applicable to such intra-month cash-out transactions for cash out quantities that are in excess of 3% of deliveries shall be equal to 50% of the Critical Period Price for cash-out purchases by Company from customer and 150% of Critical Period Price for cash-out purchases required of customer from Company. The Company shall give a two-day warning before penalties are imposed.

3.21.6. Company shall not be obligated under any circumstances: (i) to deliver more gas to customer during any given day or month than it shall have received for the account of customer during said period; or (ii) to receive or deliver during any given Day a total quantity of gas in excess of the MDWQ.

3.21.7. Customer will be responsible for its allocable share of any incremental costs associated with Company's upstream transportation, storage, or no-notice services attributable to nomination and scheduling activities of customer, including but not limited to incremental overrun charges, commodity charges, daily demand charges, and penalties. The responsibility provided for herein shall not relieve customer of its obligations under this rate schedule or the tariffs of Company's upstream service providers to avoid, correct or eliminate nomination or scheduling errors.



Attachment: 2022-004 EXH 'A' Clean TXK TX Service Area Tariffs (3620 : 2022-004 ORD Reauthorizing Summit to charge natural gas rates)

**TEXARKANA, TEXAS SERVICE AREA**

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(Name of Company)

Kind of Service: Natural Gas Class of Service: Large Commercial

PART I - Rate Schedule No. 3

**Title: LARGE COMMERCIAL FIRM SERVICE (LCS-1)** Effective: (to be determined)

3.21.8. At the end of each Service Month, remaining customer Imbalances to the extent the receipts do not equal deliveries under customer's Agreement shall be cashed out. To the extent customer owes natural gas volumes to Company (deliveries exceeded receipts) customer will purchase said volumes at the applicable cash-out price described below. To the extent Company owes natural gas volumes to customer (receipts exceeded deliveries), Company will purchase said volumes at the applicable cash-out price described below.

| | Overage | Underage |
|---|---|---|
| Imbalance Level | The Company Pays Customer | Customer Pays the Company |
| From 0% to 5% | 100% | 100% |
| From 5% to 10% | 80% | 120% |
| From 10% to 15% | 70% | 130% |
| From 15% to 20% | 60% | 140% |
| Greater than 20% | 50% | 150% |

Overages in all tiers will be priced, using the applicable percentage, at the lesser of: *Inside FERC* Enable-East First-of-the-Month Index or the Company's Commodity Cost component. Underages in all tiers will be priced, using the applicable percentage, at the greater of: *Inside FERC* Enable-East First-of-the-Month Index or the Company's Commodity Cost component under the Gas Supply Rate Rider.



Attachment: 2022-004 EXH 'A' Clean TXK TX Service Area Tariffs (3620 : 2022-004 ORD Reauthorizing Summit to charge natural gas rates)

**TEXARKANA, TEXAS SERVICE AREA**

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(Name of Company)

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PART I - Rate Schedule No. 3

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3.21.9. The imbalances incurred due to customers' reliance on imbalance data that differ materially from subsequently corrected data will be assumed to fall into the 0% to 5% range for the determination of the applicable cash-out price.

3.22. PREDETERMINED ALLOCATION

3.22.1. Should customer elect service under this rate schedule under more than one of the two supply options, such that gas delivered by Company at any single delivery point will involve supply under more than one of the two options, Company and customer shall enter into a Predetermined Allocation Agreement ("PDA") in the form appended to this rate schedule. This PDA will establish the allocation of deliveries, which can be relied upon by either party in the conduct and performance under the Agreement. The method of allocation can be: (i) ranked (order through the meter); (ii) pro rata; (iii) fixed percentage; (iv) swing; or (v) any other method to which both Company and customer agree. Each PDA shall be effective for at least one Service Month and shall remain in effect until superseded by a new PDA.

3.23. POOLING SERVICE

3.23.1 The Company shall make Pooling Service available to any party (hereinafter referred to as Pool Manager) that requests Pooling Service from Company when:

(a) Company has received, reviewed and accepted a credit application from Pool Manager, and Pool Manager has been deemed creditworthy.

(b) Company and Pool Manager have executed a Pooling Service Agreement in the form acceptable to Company.



Attachment: 2022-004 EXH 'A' Clean TXK TX Service Area Tariffs (3620 : 2022-004 ORD Reauthorizing Summit to charge natural gas rates)

**TEXARKANA, TEXAS SERVICE AREA**

Original Sheet No. 1-3.32/37

Replacing: Sheet No.

Summit Utilities Arkansas, Inc.
(Name of Company)

Kind of Service: Natural Gas Class of Service: Large Commercial

PART I - Rate Schedule No. 3

**Title: LARGE COMMERCIAL FIRM SERVICE (LCS-1)** Effective: (to be determined)

(c) Pool Manager has submitted formal documentation of agency for customers subject to aggregation under this service.

(d) Pool Manager complies with all applicable provisions of this rate schedule.

Pooling service shall be available subject to capacity constraints and operational conditions. Company reserves the right to require the Pool Manager to deliver supply adequate to meet the requirements of the customers served by the Pool Manager.

3.23.2. Pooling shall consist of the aggregation of the Receipt Point(s) available to customers subject to the Pooling Service Agreement and deliveries made at Delivery Point(s) delivered subject to the Pooling Service Agreement. The Pool Manager, having documented agency authority, shall submit nominations and allocation information for all customers subject to the Pooling Service Agreement, to Company, in accordance with Part 3.20.

Company shall not have any liability to a Pool Manager or customer as a result of Company's reliance on the performance of Pool Manager.

3.23.3. Pooling Managers shall make Pooling Service available for all customers for which Pooling Manager provides supply services on the Company's system.

3.23.4. Imbalances in a Pool will be calculated by determining the difference between total aggregated receipts into the Pool and the total deliveries allocated out of the Pool to end users. Imbalance tolerances outlined in Part 3.21.5.A., 3.21.5.B. and 3.21.8. shall apply to the aggregated imbalance total, unless and until Pooling rights are interrupted for a specified period.



Attachment: 2022-004 EXH 'A' Clean TXK TX Service Area Tariffs (3620 : 2022-004 ORD Reauthorizing Summit to charge natural gas rates)

**TEXARKANA, TEXAS SERVICE AREA**

Original Sheet No. 1-3.33/37

Replacing: Sheet No.

Summit Utilities Arkansas, Inc.
(Name of Company)

Kind of Service: Natural Gas Class of Service: Large Commercial

PART I - Rate Schedule No. 3

**Title: LARGE COMMERCIAL FIRM SERVICE (LCS-1)** Effective: (to be determined)

3.23.5. Imbalances incurred subject to Parts 3.21.5.A., 3.21.5.B. and 3.21.8. will be billed as specified in the Pooling Service Agreement. In the event that the Pool Manager fails to pay invoices, customer will remain liable for payment of all charges, as acknowledged in the Pooling Service Agreement.

Should Pool Manager fail to pay invoices calculated at the aggregated level, upon default to the individual customer invoice, the invoice shall be recalculated at the individual customer level, without benefit of the aggregated tolerance.

3.23.6. Pooling Service Agreements and Agency Agreements, and changes thereto, shall become effective on the first day of the month provided that the Company receives such Agreements, or changes thereto, at least five (5) business days before the first day of the month.

3.24. WARRANTY OF TITLE

3.24.1. Customer shall have title to and shall warrant its title to all gas delivered to Company under the TSO of this rate schedule, and such gas shall be delivered to Company free and clear of all liens, claims and encumbrances. Customer shall indemnify Company against all suits, actions, debts, accounts and damages arising out of any adverse claims to, against or in respect of such gas. Customer shall also indemnify Company and hold it harmless from and against any and all claims, actions, suits, costs, liabilities and expenses caused by or arising out of possession or presence of such gas before it is delivered into Company's facilities. Customers entering into Agreements as specified in Part 3.1.1. shall have the right to deliver volume for redelivery, available exclusively for customers' own use. Such delivery rights shall not be resold to or shared with third parties.

3.25. ASSIGNMENT

3.25.1. Customer shall not assign the Agreement in whole or in part, nor shall customer agree to provide services to others by use of any capacity



Attachment: 2022-004 EXH 'A' Clean TXK TX Service Area Tariffs (3620 : 2022-004 ORD Reauthorizing Summit to charge natural gas rates)

**TEXARKANA, TEXAS SERVICE AREA**

Original Sheet No. 1-3.34/37

Replacing: Sheet No.

Summit Utilities Arkansas, Inc.
(Name of Company)

Kind of Service: Natural Gas Class of Service: Large Commercial

PART I - Rate Schedule No. 3

**Title: LARGE COMMERCIAL FIRM SERVICE (LCS-1)** Effective: (to be determined)

contracted for under the Agreement, without Company's prior written consent. In addition to all other rights and remedies, Company may terminate the Agreement immediately if it is assigned by customer or if customer subcontracts its transportation capacity to others without such prior consent, whether the assignment be voluntary or by operation of law or otherwise. Subject to the above, the respective rights and obligations of the parties under the Agreement shall extend to and be binding upon their heirs, successors, assigns and legal representatives.

3.26. TRANSPORTATION REGULATIONS

3.26.1. With regard to all aspects of the transportation service, it is recognized that Company operates a local distribution system, and, accordingly, all provisions hereof having to do with transportation of gas and the charge therefore, including Company's obligation to transport gas at all, are subject and subordinate to the provisions of any certificates and rate schedules issued by or filed with the Commission or successor authority, as well as any and all local, state and federal laws, orders, rules and regulations, to the extent applicable to the transportation of gas by Company, as contemplated hereby. To the extent that any local, state or federal authorization and/or approval is required to provide such transportation service, Company will proceed with due diligence to seek to obtain same as and when necessary in such manner as Company considers to be appropriate, provided that due diligence will not obligate Company to accept conditions or rates otherwise unacceptable to Company.

3.27. UNACCEPTABLE QUANTITIES

3.27.1. Company shall have the right to refuse at any time, and from time to time, to receive at any receipt point or to deliver at any delivery point a quantity of gas that Company determines, in its reasonable judgment, to be unduly burdensome from an operating or administrative standpoint.

3.28. LIMITATION OF LIABILITY



Attachment: 2022-004 EXH 'A' Clean TXK TX Service Area Tariffs (3620 : 2022-004 ORD Reauthorizing Summit to charge natural gas rates)

**TEXARKANA, TEXAS SERVICE AREA**

Original Sheet No. 1-3.35/37

Replacing: Sheet No.

Summit Utilities Arkansas, Inc.
(Name of Company)

Kind of Service: Natural Gas Class of Service: Large Commercial

PART I - Rate Schedule No. 3

**Title: LARGE COMMERCIAL FIRM SERVICE (LCS-1)** Effective: (to be determined)

3.28.1. In no event shall Company be liable (in contract or in tort, including actions based on claims of negligence) to customer or any other claimant for special, indirect, incidental, or consequential damages, including, but not limited to, lost profits and any part of the expense incurred in securing alternative services which exceeds the amount customer would have paid hereunder, resulting from Company's performance, nonperformance or delay in performing its obligations hereunder.

3.29. FACILITIES POLICY

3.29.1. Section VII of the Standard Service Rules and Regulations shall govern when gas is connected to a new facility.

3.30. SALES SERVICE

3.30.1. Company shall only be obligated to provide sales service to customer if and to the extent it is purchased and contracted for by customer pursuant to one of Company's filed rate schedules. In those circumstances in which customer elects to purchase sales service offered by Company during periods of full or partial interruption of transportation service by customer's upstream pipeline transporter, customer shall pay Company the total applicable cost of providing such emergency sales service.



Attachment: 2022-004 EXH 'A' Clean TXK TX Service Area Tariffs (3620 : 2022-004 ORD Reauthorizing Summit to charge natural gas rates)

**TEXARKANA, TEXAS SERVICE AREA**

Original Sheet No. 1-3.36/37

Replacing: Sheet No.

Summit Utilities Arkansas, Inc.
(Name of Company)

Kind of Service: Natural Gas Class of Service: Large Commercial

PART I - Rate Schedule No. 3

**Title: LARGE COMMERCIAL FIRM SERVICE (LCS-1)** Effective: (to be determined)

3.31. OPERATIONAL NOTICES AND COMMUNICATIONS

3.31.1. Company shall make available scheduling personnel on a twenty-four (24) hour basis. Customer shall provide, and update as necessary, the name, address, and telephone number of an operational contact person or persons who will be available on a twenty-four (24) hour basis to receive or provide communications involving receipts, deliveries, curtailment and for any other purposes relating to customer's service under this rate schedule. Company shall be entitled to rely on such contact person's actions and communications for all purposes and shall have no liability for doing so, and if customer fails to designate such person or such person is unavailable to Company at any time, customer may be liable and shall indemnify and hold Company harmless from and against losses, damages and other expenses which Company or any other person may suffer or for which Company may be liable which are attributable to such failure or unavailability.



Attachment: 2022-004 EXH 'A' Clean TXK TX Service Area Tariffs (3620 : 2022-004 ORD Reauthorizing Summit to charge natural gas rates)

**TEXARKANA, TEXAS SERVICE AREA**

Original Sheet No. 1-3.37/37

Replacing: Sheet No.

Summit Utilities Arkansas, Inc.
(Name of Company)

Kind of Service: Natural Gas Class of Service: Large Commercial

PART I - Rate Schedule No. 3

**Title: LARGE COMMERCIAL FIRM SERVICE (LCS-1)** Effective: (to be determined)

3.32. APPENDICES

3.32.1. The following appendices shall apply to both large commercial and small commercial customers under the TSO. For small commercial customers, references to the "LCS" rate schedule shall be changed to the SCS rate schedule where appropriate.



Attachment: 2022-004 EXH 'A' Clean TXK TX Service Area Tariffs (3620 : 2022-004 ORD Reauthorizing Summit to charge natural gas rates)

**TEXARKANA, TEXAS SERVICE AREA**

Original Sheet No. 1-3A.1/27

Replacing: Sheet No.

Summit Utilities Arkansas, Inc.
(Name of Company)

Kind of Service: Natural Gas Class of Service: Large Commercial

PART I – Rate Schedule No. 3 Appendix

**Title: LARGE CUSTOMER FIRM SERVICE (LCS-1) APPENDIX** Effective: (to be determined)

## LARGE VOLUME COMMERCIAL CUSTOMER AGREEMENT

(System Supply Option)

THIS AGREEMENT (the "Agreement") is made and entered into as of the _____ day of _____, 20____, by and between

Summit Utilities Arkansas, Inc.

hereinafter referred to as "Company," and

_____,
a _____ corporation,

hereinafter referred to as "Customer,"

WITNESSETH THAT:

WHEREAS, Company is a local distribution company; and

WHEREAS, Customer owns or operates a facility and has requested natural gas service under Company's Rate Schedule No. 3, Large Commercial Firm Service (hereinafter referred to as "LCS-1");

NOW THEREFORE, Company agrees to provide the services to Customer as hereinafter set forth and Customer agrees to pay for such services and comply with the provisions hereof, on the following terms and conditions:



Attachment: 2022-004 EXH 'A' Clean TXK TX Service Area Tariffs (3620 : 2022-004 ORD Reauthorizing Summit to charge natural gas rates)

**TEXARKANA, TEXAS SERVICE AREA**

Original Sheet No. 1-3A.2/27

Replacing: Sheet No.

Summit Utilities Arkansas, Inc.
(Name of Company)

Kind of Service: Natural Gas Class of Service: Large Commercial

PART I – Rate Schedule No. 3 Appendix

**Title: LARGE CUSTOMER FIRM SERVICE (LCS-1) APPENDIX** Effective: (to be determined)

ARTICLE I
SUPPLY OPTION

Section 1.1 – Customer has selected the System Supply Option ("SSO") under LCS-1 pursuant to which Customer will be delivered natural gas supply designated as general system supply of Company for the term of this Agreement.

ARTICLE II
TERM

Section 2.1 – This Agreement shall remain in force for a primary term beginning _____ and ending _____, and from year to year thereafter unless terminated by either party by a minimum of sixty (60) days' written notice prior to the end of the primary or any succeeding term.

ARTICLE III
POINT OF DELIVERY

Section 3.1 – Company shall deliver gas to Customer at the outlet of Company's facilities at the Point(s) of Delivery designated on Exhibit "A" hereto.

ARTICLE IV
QUANTITIES

Section 4.1 – As used herein, the following terms shall have the following meanings:

Maximum Daily Winter Quantity ("MDWQ") shall mean the total maximum MMBtu which Company shall be obligated to deliver on a firm basis on any given day on behalf of Customer during the period November through March of each year.



Attachment: 2022-004 EXH 'A' Clean TXK TX Service Area Tariffs (3620 : 2022-004 ORD Reauthorizing Summit to charge natural gas rates)

**TEXARKANA, TEXAS SERVICE AREA**

Original Sheet No. 1-3A.3/27

Replacing: Sheet No.

Summit Utilities Arkansas, Inc.
(Name of Company)

Kind of Service: Natural Gas Class of Service: Large Commercial

PART I – Rate Schedule No. 3 Appendix

**Title: LARGE CUSTOMER FIRM SERVICE (LCS-1) APPENDIX** Effective: (to be determined)

Maximum Hourly Quantity ("MHQ") shall mean the maximum MMBtu Company is obligated to deliver or receive in any single hour.

Average Daily Volume shall be calculated by dividing the annual volume by 365.

Section 4.2 – The Maximum Daily Winter Quantity ("MDWQ"), the Maximum Hourly Quantity ("MHQ") and the Average Daily Volume applicable to services rendered under this Agreement are set forth on Exhibit "A" hereto.

Section 4.3 – The MDWQ and Average Daily Volume may be adjusted pursuant to the provisions of Part 3.2.4. of LCS-1.

ARTICLE V
RATES

Section 5.1 – Customer shall pay to Company each month for all services rendered hereunder the charges, fees, surcharges, taxes, penalties, balancing charges, adjustments and assessments provided for in LCS-1 and associated riders, as on file and in effect from time to time.

Section 5.2 - The capacity demand ("CD") shall be the billing determinant for distribution demand charges and gas supply demand charges. Each individually metered point of delivery shall have a CD equal to the higher of (i) the MDWQ, subject to the maximum quantities provision in LCS-1; (ii) the Average Daily Volume.

ARTICLE VI
MISCELLANEOUS



Attachment: 2022-004 EXH 'A' Clean TXK TX Service Area Tariffs (3620 : 2022-004 ORD Reauthorizing Summit to charge natural gas rates)

**TEXARKANA, TEXAS SERVICE AREA**

Original Sheet No. 1-3A.4/27

Replacing: Sheet No.

Summit Utilities Arkansas, Inc.
(Name of Company)

Kind of Service: Natural Gas Class of Service: Large Commercial

PART I – Rate Schedule No. 3 Appendix

**Title: LARGE CUSTOMER FIRM SERVICE (LCS-1) APPENDIX** Effective: (to be determined)

Section 6.1 – Customer represents that it qualifies for service under LCS-1.

Section 6.2 – Customer agrees to certify, document and update in writing annually prior to October 1 its human needs requirements and other requirements necessary for the preservation of life, health or physical property, and any material change to the level of said requirements.

Section 6.3 – Customer agrees that Company shall have the right at any time and from time to time to file and place into effect unilateral changes or modifications in the rates and charges, and other terms and conditions of service hereunder, in accordance with applicable law. Company agrees that Customer may protest or contest any such charges or modifications.

Section 6.4 – Service hereunder shall be in accordance with and subject to, and both parties agree to be bound by, all applicable terms and conditions set forth in LCS-1, as in effect from time to time, which terms and conditions are incorporated herein by reference.

Section 6.5 – Customer agrees that, to the extent not already satisfied, Customer shall pay Company for the installation of appropriate telemetering equipment to be installed and owned by Company under one of the following payment options as chosen by the customer:

( ) Option 1: Customer agrees to provide an analog phone line for each meter and pay for standard telemetry equipment and installation costs for each meter.

Customer will be subject to meter reading fees for an inoperable phone line for each meter.



Attachment: 2022-004 EXH 'A' Clean TXK TX Service Area Tariffs (3620 : 2022-004 ORD Reauthorizing Summit to charge natural gas rates)

**TEXARKANA, TEXAS SERVICE AREA**

Original Sheet No. 1-3A.5/27

Replacing: Sheet No.

Summit Utilities Arkansas, Inc.
(Name of Company)

Kind of Service: Natural Gas Class of Service: Large Commercial

PART I – Rate Schedule No. 3 Appendix

**Title: LARGE CUSTOMER FIRM SERVICE (LCS-1) APPENDIX** Effective: (to be determined)

( ) Option 2: Customer will provide an analog phone line for each meter but elects to pay a monthly fee for standard telemetry equipment and installation costs for each meter. The fee will be $30 per month per meter for meters that do not require pressure instrumentation and $84 per month per meters that do require pressure instrumentation. The customer will be subject to meter reading fees for an inoperable phone line for each meter.

( ) Option 3: Customer elects wireless service through Summit Utilities Arkansas, Inc. for each meter and agrees to pay for standard telemetry equipment and installation costs for each meter. The wireless service fee will be $10 per month per meter, and Customer will not be subject to meter reading fees.

( ) Option 4: Customer elects wireless service through Summit Utilities Arkansas, Inc. for each meter and elects to pay a monthly fee for standard telemetry equipment and installation costs for each meter. The fee will be $40 per month for meters that do not require pressure instrumentation and $94 per month per meter for meters that do require pressure instrumentation. The customer will not be subject to meter reading fees.

Under any option chosen above, customer shall comply with all necessary and appropriate procedures, as required by Company, pertaining to the installation, reading, monitoring, testing, repair and maintenance of all telemetering and associated equipment.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date hereinabove first written.

COMPANY:

Summit Utilities Arkansas, Inc.



Attachment: 2022-004 EXH 'A' Clean TXK TX Service Area Tariffs (3620 : 2022-004 ORD Reauthorizing Summit to charge natural gas rates)

**TEXARKANA, TEXAS SERVICE AREA**

Original Sheet No. 1-3A.6/27

Replacing: Sheet No.

Summit Utilities Arkansas, Inc.
(Name of Company)

Kind of Service: Natural Gas Class of Service: Large Commercial

PART I – Rate Schedule No. 3 Appendix

**Title: LARGE CUSTOMER FIRM SERVICE (LCS-1) APPENDIX** Effective: (to be determined)

By:_____
[Name]
[Title]

CUSTOMER:

_____

By:_____
[Name]
[Title]
[Address]



Attachment: 2022-004 EXH 'A' Clean TXK TX Service Area Tariffs (3620 : 2022-004 ORD Reauthorizing Summit to charge natural gas rates)

**TEXARKANA, TEXAS SERVICE AREA**

Original Sheet No. 1-3A.7/27

Replacing: Sheet No.

Summit Utilities Arkansas, Inc.
(Name of Company)

Kind of Service: Natural Gas Class of Service: Large Commercial

PART I – Rate Schedule No. 3 Appendix

**Title: LARGE CUSTOMER FIRM SERVICE (LCS-1) APPENDIX** Effective: (to be determined)

EXHIBIT A
TO
LARGE VOLUME COMMERCIAL CUSTOMER AGREEMENT
(SYSTEM SUPPLY OPTION)

DELIVERY POINTS

Address:_____
CA#_____

Delivery Point(s)

For the account of
Customer at Customer's
Facility located at
_____,
_____, Texas _____

QUANTITIES

Maximum Daily Winter Quantity ("MDWQ") _____ MMBtu

Maximum Hourly Quantity ("MHQ") _____MMBtu

Average Daily Volume _____MMBtu



Attachment: 2022-004 EXH 'A' Clean TXK TX Service Area Tariffs (3620 : 2022-004 ORD Reauthorizing Summit to charge natural gas rates)

**TEXARKANA, TEXAS SERVICE AREA**

Original Sheet No. 1-3A.8/27

Replacing: Sheet No.

Summit Utilities Arkansas, Inc.
(Name of Company)

Kind of Service: Natural Gas Class of Service: Large Commercial

PART I – Rate Schedule No. 3 Appendix

**Title: LARGE CUSTOMER FIRM SERVICE (LCS-1) APPENDIX** Effective: (to be determined)

## LARGE VOLUME COMMERCIAL CUSTOMER AGREEMENT
## (Transportation Supply Option)

THIS AGREEMENT (the "Agreement") is made and entered into as of the _____ day of _____, 20____, by and between

Summit Utilities Arkansas, Inc.

hereinafter referred to as "Company," and

_____,
a _____ corporation,

hereinafter referred to as "Customer,"

WITNESSETH THAT:

WHEREAS, Company is a local distribution company; and

WHEREAS, Customer owns or operates a facility and has requested natural gas service under Company's Rate Schedule No. 3, Large Commercial Firm Service (hereinafter referred to as "LCS-1" or qualified "SCS-1,SCS-2 or SCS-3");

NOW THEREFORE, Company agrees to provide the services to Customer as hereinafter set forth and Customer agrees to pay for such services and comply with the provisions hereof, on the following terms and conditions:



Attachment: 2022-004 EXH 'A' Clean TXK TX Service Area Tariffs (3620 : 2022-004 ORD Reauthorizing Summit to charge natural gas rates)

**TEXARKANA, TEXAS SERVICE AREA**

Original Sheet No. 1-3A.9/27

Replacing: Sheet No.

Summit Utilities Arkansas, Inc.
(Name of Company)

Kind of Service: Natural Gas Class of Service: Large Commercial

PART I – Rate Schedule No. 3 Appendix

**Title: LARGE CUSTOMER FIRM SERVICE (LCS-1) APPENDIX** Effective: (to be determined)

ARTICLE I
SUPPLY OPTION

Section 1.1 – Customer has selected the Transportation Supply Option ("TSO") under LCS-1 pursuant to which Customer will be delivered natural gas supply received for Customer's account at points of receipt on Company's distribution facilities for the term of this Agreement. If Customer later desires to convert to the Sales Supply Option ("SSO"), pursuant to which Customer will be delivered natural gas supply designated as general system supply of Company, Customer will be required to contract for such service between the months of February through April preceding the expiration of the primary or any succeeding term of this Agreement. Subject to this requirement, Customer will be allowed to convert to the SSO provided that the Company is able to secure firm upstream capacity and other upstream pipeline services sufficient to meet Customer's needs. Any such conversion will be effective upon the expiration of the term of this Agreement, unless the Company and the Customer agree otherwise.

Section 1.2 – If volume usage of meters at business facilities under Customer's common ownership and subject to other commercial rate schedules are aggregated for the sole purpose of qualifying for the TSO under LCS-1, then each individual account shall be treated as a separate account and shall be subject to the same rates and charges under the originating commercial rate schedule(s), in addition to any additional specific rates, charges or adjustment riders peculiar to the TSO under this rate schedule, such as, but not limited to, administrative fees.

ARTICLE II
TERM

Section 2.1 – This Agreement shall remain in force for a primary term beginning _____ and ending _____, and from year to year thereafter unless terminated by either party by a minimum of sixty (60) days' written notice prior to the end of the primary or any succeeding term.



Attachment: 2022-004 EXH 'A' Clean TXK TX Service Area Tariffs (3620 : 2022-004 ORD Reauthorizing Summit to charge natural gas rates)

**TEXARKANA, TEXAS SERVICE AREA**

Original Sheet No. 1-3A.10/27

Replacing: Sheet No.

Summit Utilities Arkansas, Inc.
(Name of Company)

Kind of Service: Natural Gas Class of Service: Large Commercial

PART I – Rate Schedule No. 3 Appendix

**Title: LARGE CUSTOMER FIRM SERVICE (LCS-1) APPENDIX** Effective: (to be determined)

ARTICLE III
POINTS OF RECEIPT AND DELIVERY

Section 3.1 – Company shall receive gas from Customer at the Point(s) of Receipt designated on Exhibit "A" hereto and Company shall deliver gas to Customer at the outlet of Company's facilities at the Point(s) of Delivery designated on Exhibit "A" hereto.

ARTICLE IV
QUANTITIES

Section 4.1 - As used herein, the following terms shall have the following meanings:

Maximum Daily Winter Quantity ("MDWQ") shall mean the total maximum MMBtu which Company shall be obligated to receive or deliver on a firm basis on any given day on behalf of Customer during the period November through March of each year.

Maximum Hourly Quantity ("MHQ") shall mean the maximum MMBtu Company is obligated to receive or deliver in any single hour.

Average Daily Volume shall be calculated by dividing the annual volume by 365.

Section 4.2 – The Maximum Daily Winter Quantity ("MDWQ"), the Maximum Hourly Quantity ("MHQ") and the Average Daily Volume applicable to services rendered under this Agreement are set forth on Exhibit "A" hereto.

Section 4.3 – The MDWQ and Average Daily Volume may be adjusted pursuant to the provisions of Part 3.2.4. of LCS-1.



Attachment: 2022-004 EXH 'A' Clean TXK TX Service Area Tariffs (3620 : 2022-004 ORD Reauthorizing Summit to charge natural gas rates)

**TEXARKANA, TEXAS SERVICE AREA**

Original Sheet No. 1-3A.11/27

Replacing: Sheet No.

Summit Utilities Arkansas, Inc.
(Name of Company)

Kind of Service: Natural Gas Class of Service: Large Commercial

PART I – Rate Schedule No. 3 Appendix

**Title: LARGE CUSTOMER FIRM SERVICE (LCS-1) APPENDIX** Effective: (to be determined)

Section 4.4 – Company shall not be obligated under any circumstances: (i) to deliver more gas to Customer during any given day or month than it shall have received for the account of Customer during said period; or (ii) to receive or deliver during any given Day a total quantity of gas in excess of the MDWQ or Average Daily Volume as applicable.

## ARTICLE V
## RATES

Section 5.1 – Customer shall pay to Company each month for all services rendered hereunder the charges, fees, surcharges, taxes, penalties, balancing charges, adjustments and assessments provided for in LCS-1 and associated riders, or SCS-1, SCS-2 or SCS-3 and associated riders if subject to the aggregation provision in Part 3.1.2., as on file and in effect from time to time.

Section 5.2 – The capacity demand ("CD") shall be the billing determinant for distribution demand charges and gas supply demand charges. Each individually metered point of delivery shall have a CD equal to the higher of (i) the MDWQ, subject to the maximum quantities provision in LCS-1; (ii) the Average Daily Volume.

## ARTICLE VI
## MISCELLANEOUS

Section 6.1 – Customer represents that it qualifies for service under LCS-1 or qualified SCS-1, SCS-2 or SCS-3.

Section 6.2 – Customer agrees to certify and document in writing its human needs requirements and other requirements necessary for the preservation of life, health or physical property, and any material change to the level of said requirements prior to the start of service. The Customer shall update the Company in writing when its human needs requirements change. If Customer has human needs requirements, then Customer provides the following certifications and authorizations by choosing Scenario A or B below:



Attachment: 2022-004 EXH 'A' Clean TXK TX Service Area Tariffs (3620 : 2022-004 ORD Reauthorizing Summit to charge natural gas rates)

**TEXARKANA, TEXAS SERVICE AREA**

Original Sheet No. 1-3A.12/27

Replacing: Sheet No.

Summit Utilities Arkansas, Inc.
(Name of Company)

Kind of Service: Natural Gas Class of Service: Large Commercial

PART I – Rate Schedule No. 3 Appendix

**Title: LARGE CUSTOMER FIRM SERVICE (LCS-1) APPENDIX** Effective: (to be determined)

( ) Scenario A.

- Customer certifies that the _____ facility located at _____, _____, has human needs usage requirements of _____ MMBtu per day and that Customer has purchased and will continue to maintain the corresponding level of firm upstream pipeline capacity and upstream gas supply for the entire time period of November 1st through March 31st each year.

- Customer authorizes the Company to obtain the firm pipeline capacity information directly from the applicable upstream pipeline to ensure both the requisite level of capacity and that it is firm primary delivery point capacity at the appropriate location required to serve the facility.

- Customer furthermore certifies that it will maintain such firm primary delivery point capacity for each day of the November 1st through March 31st time period. If these certified arrangements should not be accurate, however, or if Customer's upstream pipeline capacity or upstream gas supply become insufficient for any reason, Customer is authorized by the Board of Directors or equivalent governing body to fully release Summit Utilities Arkansas, Inc. from any and all claims, lawsuits, damages, costs, expenses, causes of action, and any and all liability associated with the interruption, curtailment, failure or suspension of natural gas service for any period of time. Customer further indemnifies Summit Utilities Arkansas, Inc. from any and all claims, causes of action, lawsuits, damages, costs, expenses, and similar liability that might be asserted by third parties as a result of the interruption, curtailment, failure or suspension of natural gas service for any period of time.

- In the event of any change in circumstances pertaining to Customer's upstream pipeline and upstream gas supply arrangements, Customer agrees to immediately notify the appropriate person at the Company by sending a certified letter to the Company's Gas Flow Information Center at the following address:



Attachment: 2022-004 EXH 'A' Clean TXK TX Service Area Tariffs (3620 : 2022-004 ORD Reauthorizing Summit to charge natural gas rates)

**TEXARKANA, TEXAS SERVICE AREA**

Original Sheet No. 1-3A.13/27

Replacing: Sheet No.

Summit Utilities Arkansas, Inc.
(Name of Company)

Kind of Service: Natural Gas Class of Service: Large Commercial

PART I – Rate Schedule No. 3 Appendix

**Title: LARGE CUSTOMER FIRM SERVICE (LCS-1) APPENDIX** Effective: (to be determined)

Summit Utilities Arkansas, Inc.
Gas Supply Department
115 North 12th Street
Fort Smith, Arkansas 72902-2414
E-Mail: transportationservices@summitutilities.com

( ) Scenario B.

- Customer certifies that the _____ facility located at _____, _____ has on hand a fully functioning _____ back-up energy system (Describe type of back-up system) that can replace natural gas as the energy source for all of the facility's human needs usage requirements. This back-up system is also capable of being a continuing and sustaining source of energy for all of the facility's human needs usage requirements. Accordingly, on behalf of the Board of Directors or equivalent governing body, Customer hereby certifies it does require firm pipeline capacity and natural gas supplies to meet its facility's human needs usage requirements.

- Customer recognize that if all or any portion of its natural gas supply fails to reach the appropriate Summit Utilities Arkansas, Inc. delivery point, its natural gas service may be interrupted or curtailed.

- Customer acknowledges that the Company's sole responsibility to it is to redeliver to Customer's facilities such gas supplies as Customer or its agents physically deliver to the Company's city gate, subject to the curtailment priority schedule (Standard Service Rules and Regulations, Order of Curtailment),which will not categorize our facility as a human needs customer. In acknowledgement of these facts, should all or any portion of Customer's natural gas supplies fail to reach the appropriate Company city-gate delivery point, Customer is authorized by the Board of Directors or equivalent governing body to fully release Summit Utilities



Attachment: 2022-004 EXH 'A' Clean TXK TX Service Area Tariffs (3620 : 2022-004 ORD Reauthorizing Summit to charge natural gas rates)

**TEXARKANA, TEXAS SERVICE AREA**

Original Sheet No. 1-3A.14/27

Replacing: Sheet No.

Summit Utilities Arkansas, Inc.
(Name of Company)

Kind of Service: Natural Gas Class of Service: Large Commercial

PART I – Rate Schedule No. 3 Appendix

**Title: LARGE CUSTOMER FIRM SERVICE (LCS-1) APPENDIX** Effective: (to be determined)

Arkansas, Inc. from any and all claims, lawsuits, damages, costs, expenses, causes of action, and any and all liability associated with the interruption, curtailment, failure or suspension of natural gas service for any period of time. Customer further indemnify Summit Utilities Arkansas, Inc. from any and all claims, causes of action, lawsuits, damages, costs, expenses, and similar liability that might be asserted by third parties as a result of the interruption, curtailment, failure or suspension of natural gas service for any period of time.

- In the event of any change in circumstances pertaining to our facility's energy backup system, Customer agrees to immediately notify the appropriate person at the Company by sending a certified letter to the Company's Gas Flow Information Center at the following address:

  Summit Utilities Arkansas, Inc.
  Gas Supply Department
  115 North 12th Street
  Fort Smith, Arkansas 72902-2414
  E-Mail: transportationservices@summitutilities.com

Section 6.3 - Customer agrees that Company shall have the right at any time and from time to time to file and place into effect unilateral changes or modifications in the rates and charges, and other terms and conditions of service hereunder, in accordance with applicable law. Company agrees that Customer may protest or contest any such charges or modifications.

Section 6.4 - Service hereunder shall be in accordance with and subject to, and both parties agree to be bound by, all applicable terms and conditions set forth in LCS-1, as in effect from time to time, which terms and conditions are incorporated herein by reference.



Attachment: 2022-004 EXH 'A' Clean TXK TX Service Area Tariffs (3620 : 2022-004 ORD Reauthorizing Summit to charge natural gas rates)

**TEXARKANA, TEXAS SERVICE AREA**

Original Sheet No. 1-3A.15/27

Replacing: Sheet No.

Summit Utilities Arkansas, Inc.
(Name of Company)

Kind of Service: Natural Gas Class of Service: Large Commercial

PART I – Rate Schedule No. 3 Appendix

**Title: LARGE CUSTOMER FIRM SERVICE (LCS-1) APPENDIX** Effective: (to be determined)

Section 6.5 - Customer agrees that, to the extent not already satisfied, Customer shall pay Company for the installation of appropriate telemetering equipment to be installed and owned by Company under one of the following payment options as chosen by the customer:

( ) Option 1: Customer agrees to provide an analog phone line for each meter and pay for standard telemetry equipment and installation costs for each meter. Customer will be subject to meter reading fees for an inoperable phone line for each meter.

( ) Option 2: Customer will provide an analog phone line for each meter but elects to pay a monthly fee for standard telemetry equipment and installation costs for each meter. The fee will be $30 per month per meter for meters that do not require pressure instrumentation and $84 per month per meters that do require pressure instrumentation. The customer will be subject to meter reading fees for an inoperable phone line for each meter.

( ) Option 3: Customer elects wireless service through Summit Utilities Arkansas, Inc. for each meter and agrees to pay for standard telemetry equipment and installation costs for each meter. The wireless service fee will be $10 per month per meter, and Customer will not be subject to meter reading fees.

( ) Option 4: Customer elects wireless service through Summit Utilities Arkansas, Inc. for each meter and elects to pay a monthly fee for standard telemetry equipment and installation costs for each meter. The fee will be $40 per month for meters that do not require pressure instrumentation and $94 per month per meter for meters that do require pressure instrumentation. The customer will not be subject to meter reading fees.

Under any option chosen above, Customer shall comply with all necessary and appropriate procedures, as required by Company, pertaining to the installation, reading, monitoring, testing, repair and maintenance of all telemetering and associated equipment.



Attachment: 2022-004 EXH 'A' Clean TXK TX Service Area Tariffs (3620 : 2022-004 ORD Reauthorizing Summit to charge natural gas rates)

**TEXARKANA, TEXAS SERVICE AREA**

Original Sheet No. 1-3A.16/27

Replacing: Sheet No.

Summit Utilities Arkansas, Inc.
(Name of Company)

Kind of Service: Natural Gas Class of Service: Large Commercial

PART I – Rate Schedule No. 3 Appendix

**Title: LARGE CUSTOMER FIRM SERVICE (LCS-1) APPENDIX** Effective: (to be determined)

Section 6.7 – This agreement shall be governed by and construed in accordance with the laws of the State of Texas. Any proceeding related to any cause of action of any nature arising in this contract may be brought only before the appropriate forum in Texas.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date hereinabove first written.

COMPANY:

Summit Utilities Arkansas, Inc.

By:_____
[Name]
[Title]

CUSTOMER:

_____

By:_____
[Name]
[Title]
[Address]

EXHIBIT A
TO
LARGE VOLUME COMMERCIAL CUSTOMER AGREEMENT
(TRANSPORTATION SUPPLY OPTION)



Attachment: 2022-004 EXH 'A' Clean TXK TX Service Area Tariffs (3620 : 2022-004 ORD Reauthorizing Summit to charge natural gas rates)

**TEXARKANA, TEXAS SERVICE AREA**

Original Sheet No. 1-3A.17/27

Replacing: Sheet No.

Summit Utilities Arkansas, Inc.
(Name of Company)

Kind of Service: Natural Gas Class of Service: Large Commercial

PART I – Rate Schedule No. 3 Appendix

**Title: LARGE CUSTOMER FIRM SERVICE (LCS-1) APPENDIX** Effective: (to be determined)

RECEIPT AND DELIVERY POINTS

Address:_____
CA#_____

Receipt Points

The gas will be received for Customer's account at the point(s) where the _____ (Upstream Pipeline) is interconnected with the distribution facilities of Summit Utilities Arkansas, Inc. at or near _____,Texas.

Delivery Point(s)
For the account of
Customer at Customer's
Facility located at
_____,
_____, Texas_____

QUANTITIES

Maximum Daily Winter Quantity ("MDWQ") _____ MMBtu

Maximum Hourly Quantity ("MHQ") _____ MMBtu

Average Daily Volume _____ MMBtu



Attachment: 2022-004 EXH 'A' Clean TXK TX Service Area Tariffs (3620 : 2022-004 ORD Reauthorizing Summit to charge natural gas rates)

**TEXARKANA, TEXAS SERVICE AREA**

Original Sheet No. 1-3A.18/27

Replacing: Sheet No.

Summit Utilities Arkansas, Inc.
(Name of Company)

Kind of Service: Natural Gas Class of Service: Large Commercial

PART I – Rate Schedule No. 3 Appendix

**Title: LARGE CUSTOMER FIRM SERVICE (LCS-1) APPENDIX** Effective: (to be determined)

## PREDETERMINED ALLOCATION AGREEMENT

THIS AGREEMENT is made and entered into by Summit Utilities Arkansas, Inc. ("Company") and _____ ("Customer") effective _____.

WHEREAS, Company and Customer are parties to Large Commercial Service Agreements (the "Agreements") entered pursuant to Company's Rate Schedule No. 3, Large Commercial Firm Service (hereinafter referred to as "LCS-1"); and

WHEREAS, the Agreements select more than one of the two supply options offered under Part 3.1.3. of LCS-1; and

WHEREAS, the parties wish to enter this Predetermined Allocation Agreement.

NOW, THEREFORE, pursuant to Part 3.22. of LCS-1, Company and Customer hereby agree as follows:

1. In the event gas received by Company at any single delivery point involves supply under more than one of the two supply options offered under LCS-1, then such deliveries shall be allocated to each service option in the following manner:

[Describe allocation method]

2. [other provisions]

3. This Agreement shall be effective for at least one Service Month, and shall remain in effect until superceded by a new Predetermined Allocation Agreement.

4. This Predetermined Allocation Agreement is subject to all applicable terms and conditions set forth in LCS-1, as in effect from time to time, which provisions are incorporated herein by reference.



Attachment: 2022-004 EXH 'A' Clean TXK TX Service Area Tariffs (3620 : 2022-004 ORD Reauthorizing Summit to charge natural gas rates)

**TEXARKANA, TEXAS SERVICE AREA**

Original Sheet No. 1-3A.19/27

Replacing: Sheet No.

Summit Utilities Arkansas, Inc.
(Name of Company)

Kind of Service: Natural Gas Class of Service: Large Commercial

PART I – Rate Schedule No. 3 Appendix

**Title: LARGE CUSTOMER FIRM SERVICE (LCS-1) APPENDIX** Effective: (to be determined)

Company:

Summit Utilities Arkansas, Inc.

By:_____
Title

Customer:
_____

By:_____
Title



Attachment: 2022-004 EXH 'A' Clean TXK TX Service Area Tariffs (3620 : 2022-004 ORD Reauthorizing Summit to charge natural gas rates)

**TEXARKANA, TEXAS SERVICE AREA**

Original Sheet No. 1-3A.20/27

Replacing: Sheet No.

Summit Utilities Arkansas, Inc.
(Name of Company)

Kind of Service: Natural Gas Class of Service: Large Commercial

PART I – Rate Schedule No. 3 Appendix

**Title: LARGE CUSTOMER FIRM SERVICE (LCS-1) APPENDIX** Effective: (to be determined)

## POOLING SERVICE AGREEMENT

THIS AGREEMENT (the "Agreement") is made and entered into as of the _____ day of _____, 20____, by and between

Summit Utilities Arkansas, Inc.

hereinafter referred to as "Company," and

_____,
a _____ corporation,

hereinafter referred to as "Pool Manager,"

WITNESSETH THAT:

WHEREAS, Company is a local distribution company; and

WHEREAS, Pool Manager has entered into agency agreements with the entities identified on Exhibit A hereto, as the same may be revised from time to time during the term of this Agreement, (hereinafter referred to collectively as "Customers") who Pool Manager represents have entered into Large Volume Commercial Customer Agreements, Transportation Supply Option, under Company's Rate Schedule No. 3, Large Commercial Firm Service (hereinafter referred to as "LCS-1"); and

WHEREAS, pursuant to the agency agreements between Pool Manager and Customers, Pool Manager is authorized to act on behalf of Customer's in all respects, including the submission of nominations and allocation information in accordance with LCS-1; and



Attachment: 2022-004 EXH 'A' Clean TXK TX Service Area Tariffs (3620 : 2022-004 ORD Reauthorizing Summit to charge natural gas rates)

**TEXARKANA, TEXAS SERVICE AREA**

Original Sheet No. 1-3A.21/27

Replacing: Sheet No.

Summit Utilities Arkansas, Inc.
(Name of Company)

Kind of Service: Natural Gas Class of Service: Large Commercial

PART I – Rate Schedule No. 3 Appendix

**Title: LARGE CUSTOMER FIRM SERVICE (LCS-1) APPENDIX** Effective: (to be determined)

WHEREAS, Pool Manager and Customers desire to avail themselves of the Pooling Service offered by Company pursuant to Part 3.23. of LCS-1.

NOW THEREFORE, Company and Pool Manager, acting individually, and as agent for Customers, agree as follows:

ARTICLE I
NOMINATIONS AND ALLOCATIONS

Section 1.1 – Pool Manager agrees to submit to Company on behalf of Customers all nominations and allocation information required pursuant to LCS-1.

ARTICLE II
IMBALANCES

Section 2.1 – Imbalances between receipts and deliveries among the Customers subject to this Agreement will be calculated by determining the difference between the total aggregated deliveries by the Customers to Company at receipt points and the total aggregated deliveries received by the Customers at delivery points.

Section 2.2 – The imbalance tolerance set forth in Parts 3.21.5. and 3.21.8. shall apply to the aggregated imbalance total, unless and until pooling rights are interrupted by Company for a specified period.

ARTICLE III
PAYMENTS

Section 3.1 – Payments due Company for Customers' imbalances arising under LCS-1 shall be paid by Pool Manager.

Section 3.2 – In the event Pool Manager should fail to timely pay the imbalances set forth in Section 3.1 of this Agreement, then Company shall redetermine the imbalance



Attachment: 2022-004 EXH 'A' Clean TXK TX Service Area Tariffs (3620 : 2022-004 ORD Reauthorizing Summit to charge natural gas rates)

payments due by each Customer, which redetermination shall be made without benefit of the aggregated tolerances, and each Customer shall pay the said redetermined imbalance payment.

ARTICLE IV
TERM

Section 4.1 – This Agreement shall be effective _____ and, shall continue from month to month thereafter until terminated by either party upon written notice delivered at least five (5) days prior to the beginning of a month.

ARTICLE V
MISCELLANEOUS

Section 5.1 – Pool Manager represents that it is authorized to act on behalf of Customers with respect to the service rendered hereunder.

Section 5.2 – Pool Manager agrees that Company shall have the right at any time and from time to time to file and place into effect unilateral changes or modifications in the rates and charges, and other terms and conditions of service hereunder, in accordance with applicable law. Company agrees that Pool Manager may protest or contest any such charges or modifications.

Section 5.3 – Service hereunder shall be in accordance with and subject to, and the parties agree to be bound by, all applicable terms and conditions set forth in LCS-1, as in effect from time to time, which terms and conditions are incorporated herein by reference.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date hereinabove first written.



Attachment: 2022-004 EXH 'A' Clean TXK TX Service Area Tariffs (3620 : 2022-004 ORD Reauthorizing Summit to charge natural gas rates)

**TEXARKANA, TEXAS SERVICE AREA**

Original Sheet No. 1-3A.23/27

Replacing: Sheet No.

Summit Utilities Arkansas, Inc.
(Name of Company)

Kind of Service: Natural Gas Class of Service: Large Commercial

PART I – Rate Schedule No. 3 Appendix

**Title: LARGE CUSTOMER FIRM SERVICE (LCS-1) APPENDIX** Effective: (to be determined)

COMPANY:

Summit Utilities Arkansas, Inc.

By:_____
[Name]
[Title]

POOL MANAGER,
INDIVIDUALLY AND AS AGENT
FOR CUSTOMERS

_____

By:_____
[Name]
[Title]
[Address]



Attachment: 2022-004 EXH 'A' Clean TXK TX Service Area Tariffs (3620 : 2022-004 ORD Reauthorizing Summit to charge natural gas rates)

**TEXARKANA, TEXAS SERVICE AREA**

Original Sheet No. 1-3A.24/27

Replacing: Sheet No.

Summit Utilities Arkansas, Inc.
(Name of Company)

Kind of Service: Natural Gas Class of Service: Large Commercial

PART I – Rate Schedule No. 3 Appendix

**Title: LARGE CUSTOMER FIRM SERVICE (LCS-1) APPENDIX** Effective: (to be determined)

**AGENCY AGREEMENT**
**SUMMIT UTILITIES ARKANSAS, INC.**

[Customer]
_____
_____
_____

[Agent]
_____
_____
_____

RE: Large Volume Commercial Customer Agreement (Transportation Supply Option) ("Agreement") dated as of _____, by and between Summit Utilities Arkansas, Inc. ("Company"), and _____, ("Customer")

Ladies and Gentlemen:

This Letter will evidence the understanding between _____ ("Customer"), _____ ("Agent") and Summit Utilities Arkansas, Inc. ("Company"), that effective as of _____, Agent will act as Customer's agent for services provided by Company pursuant to the referenced Agreement for all purposes related thereto, unless expressly provided otherwise herein, including, but not limited to, the purposes of submitting and receiving notices, nominations and other information related to receipts and deliveries of gas and performing other administrative or contractual duties [,including payment obligations,] under the Agreement and as required by Company's Rate Schedule No. 3, Large Commercial Firm Service ("LCS-1"), as on file and in effect from time to time. Company will coordinate with Agent for all imbalance administration, contract administration, nominations, scheduling and



Attachment: 2022-004 EXH 'A' Clean TXK TX Service Area Tariffs (3620 : 2022-004 ORD Reauthorizing Summit to charge natural gas rates)

**TEXARKANA, TEXAS SERVICE AREA**

Original Sheet No. 1-3A.25/27

Replacing: Sheet No.

Summit Utilities Arkansas, Inc.
(Name of Company)

Kind of Service: Natural Gas Class of Service: Large Commercial

PART I – Rate Schedule No. 3 Appendix

**Title: LARGE CUSTOMER FIRM SERVICE (LCS-1) APPENDIX** Effective: (to be determined)

allocations for Customer's account, and shall be entitled to rely on Agent's actions with respect to the Agreement.

( ) Timely payments made by Agent to Company for services rendered to Customer in accordance with the terms of the Agreement and for any penalties, fees, assessments or other charges assessed against Customer's account by Company shall be credited to Customer's account and all notices given to Agent shall be deemed given to Customer.

( ) Company shall make any cash balancing payments it may be required to make for Customer's account to Agent. Company shall make any refund payments it may be required to make directly to Agent.

Agent agrees to indemnify, defend and hold harmless Company from any and all liabilities, losses, damages, expenses, claims, actions and fines of whatever nature (including, but not limited to, attorney's fees and court costs incurred by Company, whether related to the collection of any amounts due under the Agreement or otherwise) resulting from Company's reliance on Agent, including, but not limited to, actions taken by Company pursuant to Agent's action or inaction under the Agreement. Customer shall remain liable to Company for all of its obligations as Customer under the Agreement, and Company shall have no duty, liability or responsibility whatsoever to Agent. Customer acknowledges that if Agent acts as a Pool Manager pursuant to Part 3.23. of LCS-1 and (i) should the Pool Manager fail to pay invoices calculated at the aggregated level, or (ii), should Company interrupt Pooling Service for any reason pursuant to Part 3.23.1. of LCS-1, then upon default to the individual Customer invoice, the invoice shall be recalculated at the individual Customer level, without benefit of the aggregated tolerance, as provided in Part 3.23.4. of LCS-1.

Customer's designation and appointment of Agent may be terminated or canceled by Customer, Agent, or Company but no such termination or cancellation shall be effective as to Company until the first day of the month, following the expiration of a five (5) day period after Company's receipt of written notice of such termination or cancellation from Customer or Agent. Notwithstanding the foregoing, this designation and appointment of



Attachment: 2022-004 EXH 'A' Clean TXK TX Service Area Tariffs (3620 : 2022-004 ORD Reauthorizing Summit to charge natural gas rates)

**TEXARKANA, TEXAS SERVICE AREA**

Original Sheet No. 1-3A.26/27

Replacing: Sheet No.

Summit Utilities Arkansas, Inc.
(Name of Company)

Kind of Service: Natural Gas Class of Service: Large Commercial

PART I – Rate Schedule No. 3 Appendix

**Title: LARGE CUSTOMER FIRM SERVICE (LCS-1) APPENDIX** Effective: (to be determined)

Agent shall automatically terminate upon termination or cancellation of the referenced Agreement. This Agency Agreement will supersede any previously executed Agency Agreements.

If the foregoing is acceptable, please so indicate by having an authorized officer execute and return to the undersigned.

Very truly yours,

Summit Utilities Arkansas, Inc.

By:_____

ACCEPTED AND AGREED TO THIS
_____ DAY OF _____, 20___

CUSTOMER:
_____

By:_____
Name:_____
Title:_____



Attachment: 2022-004 EXH 'A' Clean TXK TX Service Area Tariffs (3620 : 2022-004 ORD Reauthorizing Summit to charge natural gas rates)

**TEXARKANA, TEXAS SERVICE AREA**

Original Sheet No. 1-3A.27/27

Replacing: Sheet No.

Summit Utilities Arkansas, Inc.
(Name of Company)

Kind of Service: Natural Gas Class of Service: Large Commercial

PART I – Rate Schedule No. 3 Appendix

**Title: LARGE CUSTOMER FIRM SERVICE (LCS-1) APPENDIX** Effective: (to be determined)

ACCEPTED AND AGREED TO THIS
_____ DAY OF _____, 20___

AGENT:
_____

By:_____
Name:_____
Title:_____



Attachment: 2022-004 EXH 'A' Clean TXK TX Service Area Tariffs (3620 : 2022-004 ORD Reauthorizing Summit to charge natural gas rates)

**TEXARKANA, TEXAS SERVICE AREA**

Original Sheet No. 1-4.1/2

Replacing: Sheet No.

Summit Utilities Arkansas, Inc.
(Name of Company)

Kind of Service: Natural Gas Class of Service: All

PART I - Rate Schedule No. 4

**Title: UNMETERED GAS LIGHT FIRM SALES SERVICE (GL-1)** Effective: (to be determined)

## 4. UNMETERED GAS LIGHT FIRM SALES SERVICE (GL-1)

### 4.1. AVAILABILITY

4.1.1. This rate schedule is available at points of adequate capacity and suitable pressure. This rate schedule is available to new or existing customers for unmetered gas, to be used solely for the continuous operation of natural gas lighting fixtures. Service under this rate schedule is offered at the Company's discretion, and only when metering the lighting fixtures' consumption is not economical.

4.1.2. This rate schedule is applicable to unmetered, continuously burning, natural gas lighting. The natural gas lighting fixture must be equipped with a natural gas or L.P. regulator approved by the Company, capable of regulating Company's main line pressure down to an appropriate pressure level. Where applicable, the natural gas lighting fixture must also be equipped with an orifice that will restrict gas flow to the appropriate cubic feet per hour input capacity rate, identified in this schedule. Customer is responsible for all natural gas lighting fixture modifications, maintenance, and installation. Company must inspect and approve the lighting fixture, any fixture modifications, and fixture installations, before natural gas service is made available.

4.1.3. Company is responsible for providing a main line tap, cut-off valve, and up to 75 feet of service line per natural gas lighting fixture. Customer will be responsible for the cost of service line installation beyond 75 feet. Company must inspect and approve the natural gas lighting fixture, any fixture modifications, and fixture installation, before natural gas service is made available.



Attachment: 2022-004 EXH 'A' Clean TXK TX Service Area Tariffs (3620 : 2022-004 ORD Reauthorizing Summit to charge natural gas rates)

**TEXARKANA, TEXAS SERVICE AREA**

Original Sheet No. 1-4.2/2

Replacing: Sheet No.

Summit Utilities Arkansas, Inc.
(Name of Company)

Kind of Service: Natural Gas Class of Service: All

PART I - Rate Schedule No. 4

**Title: UNMETERED GAS LIGHT FIRM SALES SERVICE (GL-1)** Effective: (to be determined)

4.1.4. The Ccf to be billed during a billing period shall be calculated using the following procedure: (A) Manufacturer's rated input for each gas light in cubic feet per hour; multiplied by (B) the number of lights in installation; multiplied by (C) 7.3.

4.2. RATE

4.2.1. The customer shall be charged in accordance with the currently effective residential or commercial rate schedule otherwise applicable to the customer served hereunder.

4.3. MINIMUM CHARGE

4.3.1. The minimum charge rate shall be computed in accordance with the currently effective residential or commercial rate schedule otherwise applicable to the customer served hereunder.

4.4. RIDERS

4.4.1. The applicability of riders shall be in accordance with the currently effective residential or commercial rate schedule otherwise applicable to the customer served hereunder, except for the WNA Rider, which shall not apply, as gas light usage is not affected by weather.

4.4.2. Service will be rendered under this rate schedule until service is discontinued to customer or until the schedule is superseded.

4.5. RULES AND REGULATIONS GOVERNING UTILITY SERVICE

4.5.1. The Company's Standard Rules and Regulations, as the same may from time to time be changed in accordance with the law, shall be applicable to service under this rate schedule.



Attachment: 2022-004 EXH 'A' Clean TXK TX Service Area Tariffs (3620 : 2022-004 ORD Reauthorizing Summit to charge natural gas rates)

**TEXARKANA, TEXAS SERVICE AREA**

Original Sheet No. 1-5.1/7

Replacing: Sheet No.

Summit Utilities Arkansas, Inc.
(Name of Company)

Kind of Service: Natural Gas Class of Service: Small Commercial

PART I – Rate Schedule No. *5*

**Title: SMALL COMMERCIAL FIRM SALES SERVICE—OFF-PEAK (SCS-2)**

Effective: (to be determined)

## 5. SMALL COMMERCIAL FIRM SALES SERVICE—OFF-PEAK (SCS-2)

5.1. AVAILABILITY

5.1.1. This rate schedule is available at points of adequate capacity and suitable pressure on the Company's existing facilities. This rate schedule is available to any consumer engaging in business, professional, institutional, agricultural or other non-residential activity supplied at an individually metered point of delivery for all uses of gas. Natural gas supplied hereunder is for the individual use of the customer at the point of delivery and shall not be resold or shared with others. Standby Service is not available under this rate schedule.

5.1.2. Gas consumption under this rate schedule is limited to 365,000 Ccf in any 12 consecutive month period. In at least one of the two preceding calendar years, the customer must have consumed 80% of the September 1 through August 31 annual volume in the April through October billing periods and it's September 1 through August 31 annual consumption for that year must have exceeded 99 Ccf. In the case of new customers or customers who anticipate changing their usage pattern, this rate will be available if a reasonable projection of their volumes in the upcoming year indicates they will use 80% of their September 1 through August 31 annual volume in the April through October billing periods and that their September 1 through August 31 annual consumption will exceed 99 Ccf. If at any time, it is anticipated based on the Company's estimate, that the customer will consume in excess of 365,000 Ccf per year in the succeeding 12 consecutive month period, the customer shall become subject to the applicable large commercial firm service rate schedule.

5.1.3. Company has historically allowed the volume usage of meters at business facilities under common ownership and subject to this rate schedule to be aggregated for the sole purpose of establishing eligibility for



Attachment: 2022-004 EXH 'A' Clean TXK TX Service Area Tariffs (3620 : 2022-004 ORD Reauthorizing Summit to charge natural gas rates)

**TEXARKANA, TEXAS SERVICE AREA**

Original Sheet No. 1-5.2/7

Replacing: Sheet No.

Summit Utilities Arkansas, Inc.
(Name of Company)

Kind of Service: Natural Gas Class of Service: Small Commercial

PART I – Rate Schedule No. *5*

**Title: SMALL COMMERCIAL FIRM SALES SERVICE—OFF-PEAK (SCS-2)**

Effective: (to be determined)

transportation as referenced in Part 3.1.3. of Rate Schedule LCS-1. Customers historically qualifying for transportation under this aggregation provision shall remain subject to the rates and charges under this rate schedule in addition to any additional specific rates, charges, or adjustment riders peculiar to the Transportation Supply Option set out in Rate Schedule LCS-1, such as, but not limited to, administrative fees. Customers aggregating volume shall be subject to all provisions and policies governing TSO option customers as specified in LCS-1, except as provided for herein. Although no aggregation will be allowed for eligibility, the ability to aggregate for eligibility purposes at existing and new locations shall remain unchanged for transportation customers eligible under such aggregation provision prior to September 21, 2002. Future aggregation for the purpose of qualification, except as otherwise referenced herein, is prohibited. Each individual account of historically qualified customers shall be treated as a separate account and shall be subject to the same rates and charges under the originating SCS-2 or LCS rate schedule, and are additionally subject to any specific rates, charges or riders specific to the TSO.

For the purpose of establishing eligibility for the Transportation Supply Option ("TSO") defined in the LCS rate schedule, customers experiencing or anticipating an average daily demand of 10 MMBtu per day during the preceding or succeeding twelve months will be eligible for the TSO. Customers qualifying for transportation who choose the TSO shall be subject to rates and charges under the SCS-2 rate schedule, and are additionally subject to any additional specific rates, charges or riders specific to the TSO.



Attachment: 2022-004 EXH 'A' Clean TXK TX Service Area Tariffs (3620 : 2022-004 ORD Reauthorizing Summit to charge natural gas rates)

**TEXARKANA, TEXAS SERVICE AREA**

Original Sheet No. 1-5.3/7

Replacing: Sheet No.

Summit Utilities Arkansas, Inc.
(Name of Company)

Kind of Service: Natural Gas Class of Service: Small Commercial

PART I – Rate Schedule No. *5*

**Title: SMALL COMMERCIAL FIRM SALES SERVICE—OFF-PEAK (SCS-2)**

Effective: (to be determined)

5.1.4. Customers converting from transportation service to sales service will be required to contract for such sales services between the months of February through April preceding the expiration of the primary or any succeeding term of the Customer's existing contract. Customers seeking to contract for sales service during the required time frame will be allowed to convert to sales service provided that the Company is able to secure firm upstream transportation capacity and other upstream pipeline services sufficient to meet the Customer's needs. Any such conversion will be effective upon the expiration of the term of the Customer's existing contract, unless the Company and the Customer agree otherwise.

5.1.5. Seasonal Transportation. Customer facilities experiencing more than 80% of annual load during the flow months April through October, and who experience or anticipate an average daily demand of more than 10 MMBtu per day during any consecutive 30-day period of the preceding or succeeding April through October, are eligible to transport on a seasonal basis. Customers meeting the aforementioned criteria may elect the TSO option and choose a subsequent return to the SSO option only once during the calendar year. Customers electing the TSO option on a seasonal basis, pursuant to notice given prior to May 31st or thirty days prior to commencement of service, whichever is earlier, may receive transportation service for a continuous period of at least 30 days between April 1 and October 31. Customers electing the TSO option on a seasonal basis are subject to the TSO contract administration fee. Additionally, each participating location shall pay a $300 set-up fee upon initial election and upon any subsequent return to transportation service.



Attachment: 2022-004 EXH 'A' Clean TXK TX Service Area Tariffs (3620 : 2022-004 ORD Reauthorizing Summit to charge natural gas rates)

**TEXARKANA, TEXAS SERVICE AREA**

Original Sheet No. 1-5.4/7

Replacing: Sheet No.

Summit Utilities Arkansas, Inc.
(Name of Company)

Kind of Service: Natural Gas Class of Service: Small Commercial

PART I – Rate Schedule No. *5*

**Title: SMALL COMMERCIAL FIRM SALES SERVICE—OFF-PEAK (SCS-2)**

Effective: (to be determined)

5.2. RATES

5.2.1. Each customer receiving service under this rate schedule shall be charged the sum of (a) and (b):

(a) Distribution Rate for customers electing the SSO option:

| | |
|---|---|
| First 1,500 Ccf per Month at | $0.24421 per Ccf |
| Next 13,500 Ccf per Month at | $0.13440 per Ccf |
| Over 15,000 Ccf per month at | $0.05762 per Ccf |

Distribution Rate for customers electing the TSO option:

| | |
|---|---|
| First 150 MMBtu at | $2.40341 per MMBtu |
| Next 1,350 MMBtu at | $1.32275 per MMBtu |
| Over 1,500 MMBtu at | $0.56706 per MMBtu |

(b) Gas Supply Rate – The Gas Supply Rate will be calculated and adjusted periodically as defined in the Company's Gas Supply Rate Rider. Customers qualifying for service under this rate schedule will pay for their upstream demand related charges on a volumetric basis as provided for in the Company's Gas Supply Rate Rider.

5.2.2. Rates for customers historically qualifying for service under the Part 5.1.3. aggregation provision and customers qualifying for transportation under this rate schedule will be subject to thermal adjustment. Delivered volumes will be adjusted by the appropriate thermal content factor obtained from the nearest available chromatograph or sampling location (Ccf / 10) x thermal content factor = MMBtu).



Attachment: 2022-004 EXH 'A' Clean TXK TX Service Area Tariffs (3620 : 2022-004 ORD Reauthorizing Summit to charge natural gas rates)

**TEXARKANA, TEXAS SERVICE AREA**

Original Sheet No. 1-5.5/7

Replacing: Sheet No.

Summit Utilities Arkansas, Inc.
(Name of Company)

Kind of Service: Natural Gas Class of Service: Small Commercial

PART I – Rate Schedule No. *5*

**Title: SMALL COMMERCIAL FIRM SALES SERVICE—OFF-PEAK (SCS-2)**

Effective: (to be determined)

5.3. TELEMETERING

5.3.1. Telemetering is required for customers electing and qualifying for transportation service. Company shall install telemetry equipment of standard make and manufacture to determine hourly and daily flow at customer's point of delivery. Customer shall choose between analog telemetry and wireless telemetry, if suitable wireless service is available. Customer will pay Company for telemetry equipment under one of the following payment options as chosen by the customer:

( ) Option 1: Customer agrees to provide an analog phone line for each meter and pay for standard telemetry equipment and installation costs for each meter. Customer will be subject to meter reading fees for an inoperable phone line for each meter.

( ) Option 2: Customer will provide an analog phone line for each meter but elects to pay a monthly fee for standard telemetry equipment and installation costs for each meter. The fee will be $30 per month per meter for meters that do not require pressure instrumentation and $84 per month per meters that do require pressure instrumentation. The customer will be subject to meter reading fees for an inoperable phone line for each meter.

( ) Option 3: Customer elects wireless service through Summit Utilities Arkansas, Inc. for each meter and agrees to pay for standard telemetry equipment and installation costs for each meter. The wireless service fee will be $10 per month per meter, and Customer will not be subject to meter reading fees.

( ) Option 4: Customer elects wireless service through Summit Utilities Arkansas, Inc. for each meter and elects to pay a monthly fee for



Attachment: 2022-004 EXH 'A' Clean TXK TX Service Area Tariffs (3620 : 2022-004 ORD Reauthorizing Summit to charge natural gas rates)

**TEXARKANA, TEXAS SERVICE AREA**

Original Sheet No. 1-5.6/7

Replacing: Sheet No.

Summit Utilities Arkansas, Inc.
(Name of Company)

Kind of Service: Natural Gas Class of Service: Small Commercial

PART I – Rate Schedule No. *5*

**Title: SMALL COMMERCIAL FIRM SALES SERVICE—OFF-PEAK (SCS-2)**

Effective: (to be determined)

standard telemetry equipment and installation costs for each meter. The fee will be $40 per month for meters that do not require pressure instrumentation and $94 per month per meter for meters that do require pressure instrumentation. The customer will not be subject to meter reading fees.

In the event customer has in place working telemetering facilities and equipment; and the customer receives system supply service; and Company determines it necessary to keep the telemeter(s) operational, Company will arrange and pay for the associated telecommunications cost while the customer receives sales service under this rate schedule.

5.3.2. If customer chooses analog telemetry, then customer shall be responsible for installing and maintaining telecommunication lines. Should customer fail to maintain or repair telecommunication lines required to communicate with telemetry equipment, Company shall have the right to bill customer all labor and expense required to manually read the meter, at whatever intervals the Company may deem necessary.
If customer chooses wireless telemetry, then customer shall pay Company $10 per month per meter for wireless telemetry service for the entire period such meter(s) is(are) served under this or any other transportation rate schedule.

5.4. RIDERS

5.4.1. In addition to the Gas Supply Rate Rider, the following riders are applicable to service under this rate schedule:



Attachment: 2022-004 EXH 'A' Clean TXK TX Service Area Tariffs (3620 : 2022-004 ORD Reauthorizing Summit to charge natural gas rates)

**TEXARKANA, TEXAS SERVICE AREA**

Original Sheet No. 1-5.7/7

Replacing: Sheet No.

Summit Utilities Arkansas, Inc.
(Name of Company)

Kind of Service: Natural Gas Class of Service: Small Commercial

PART I – Rate Schedule No. *5*

**Title: SMALL COMMERCIAL FIRM SALES SERVICE—OFF-PEAK (SCS-2)**

Effective: (to be determined)

| Rider Name | Description | Identification on Customer Bills |
|---|---|---|
| TA | Municipal Tax Adjustment | Municipal Franchise Adj |
| EECR | Energy Efficiency Cost Recovery Rider | EE Cost Rate |

5.4.2. Service will be rendered under this rate schedule until service is discontinued to customer, the customer no longer qualifies for service under the SCS-2 rate schedule, but qualifies for service under the Small Commercial Firm Service (SCS-1) rate schedule, the customer qualifies for service under the Large Commercial Firm Service rate schedule, or the schedule is superseded.

5.5. RULES AND REGULATIONS GOVERNING UTILITY SERVICE

5.5.1. The Company's Standard Rules and Regulations, as the same may from time to time be changed in accordance with the law, shall be applicable to service under this rate schedule.



Attachment: 2022-004 EXH 'A' Clean TXK TX Service Area Tariffs (3620 : 2022-004 ORD Reauthorizing Summit to charge natural gas rates)

**TEXARKANA, TEXAS SERVICE AREA**

Original Sheet No. 1-6.1/7

Replacing: Sheet No.

Summit Utilities Arkansas, Inc.
(Name of Company)

Kind of Service: Natural Gas Class of Service: Small Commercial

PART I – Rate Schedule No. *6*

**Title: SMALL COMMERCIAL FIRM SALES SERVICE—NGV (SCS-3)**

Effective: (to be determined)

## 6. SMALL COMMERCIAL FIRM SALES SERVICE—NGV (SCS-3)

### 6.1. AVAILABILITY

6.1.1. This rate schedule is available at points of adequate capacity and suitable pressure on the Company's existing facilities. This rate schedule is available to any consumer engaging in business, professional, institutional, agricultural or other non-residential activity who purchases annual volumes less than 365,000 Ccf and who receives this natural gas from the Company through an individual meter, and whose sole usage of natural gas through this meter is to provide compressed natural gas for use as a vehicle fuel. Standby Service is not available under this rate schedule.

In cases where this compressed natural gas is resold to the public, the end price of the compressed natural gas sold or delivered by the customer to the vehicles receiving the compressed natural gas is not subject to the regulated pricing restrictions of this rate schedule.

6.1.2. Company has historically allowed the volume usage of meters at business facilities under common ownership and subject to this rate schedule to be aggregated for the sole purpose of establishing eligibility for transportation as referenced in Part 3.1.3. of Rate Schedule LCS-1. Customers historically qualifying for transportation under this aggregation provision shall remain subject to the rates and charges under this rate schedule in addition to any additional specific rates, charges, or adjustment riders peculiar to the Transportation Supply Option ("TSO") set out in Rate Schedule LCS-1, such as, but not limited to, administrative fees. Customers aggregating volume shall be subject to all provisions and policies governing TSO option customers as specified in LCS-1, except as provided for herein. Although no aggregation will be allowed for eligibility, the ability to aggregate for eligibility purposes



Attachment: 2022-004 EXH 'A' Clean TXK TX Service Area Tariffs (3620 : 2022-004 ORD Reauthorizing Summit to charge natural gas rates)

**TEXARKANA, TEXAS SERVICE AREA**

Original Sheet No. 1-6.2/7

Replacing: Sheet No.

Summit Utilities Arkansas, Inc.
(Name of Company)

Kind of Service: Natural Gas Class of Service: Small Commercial

PART I – Rate Schedule No. *6*

**Title: SMALL COMMERCIAL FIRM SALES SERVICE—NGV (SCS-3)**

Effective: (to be determined)

at existing and new locations shall remain unchanged for transportation customers eligible under such aggregation provision prior to September 21, 2002. Future aggregation for the purpose of qualification, except as otherwise referenced herein, is prohibited. Each individual account of historically qualified customers shall be treated as a separate account and shall be subject to the same rates and charges under the originating SCS-3 or LCS rate schedule, and are additionally subject to any specific rates, charges or riders specific to the TSO.

For the purpose of establishing eligibility for the TSO defined in the LCS rate schedule, customers experiencing or anticipating an average daily demand of 10 MMBtu per day during the preceding or succeeding twelve months will be eligible for the TSO. Customers qualifying for transportation who choose the TSO shall be subject to rates and charges under the SCS-3 rate schedule, and are additionally subject to any additional specific rates, charges or riders specific to the TSO.

6.1.3 Customers converting from transportation service to sales service will be required to contract for such sales services between the months of February through April preceding the expiration of the primary or any succeeding term of the Customer's existing contract. Customers seeking to contract for sales service during the required time frame will be allowed to convert to sales service provided that the Company is able to secure firm upstream transportation capacity and other upstream pipeline services sufficient to meet the Customer's needs. Any such conversion will be effective upon the expiration of the term of the Customer's existing contract, unless the Company and the Customer agree otherwise.



Attachment: 2022-004 EXH 'A' Clean TXK TX Service Area Tariffs (3620 : 2022-004 ORD Reauthorizing Summit to charge natural gas rates)

**TEXARKANA, TEXAS SERVICE AREA**

Original Sheet No. 1-6.3/7

Replacing: Sheet No.

Summit Utilities Arkansas, Inc.
(Name of Company)

Kind of Service: Natural Gas Class of Service: Small Commercial

PART I – Rate Schedule No. *6*

**Title: SMALL COMMERCIAL FIRM SALES SERVICE—NGV (SCS-3)**

Effective: (to be determined)

6.1.4. Seasonal Transportation. Customer facilities experiencing more than 80% of annual load during the flow months April through October, and who experience or anticipate an average daily demand of more than 10 MMBtu per day during any consecutive 30-day period of the preceding or succeeding April through October, are eligible to transport on a seasonal basis. Customers meeting the aforementioned criteria, may elect the TSO option and choose a subsequent return to the System Supply Option ("SSO") only once during the calendar year. Customers electing the TSO on a seasonal basis, pursuant to notice given prior to May 31st or thirty days prior to commencement of service, whichever is earlier, may receive transportation service for a continuous period of at least 30 days between April 1 and October 31. Customers electing the TSO option on a seasonal basis are subject to the TSO contract administration fee. Additionally, each participating location shall pay a $300 set-up fee upon initial election and upon any subsequent return to transportation service.

6.1.5. Term. This rate schedule shall have an extended term of the shorter of three (3) years from the date of Commission approval or the completion of the Company's next general rate filing, unless otherwise extended further by Order of the Commission.

6.2. RATES

6.2.1. Each customer receiving service under this rate schedule shall be charged the sum of (a), (b), and (c) as follows:

(a) Monthly Customer Charge - $15.63. The monthly customer charge shall be pro-rated in the months that the customer initiates and terminates gas service.



Attachment: 2022-004 EXH 'A' Clean TXK TX Service Area Tariffs (3620 : 2022-004 ORD Reauthorizing Summit to charge natural gas rates)

**TEXARKANA, TEXAS SERVICE AREA**

Original Sheet No. 1-6.4/7

Replacing: Sheet No.

Summit Utilities Arkansas, Inc.
(Name of Company)

Kind of Service: Natural Gas Class of Service: Small Commercial

PART I – Rate Schedule No. *6*

**Title: SMALL COMMERCIAL FIRM SALES SERVICE—NGV (SCS-3)**

Effective: (to be determined)

(b) Distribution Rate for customers electing the SSO option:

| | |
|---|---|
| First 1,500 Ccf at | $0.18242 |
| 1,501 – 15,000 Ccf at | $0.13797 |
| Over 15,000 Ccf at | $0.05915 |

Distribution Rate for customers electing the TSO option:

| | |
|---|---|
| First 150 MMBtu at | $1.79532 |
| 151 – 1,500 MMBtu at | $1.35787 |
| Over 1,500 MMBtu at | $0.58211 |

(c) Gas Supply Rate - The Gas Supply Rate will be calculated and adjusted periodically as defined in the Company's Gas Supply Rate Rider.

6.2.2. Rates for customers historically qualifying for service under the Part 8.1.2. aggregation provision and customers qualifying for transportation under this rate schedule will be subject to thermal adjustment. Delivered volumes will be adjusted by the appropriate thermal content factor obtained from the nearest available chromatograph or sampling location (Ccf / 10) x thermal content factor = MMBtu).

6.3. MINIMUM CHARGE

6.3.1. Monthly Customer Charge -- $15.63. The monthly customer charge shall be pro-rated in the months that the customer initiates and terminates gas service.

6.4. TELEMETERING



Attachment: 2022-004 EXH 'A' Clean TXK TX Service Area Tariffs (3620 : 2022-004 ORD Reauthorizing Summit to charge natural gas rates)

**TEXARKANA, TEXAS SERVICE AREA**

Original Sheet No. 1-6.5/7

Replacing: Sheet No.

Summit Utilities Arkansas, Inc.
(Name of Company)

Kind of Service: Natural Gas Class of Service: Small Commercial

PART I – Rate Schedule No. *6*

**Title: SMALL COMMERCIAL FIRM SALES SERVICE—NGV (SCS-3)**

Effective: (to be determined)

6.4.1. Telemetering is required for customers electing and qualifying for transportation service. Company shall install telemetry equipment of standard make and manufacture to determine hourly and daily flow at customer's point of delivery. Customer shall choose between analog telemetry and wireless telemetry, if suitable wireless service is available. Customer will pay Company for telemetry equipment under one of the following payment options as chosen by the customer:

( ) Option 1: Customer agrees to provide an analog phone line for each meter and pay for standard telemetry equipment and installation costs for each meter. Customer will be subject to meter reading fees for an inoperable phone line for each meter.

( ) Option 2: Customer will provide an analog phone line for each meter but elects to pay a monthly fee for standard telemetry equipment and installation costs for each meter. The fee will be $30 per month per meter for meters that do not require pressure instrumentation and $84 per month per meters that do require pressure instrumentation. The customer will be subject to meter reading fees for an inoperable phone line for each meter.

( ) Option 3: Customer elects wireless service through Summit Utilities Arkansas, Inc.for each meter and agrees to pay for standard telemetry equipment and installation costs for each meter. The wireless service fee will be $10 per month per meter, and Customer will not be subject to meter reading fees.

( ) Option 4: Customer elects wireless service through Summit Utilities Arkansas, Inc. for each meter and elects to pay a monthly fee for standard telemetry equipment and installation costs for each meter. The fee will be $40 per month for meters that do not require pressure instrumentation and $94 per month per meter for meters that do require pressure instrumentation. The customer will not be subject to meter reading fees.



Attachment: 2022-004 EXH 'A' Clean TXK TX Service Area Tariffs (3620 : 2022-004 ORD Reauthorizing Summit to charge natural gas rates)

**TEXARKANA, TEXAS SERVICE AREA**

Original Sheet No. 1-6.6/7

Replacing: Sheet No.

Summit Utilities Arkansas, Inc.
(Name of Company)

Kind of Service: Natural Gas Class of Service: Small Commercial

PART I – Rate Schedule No. *6*

**Title: SMALL COMMERCIAL FIRM SALES SERVICE—NGV (SCS-3)**

Effective: (to be determined)

In the event customer has in place working telemetering facilities and equipment; and the customer receives system supply service; and Company determines it necessary to keep the telemeter(s) operational, Company will arrange and pay for the associated telecommunications cost while the customer receives sales service under this rate schedule.

6.4.2. If customer chooses analog telemetry, then customer shall be responsible for installing and maintaining telecommunication lines. Should customer fail to maintain or repair telecommunication lines required to communicate with telemetry equipment, Company shall have the right to bill customer all labor and expense required to manually read the meter, at whatever intervals the Company may deem necessary.

If customer chooses wireless telemetry, then customer shall pay Company $10 per month per meter for wireless telemetry service for the entire period such meter(s) is(are) served under this or any other transportation rate schedule.

6.5. RIDERS

6.5.1. In addition to the Gas Supply Rate Rider, the following riders, as on file with the Commission and in effect from time to time, are applicable to service under this rate schedule:

| Rider Name | Description | Identification on Customer Bills |
|---|---|---|
| TA | Municipal Tax Adjustment | Municipal Franchise Adj |
| EECR | Energy Efficiency Cost Recovery Rider | EE Cost Rate |



Attachment: 2022-004 EXH 'A' Clean TXK TX Service Area Tariffs (3620 : 2022-004 ORD Reauthorizing Summit to charge natural gas rates)

**TEXARKANA, TEXAS SERVICE AREA**

Original Sheet No. 1-6.7/7

Replacing: Sheet No.

Summit Utilities Arkansas, Inc.
(Name of Company)

Kind of Service: Natural Gas Class of Service: Small Commercial

PART I – Rate Schedule No. *6*

**Title: SMALL COMMERCIAL FIRM SALES SERVICE—NGV (SCS-3)**

Effective: (to be determined)

6.5.2. Service will be rendered under this rate schedule until service is discontinued to customer, the customer no longer qualifies for service under the SCS-3 rate schedule, but qualifies for service under the Small Commercial Firm Service (SCS-1) rate schedule, or the customer qualifies for service under the Large Commercial Firm Service rate schedule.

6.6. **RULES AND REGULATIONS GOVERNING UTILITY SERVICE**

The Company's Standard Rules and Regulations, as the same may from time to time be changed in accordance with the law, shall be applicable to service under this rate schedule.



Attachment: 2022-004 EXH 'A' Clean TXK TX Service Area Tariffs (3620 : 2022-004 ORD Reauthorizing Summit to charge natural gas rates)

**TEXARKANA, TEXAS SERVICE AREA**

Original Sheet No. 2-1.1/9

Replacing: Sheet No.

Summit Utilities Arkansas, Inc.
(Name of Company)

Kind of Service: Natural Gas Class of Service: All

PART II – Rider Schedule No. 1

**Title: GAS SUPPLY RATE (GSR)** Effective: (to be determined)

## 1. GAS SUPPLY RATE (GSR)

### 1.1. GAS SUPPLY RATE (GSR) APPLICABILITY AND REQUIREMENTS

The charges for gas sales service contained in Company's total billing to sales customers shall include the cost of gas sold as identified in this Rider. For purposes of this Rider the cost of gas sold shall include the sum of all gas purchased for Company's customers, upstream transportation charges, storage charges, the cost of gas withdrawn from storage less the cost of gas injected into storage, any transaction-related fees, gains or losses and other transaction costs associated with the use of various financial instruments used by Company to stabilize prices.

### 1.2. DEFINITIONS

1.2.1. Cost of Gas Sold - For purposes of this clause the cost of gas sold during a month shall be the sum of all gas purchased for the customers, transportation and storage charges, the cost of gas withdrawn from storage less the cost of gas injected into storage, and any transaction-related fees, gains or losses and other transaction costs associated with the use of various financial instruments to stabilize gas prices.

1.2.2. Lost and Unaccounted for Gas (LUFG) – For purposes of this clause LUFG will be the portion of the Cost of Gas Sold that is not delivered to sales or transportation customers. LUFG is calculated as purchase volumes less sales volumes. More specifically it will contain Shrinkage, Company Used gas, and Remaining LUFG (RLUFG). Shrinkage is calculated by rate classification at the time of billing and represents a calculation of gas delivered but not measured to customers due to known departures from the Ideal Gas Laws. Company Used Gas is gas measured directly to Company facilities, and RLUFG is total LUFG less Shrinkage and Company Used Gas. Company shall not be allowed to recover LUFG in excess of 5%, computed on an annual basis.



Attachment: 2022-004 EXH 'A' Clean TXK TX Service Area Tariffs (3620 : 2022-004 ORD Reauthorizing Summit to charge natural gas rates)

**TEXARKANA, TEXAS SERVICE AREA**

Original Sheet No. 2-1.2/9

Replacing: Sheet No.

Summit Utilities Arkansas, Inc.
(Name of Company)

Kind of Service: Natural Gas Class of Service: All

PART II – Rider Schedule No. 1

**Title: GAS SUPPLY RATE (GSR)** Effective: (to be determined)

1.2.3. Fixed Transportation Charges - Charges incurred for transporting gas to Company's system that do not vary with the volume of gas being transported, including, for example, pipeline Firm Transportation (FT) and No Notice Transportation (NNT) demand and/or reservation fees.

1.2.4. Fixed Storage Charges - Charges incurred for storing gas that do not vary with the volume of gas injected into or withdrawn from storage, including, for example, Firm Storage Service (FSS) demand and/or reservation fees.

1.2.5. Fixed Gas Supply Charges - Charges incurred for the acquisition of gas supply that do not vary with the volume of gas purchased, including, for example, supply demand and/or reservation fees.

1.3. GSR FILINGS

1.3.1. Scheduled GSR Filings:

Company shall make two Scheduled GSR Filings each year: a Winter Season GSR and a Summer Season GSR. The Winter Season GSR shall be effective for billings rendered to customers during the months of November through the following March. The Summer Season GSR shall be effective for bills rendered to customers during the months of April through the following October.

The Winter Season GSR filing shall contain rates reflecting: (1) the then current estimate of gas cost revenue requirement for the period between the effective date of filing and the next Summer Season GSR; and, (2) all of the annual actual cost (true-up or secondary adjustment factor) adjustments and any refund factor adjustments relating to or arising during the immediately preceding 12 months ending August each year.



Attachment: 2022-004 EXH 'A' Clean TXK TX Service Area Tariffs (3620 : 2022-004 ORD Reauthorizing Summit to charge natural gas rates)

**TEXARKANA, TEXAS SERVICE AREA**

Original Sheet No. 2-1.3/9

Replacing: Sheet No.

Summit Utilities Arkansas, Inc.
(Name of Company)

Kind of Service: Natural Gas Class of Service: All

PART II – Rider Schedule No. 1

**Title: GAS SUPPLY RATE (GSR)** Effective: (to be determined)

The Summer Season GSR filing shall contain rates reflecting: (1) the then current estimate of gas cost revenue requirements for the period between the effective date of the Summer Season GSR and the effective date of its next Winter Season GSR; and, (2) maintaining all of the actual cost of gas adjustment (annual true-up or secondary adjustment) and any refund adjustments.

1.3.2. Unscheduled GSR Filings:
Should a projected under or over recovery balance arise during any seasonal GSR period which exceeds ten percent (10%) of the projected annual gas cost per the most recent scheduled GSR filing, then the Company may propose an Unscheduled GSR filing.

If an Unscheduled GSR Filing is made, that filing: (1) must contain rates reflecting the then current estimate of the gas cost revenue requirement for the period from the effective date of such filing to the next scheduled filing, and (2) must maintain all of the actual cost of gas adjustment (annual true-up or secondary adjustment factors) and any refund adjustment factors.

The Unscheduled GSR Factor shall remain in effect only until the next scheduled GSR Filing.

1.3.3. Scheduled and any Unscheduled GSR filings shall be filed with the Commission by the last business day of the month immediately preceding the month the proposed new GSR factor will be implemented.

1.4. ALLOCATION OF COSTS

1.4.1. Calculation of Demand Cost Component:
Calculating demand costs - The demand gas cost revenue requirement component shall be the annual total of the gas costs that do not vary with



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**TEXARKANA, TEXAS SERVICE AREA**

Original Sheet No. 2-1.4/9

Replacing: Sheet No.

Summit Utilities Arkansas, Inc.
(Name of Company)

Kind of Service: Natural Gas Class of Service: All

PART II – Rider Schedule No. 1

**Title: GAS SUPPLY RATE (GSR)** Effective: (to be determined)

the actual consumption, such as fixed transportation and storage costs, fixed gas supply charges, and fixed financial charges associated with financial instruments purchased to stabilize prices.

Calculating demand cost allocation- The demand cost component of each season's filing shall be calculated by multiplying the total annual projected demand costs by the appropriate allocation factors for those demand costs for the respective RS-1, and the non- TSO SCS customers (defined as the factor representing the peak day demand for the non-TSO SCS-1, non-TSO SCS-2, and non-TSO SCS-3 customers), and LCS customers.

1.4.2. Calculation of Commodity Cost Component:
Calculating commodity costs by season - The commodity gas cost revenue requirement component of each season's GSR shall be the sum of all gas cost purchased for sales customers other than demand costs or LUFG costs, such as variable transportation costs, gas supply commodity costs, and the transaction costs associated with the use of futures contracts and options and other prudently incurred costs associated with various financial instruments purchased by Company to stabilize gas supply rates. The commodity gas costs shall include the commodity cost of storage withdrawals and injections. Company will utilize any technique or method it deems reasonable for purposes of estimating the commodity cost component of each seasonal filing.

Seasonal commodity cost allocation - the seasonal commodity costs assigned to RS-1 and non-TSO SCS and LCS customers will be determined by multiplying the Seasonal Commodity Cost by the ratio of estimated sales volumes for the respective classes in that season. For purposes of Commodity allocation and the establishment of Commodity rates, the SCS-1, SCS-2, and SCS-3 classes will be combined and considered as one class.



Attachment: 2022-004 EXH 'A' Clean TXK TX Service Area Tariffs (3620 : 2022-004 ORD Reauthorizing Summit to charge natural gas rates)

**TEXARKANA, TEXAS SERVICE AREA**

Original Sheet No. 2-1.5/9

Replacing: Sheet No.

Summit Utilities Arkansas, Inc.
(Name of Company)

Kind of Service: Natural Gas Class of Service: All

PART II – Rider Schedule No. 1

**Title: GAS SUPPLY RATE (GSR)** Effective: (to be determined)

1.4.3. LUFG Allocation:

For purposes of LUFG allocation, and the establishment of LUFG rates, the SCS-1, SCS-2, and SCS-3 classes will be combined and considered as one class. For purposes of calculating the allocation percentages only, LUFG-in-Kind will be added to LUFG and will be known as True LUFG. True LUFG will be allocated to the respective rate classes based on the factors established below for each of the components of LUFG:

Shrinkage – for each rate class (including regular sales and TSO customers) shall be determined based on cost causation.

Company Used Gas – shall be determined by the direct measurement of the gas consumed by Company facilities, and allocated to each rate class (including regular sales and TSO customers) based on the ratio of the number of customers in each class and the total for such classes.

Remaining LUFG (RLUFG) – shall be defined as the difference between (a) total True LUFG; and (b) the sum of Shrinkage and Company Used Gas established above. It shall be allocated to the respective customer classes as follows:

55% based on the volumes for the most recent twelve-month-ending August period of the rate classes (including regular sales and TSO customers).

35% based on the demand components for the rate classes (including regular sales and TSO customers).

10% based on the annualized number of customers of the rate classes (including regular sales and TSO customers) as of the most recent twelve-month-ending August period.



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**TEXARKANA, TEXAS SERVICE AREA**

Original Sheet No. 2-1.6/9

Replacing: Sheet No.

Summit Utilities Arkansas, Inc.
(Name of Company)

Kind of Service: Natural Gas Class of Service: All

PART II – Rider Schedule No. 1

**Title: GAS SUPPLY RATE (GSR)** Effective: (to be determined)

The sum of the allocated LUFG volumes for the three LUFG components will be used to develop an allocation percentage by class to be applied to the LUFG cost.

1.5. RATE CALCULATION

RS-1 Customers - The GSR for Residential customers will be a per Ccf rate that is determined by summing the allocated costs in Parts 1.4.2. and 1.4.3. above and dividing that total by the projected seasonal volumes for the residential class and adding that result to the per Ccf rate determined by dividing the allocated annual costs in Part 1.4.1. by the estimated annual sales volumes.

SCS and LCS Customers - The commodity portion of the rate for non-TSO customers will be determined by respectively summing the allocated costs in Parts 1.4.2. and 1.4.3. above and dividing that total by the projected seasonal volumes for the respective classes. SCS-1, SCS-2, and SCS-3 customers will be combined and considered as one class for purposes of determining the commodity portion of the rate. While the calculation will be made in Ccf, it will be appropriately translated to MMBtu as needed.

The demand portion of the rate for LCS non-TSO customers will be charged to the customers based on their assigned CD's in MMBtu. The rate will be determined by dividing the respective classes allocated costs in Part 1.4.1. above by their respective annualized CD's. Since the demand charges are part of an overall non-specific set of upstream contracts, the support for their allocations will be provided in the schedules supporting the filing.

Allocation and Demand Rate Calculation for SCS-1, SCS-2, and SCS-3 Customers – The costs allocated to the combined SCS-1, SCS-2, and SCS-3 customer classes will be based on the allocation of costs as described in paragraph 1.4.1. The demand portion of the rate for the non-TSO SCS-1 customers and the non-TSO SCS-2



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**TEXARKANA, TEXAS SERVICE AREA**

Original Sheet No. 2-1.7/9

Replacing: Sheet No.

Summit Utilities Arkansas, Inc.
(Name of Company)

Kind of Service: Natural Gas Class of Service: All

PART II – Rider Schedule No. 1

**Title: GAS SUPPLY RATE (GSR)** Effective: (to be determined)

customers (during the November-March period) will be determined by dividing the costs attributable to the SCS customer class reduced by the anticipated demand revenue paid by SCS-2 class in the summer period (April – October) and further reduced by the demand revenue paid by the SCS-3 class for the entire year (September – August), by the sum of the projected annualized SCS-1 volumes and the projected SCS-2 winter volumes (November-March). The demand portion of the rate for the non-TSO SCS-2 customer class in the summer period (April – October) will be $0.01984 per Ccf. The demand portion of the rate for the non-TSO SCS-3 customer class will be $0.04310 per Ccf for the entire period (November – October).

1.6. SPECIAL PROVISION REGARDING TSO CUSTOMERS

LUFG costs - Customers under the TSO option may provide LUFG-in-Kind gas volumes. The LUFG-in-Kind (volumetric delivery requirement) for each customer's account will be determined based on the most recent twelve-month ended August period and expressed as a percentage of the gas delivered for the customer's account at the customer's point of consumption. The percentage will be determined by dividing the allocated volumes of total LUFG in the respective class (SCS or LCS) by the total estimated sales volumes in their respective class.

Assignment of Surcharges to TSO Customers - In the event an LCS-1, SCS-1, or SCS-3 customer changes its supply service election at the end of the contract term from the system supply option (SSO), the amount of the deferred gas cost account attributable to that customer shall be charged or distributed to that customer, whichever is applicable. The charging to or distribution of the deferred gas cost account attributable to that customer shall be removed or added to the deferred gas cost account of the applicable rate schedule.

1.7 DEFERRED PURCHASED GAS COST ACCOUNTS



Attachment: 2022-004 EXH 'A' Clean TXK TX Service Area Tariffs (3620 : 2022-004 ORD Reauthorizing Summit to charge natural gas rates)

**TEXARKANA, TEXAS SERVICE AREA**

Original Sheet No. 2-1.8/9

Replacing: Sheet No.

Summit Utilities Arkansas, Inc.
(Name of Company)

Kind of Service: Natural Gas Class of Service: All

PART II – Rider Schedule No. 1

**Title: GAS SUPPLY RATE (GSR)** Effective: (to be determined)

Company shall establish and maintain a Deferred Gas Cost Account(s) in which shall be recorded any over or under recovery resulting from the operation of the GSR procedure. Such over or under recovery by class shall be determined monthly by comparison of the actual Cost of Gas Sold as defined above for each cost month to the gas cost revenue recovery for the same revenue month as the cost month. The accumulated balance of over or under recovered gas costs, plus the carrying charge described below, shall be used to determine the surcharge. The surcharge shall be computed annually by dividing each class' cumulative balance over recoveries or under recoveries as of the end of each August by the respective class' estimated volumes of sales for the projected twelve-month period. The surcharge shall be filed annually and will be included with the Scheduled Winter Season GSR Filing and shall be rounded to the nearest $0.0001 per Ccf. The surcharge shall remain in effect until the earlier of: (1) superseded by a subsequent surcharge calculated according to this provision or, (2) the beginning of the second revenue month following the month in which the full recovery or refund is accomplished if such full recovery or refund is accomplished prior to the end of the established recovery period.

A carrying charge shall be included in the monthly under or over recovery balance resulting from the monthly comparison of the actual Cost of Gas Sold to the revenue recovery resulting from the application of the prescribed GSR, and a carrying charge shall be included in the monthly under or over recovery balance applicable to the surcharge. The monthly carrying charge shall be determined by multiplying the average of the beginning and ending month balance of under or over recovery for the cost month times the rate of interest applicable to customer deposits.

1.8. DEMAND ALLOCATION

It is recognized that over time as customer classifications change or demand levels change, the accuracy of the originally approved demand factors may deteriorate. Company can request a change in the allocation procedures with a minimum three month lead time prior to the filing date for the seasonal filings. Changes under this



Attachment: 2022-004 EXH 'A' Clean TXK TX Service Area Tariffs (3620 : 2022-004 ORD Reauthorizing Summit to charge natural gas rates)

**TEXARKANA, TEXAS SERVICE AREA**

Original Sheet No. 2-1.9/9

Replacing: Sheet No.

Summit Utilities Arkansas, Inc.
(Name of Company)

Kind of Service: Natural Gas Class of Service: All

PART II – Rider Schedule No. 1

**Title: GAS SUPPLY RATE (GSR)** Effective: (to be determined)

provision are limited to changes required to restore the accuracy of the originally approved demand factors and shall be not be used by either Company or the applicable regulator to implement changes in allocation methodologies that would normally require a general rate application.

1.9. REFUND PROVISION

If an increase in the cost of gas paid or payable to Company shall be reduced by the final order of a duly constituted regulatory body or the final decree of a court, if appealed thereto, and such increase shall have been reflected in Company's rate to the extent and in the manner specified in this GSR, Company shall report to the Commission the receipt of any refunds resulting from such final order or decree. Thereupon, Company shall submit for the Commission's approval a plan to make equitable disposition of such refund monies to the extent such monies represent increased charges paid by its customers as result of this GSR; provided, however, that if the amount to be refunded to customers hereunder with respect to a particular refund received does not amount to more than one-tenth cent per Ccf, then Company will apply that refund as a credit in its cost of gas computations hereunder for the month in which it receives the refund from its supplier. Nothing in this clause shall be construed to require refunds or a reduction of Company's rate as a result of such an order reducing the cost of gas where the original increase in the cost of gas has not been reflected in Company's billings for its sales to customers under this rate schedule.

1.10. APPLICABLE RATE SCHEDULES

Residential Firm Sales Service (RS-1)
Small Commercial Firm Sales Service (SCS-1)
Small Commercial Firm Sales Service – Off-Peak (SCS-2)
Small Commercial Firm Sales Service– NGV (SCS-3)
Large Commercial Firm Service (LCS-1)
Unmetered Gas Light Firm Sales Service (GL-1)



Attachment: 2022-004 EXH 'A' Clean TXK TX Service Area Tariffs (3620 : 2022-004 ORD Reauthorizing Summit to charge natural gas rates)

**TEXARKANA, TEXAS SERVICE AREA**

Original Sheet No. 2-3.1/2

Replacing: Sheet No.

Summit Utilities Arkansas, Inc.
(Name of Company)

Kind of Service: Natural Gas Class of Service: All

PART II – Rider Schedule No. 3

**Title: MUNICIPAL TAX ADJUSTMENT CLAUSE (TA)** Effective: (to be determined)

## 3. MUNICIPAL TAX ADJUSTMENT CLAUSE (TA)

3.1. The Company will pass on Municipal Taxes to Local Customers by adding to each monthly bill rendered a Local Customer as a separate line item identified as "Municipal Franchise Adj," an amount calculated on an equal-per-meter basis determined in accordance with the following:

3.1.1. As used herein, the term "City Tax," or "Municipal Tax," refers to any and all privilege, occupation, franchise meter, gross receipts or other tax or assessment of whatever kind and by whatever name (except ad valorem taxes) now and at any time hereafter levied on, the Company by any Municipality.

3.1.2. "Municipality" refers to the local taxing authority imposing the Municipal Tax, whether city, town, village, unincorporated association, district, county or other authority authorized to impose same under present or future law.

3.1.3. "Local Customers" refers to any and all residential and general service customers in Texas that are within the geographical boundaries or taxing authority of the Municipality; provided, that if a particular tax ordinance or other act imposing the Municipal Tax includes in its taxing impact any service locations that would otherwise not be considered a "Local Customer" hereunder, then such service will be included in the term Local Customer.

3.2. Notwithstanding the above, if a particular tax ordinance or other act imposing the Municipal Tax specifies a method of payment of collection other than on an equal-per-meter basis, then the method so specified shall be utilized provided such method results in the collection of taxes from Local Customers equal to the



Attachment: 2022-004 EXH 'A' Clean TXK TX Service Area Tariffs (3620 : 2022-004 ORD Reauthorizing Summit to charge natural gas rates)

**TEXARKANA, TEXAS SERVICE AREA**

Original Sheet No. 2-3.2/2

Replacing: Sheet No.

Summit Utilities Arkansas, Inc.
(Name of Company)

Kind of Service: Natural Gas Class of Service: All

PART II – Rider Schedule No. 3

**Title: MUNICIPAL TAX ADJUSTMENT CLAUSE (TA)** Effective: (to be determined)

taxes levied on the Company.

3.3. The Company, upon receipt of a certified copy of the approved municipal ordinance will initiate the pass-on of any increase or decrease in taxes subject to this clause beginning with the billing cycle immediately following receipt of the ordinance, and upon the availability of customer billing data necessary to initiate or to revise the calculation of the pass-on.

3.4. If at any time there is a significant change in any of the above determining factors which will cause an unreasonable over or under collection of Municipal Taxes, the Company will adjust the amount collected so that such over or under collection will be minimized.

3.5. APPLICABLE RATE SCHEDULES:
Residential Firm Sales Service (RS-1)
Small Commercial Firm Sales Service (SCS-1)
Small Commercial Firm Sales Service—Off-Peak (SCS-2)
Small Commercial Firm Sales Service—NGV (SCS-3)
Large Commercial Firm Service (LCS-1)
Unmetered Gas Light Firm Sales Service (GL-1)



Attachment: 2022-004 EXH 'A' Clean TXK TX Service Area Tariffs (3620 : 2022-004 ORD Reauthorizing Summit to charge natural gas rates)

**TEXARKANA, TEXAS SERVICE AREA**

Original Sheet No. 2-4.1/3

Replacing: Sheet No.

Summit Utilities Arkansas, Inc.
(Name of Company)

Kind of Service: Natural Gas Class of Service: Residential (RS-1) and Small Commercial (SCS-1)

PART II – Rider Schedule No. 4

**Title: WEATHER NORMALIZATION ADJUSTMENT (WNA)** Effective: (to be determined)

## 4. WEATHER NORMALIZATION ADJUSTMENT (WNA)

4.1. For bills rendered from November 1 through April 30 each year, the applicable margin rates for gas service to customers served under the applicable rate schedules shall be adjusted by a Weather Normalization Adjustment (WNA) to reflect much of the impact of heating degree day variations from normal levels which were used to set rates under the applicable rate schedules.

4.2. In order to calculate the total weather adjustment for the applicable billing cycle, a weather deviation is computed and multiplied by the applicable margin rate. A per Ccf WNA adjustment is calculated by dividing the total weather adjustment by the average Ccf usage per customer for all customers in each billing cycle, using the formula described below. The per Ccf adjustment for each applicable rate schedule is applied to customer's usage for the billing cycle. The WNA shall be separately identified on customer bills.

4.3. CALCULATION OF WEATHER NORMALIZATION ADJUSTMENT

4.3.1. The WNA is calculated as follows:

$$WNA_i = \frac{R_i(DDF_i\ (NDD - ADD))}{AAU_i}$$

Where: i = Any particular rate classification to which the WNA is to be applied.

WNA = Weather Normalization Dollar Adjustment per Ccf

R = Applicable Margin Rate

DDF = Degree Day Factor associated with the applicable rate schedule:



Attachment: 2022-004 EXH 'A' Clean TXK TX Service Area Tariffs (3620 : 2022-004 ORD Reauthorizing Summit to charge natural gas rates)

**TEXARKANA, TEXAS SERVICE AREA**

Original Sheet No. 2-4.2/3

Replacing: Sheet No.

Summit Utilities Arkansas, Inc.
(Name of Company)

Kind of Service: Natural Gas Class of Service: Residential (RS-1) and Small Commercial (SCS-1)

PART II – Rider Schedule No. 4

**Title: WEATHER NORMALIZATION ADJUSTMENT (WNA)** Effective: (to be determined)

| | |
|---|---|
| Residential Service (RS-1) | .1536 |
| Small Commercial Sales (SCS-1) (SSO) | .5921 |

NDD = Normal Degree Days during the billing cycle

ADD = Actual Degree Days during the billing cycle

AAU = Average Actual Usage per customer for each billing cycle

4.4. DEFINITIONS

4.4.1. Normal Degree-days: The heating degree-days, which are based on a 30-year average ending June 30, 2015 as are shown on Attachment 1.

4.4.2. Actual Degree Days: The actual heating degree days as published by Weather Services Corporation, or any other nationally recognized third-party weather service.

4.4.3. Applicable Margin Rate:

4.4.3.1. The Residential Service (RS-1). The RS-1 WNA marginal rate will use the marginal rate of the residential volumes that are in excess of 15 Ccf. The resulting WNA price will be applicable only to volumes in excess of 15 Ccf.

4.4.3.2. The Small Commercial Sales Service (SCS-1) System Supply Option ("SSO"). The SCS-1 WNA marginal rate will use a weighted average marginal rate of the November - April SCS-1 SSO volumes that are in excess of 78 Ccf. The mechanics wil1 be to use the monthly bill frequencies to determine the volume in the 79-1,500 Ccf range, the volume in the 1,501-15,000 Ccf range, and the volume above the 15,000 Ccf range. The weighted average margin will be determined by applying the first block



Attachment: 2022-004 EXH 'A' Clean TXK TX Service Area Tariffs (3620 : 2022-004 ORD Reauthorizing Summit to charge natural gas rates)

**TEXARKANA, TEXAS SERVICE AREA**

Original Sheet No. 2-4.3/3

Replacing: Sheet No.

Summit Utilities Arkansas, Inc.
(Name of Company)

Kind of Service: Natural Gas Class of Service: Residential (RS-1) and Small Commercial (SCS-1)

PART II – Rider Schedule No. 4

**Title: WEATHER NORMALIZATION ADJUSTMENT (WNA)** Effective: (to be determined)

margin rate to the 79-1,500 Ccf volumes, the second block margin rate to the volumes in the 1,501-15,000 range, and the third block margin rate to the volumes in the range above 15,000 Ccf, summing those totals and dividing the results by the total volumes in those ranges. The resulting WNA price will only apply to volumes in excess of 78 Ccf.

4.5. APPLICABLE RATE SCHEDULES
Residential Firm Sales Service (RS-1)
Small Commercial Firm Sales Service (SCS-1) System Supply Option (SSO)



Attachment: 2022-004 EXH 'A' Clean TXK TX Service Area Tariffs (3620 : 2022-004 ORD Reauthorizing Summit to charge natural gas rates)

**TEXARKANA, TEXAS SERVICE AREA**

Original Sheet No. 2-5.1/1

Replacing: Sheet No.

Summit Utilities Arkansas, Inc.
(Name of Company)

Kind of Service: Natural Gas Class of Service: All

PART II – Rider Schedule No. 5

**Title: ENERGY EFFICIENCY COST RECOVERY RIDER (EECR)**

Effective: (to be determined)

5. **ENERGY EFFICIENCY COST RECOVERY RIDER (EECR)**

5.1. The Energy Efficiency Cost Recovery Rider (EECR) shall be the amount charged to Summit Utilities Arkansas' customers residing or located in Texarkana, Arkansas under Arkansas tariff Rider Schedule No. 5 Energy Efficiency Cost Recovery Rider (EECR).

5.2. APPLICABLE RATE SCHEDULES
Residential Firm Sales Service (RS-1)
Small Commercial Firm Sales Service (SCS-1)
Small Commercial Firm Sales Service—Off-Peak (SCS-2)
Small Commercial Firm Sales Service—NGV (SCS-3)
Large Commercial Firm Service (LCS-1)
Unmetered Gas Light Firm Sales Service (GL-1)



Attachment: 2022-004 EXH 'A' Clean TXK TX Service Area Tariffs (3620 : 2022-004 ORD Reauthorizing Summit to charge natural gas rates)

**TEXARKANA, TEXAS SERVICE AREA**

Original Sheet No. 1

Replacing: Sheet No.

Summit Utilities Arkansas, Inc.
(Name of Company)

Kind of Service: Natural Gas Class of Service: All

**PART III**

**STANDARD SERVICE RULES AND REGULATIONS**

Effective: (to be determined)

I. APPLICATIONS FOR OR DISCONTINUANCE OF SERVICE

(A) The Company shall require all customers to execute a deposit-service agreement upon application for gas service or upon the filing of a petition for relief under the United States Bankruptcy Code. Such agreements are not transferable. All customers accepting gas service from the Company shall be subject to the rules, regulations and rate schedules applicable.

(B) When gas service is inaugurated or transferred from one location to another, at a location where there is an existing meter installation, or upon the filing of a petition for relief under the United States Bankruptcy Code, the Company shall charge a non-refundable service initiation fee of $48.00. When gas service is inaugurated or transferred from one location to another, at a location where a meter must be installed, or upon the filing of a petition for relief under the United States Bankruptcy Code, the Company shall charge a non-refundable service initiation fee of $62.00

(C) When a customer requests the initiation or restoration of service which requires overtime work after normal daily working hours or on weekends and holidays, the customer will be advised of an additional charge which will be based on actual overtime costs involved. An overtime charge shall not apply to work required through no fault of the Customer.

(D) No customer may temporarily discontinue service and thereafter request restoration and continuation of service under his old service agreement but must execute a new agreement. If service is discontinued at the request of the customer and service is suspended during all or a portion of the non-heating season and thereafter restored at the same location for the same occupant, a reconnect charge will become due and payable when service is restored. This charge will be computed on the basis of the applicable customer charge for each month or fraction thereof that service is discontinued. Such charge shall be in addition to the regular service initiation fee of $48.00 at a location where there is an existing meter installation or $62.00 at a location where a meter must be installed or reconnection fee of $37.00. Any



Attachment: 2022-004 EXH 'A' Clean TXK TX Service Area Tariffs (3620 : 2022-004 ORD Reauthorizing Summit to charge natural gas rates)

**TEXARKANA, TEXAS SERVICE AREA**

Original Sheet No. 2

Replacing: Sheet No.

Summit Utilities Arkansas, Inc.
(Name of Company)

Kind of Service: Natural Gas Class of Service: All

**PART III**

**STANDARD SERVICE RULES AND REGULATIONS**

Effective: (to be determined)

commercial or industrial customer who discontinues service for any period of time must be considered a new customer for State and Federal regulatory policy purposes when application is made for restoration of service.

(E) The company will not accept orders to discontinue service other than from the person in whose name the account is billed.

(F) The Company may turn on service after normal daily working hours, or on weekends and holidays, in emergency situations requiring immediate initiation of service. When this service is offered, the customer will be assessed an additional charge of $27.00. An after-hours charge shall not apply to work required through no fault of the customer.



Attachment: 2022-004 EXH 'A' Clean TXK TX Service Area Tariffs (3620 : 2022-004 ORD Reauthorizing Summit to charge natural gas rates)

**TEXARKANA, TEXAS SERVICE AREA**

Original Sheet No. 3

Replacing: Sheet No.

Summit Utilities Arkansas, Inc.
(Name of Company)

Kind of Service: Natural Gas Class of Service: All

**PART III**

**STANDARD SERVICE RULES AND REGULATIONS**

Effective: (to be determined)

II. CUSTOMERS FACILITIES AND EQUIPMENT

(A) Gas should be used only in appliances designed for use with natural gas, in compliance with all applicable manufacturing specifications. Vent pipes must be used on water heaters, cook stoves, enclosed type space heaters, or other appliances designed to be vented.

(B) The customer shall provide a system of piping within his premises for connection to gas appliances. Customer's piping system will be installed and maintained in compliance with all federal, state and local laws, codes and regulations. Customer shall provide an above-ground delivery point in a suitable location, unless otherwise specified by the Company. For SCS and LCS customers, vehicle access for meter testing purposes must be provided. The normal gauge pressure**,** at which gas will be supplied through the Company's meter to the customer's piping, will be as defined in XVI(A).

(C) The Company under previously existing regulations has provided service through one master meter to private distribution lines for multiple federal, municipal, or private housing projects and mobile home parks, and has in some cases provided individual meters for such facilities. Bills will be rendered on an individual basis to the individual metered customers, but the customer(s) owning the private distribution line or being served by the private distribution line will be responsible for payment of any differences between gas delivered through the master meter and gas delivered through the sum total of individual meters. All such construction within the above mentioned projects and mobile home parks must meet the requirements of all federal, state and local piping laws before the Company will connect the customer.



Attachment: 2022-004 EXH 'A' Clean TXK TX Service Area Tariffs (3620 : 2022-004 ORD Reauthorizing Summit to charge natural gas rates)

**TEXARKANA, TEXAS SERVICE AREA**

Original Sheet No. 4

Replacing: Sheet No.

Summit Utilities Arkansas, Inc.
(Name of Company)

Kind of Service: Natural Gas Class of Service: All

**PART III**

**STANDARD SERVICE RULES AND REGULATIONS**

Effective: (to be determined)

III. REFUSAL TO SERVE CUSTOMERS

(A) The Company may decline to serve a customer or prospective customer until he has complied with the state and municipal regulations governing the service applied for and the reasonable rules and regulations of the utility.

(B) Until adequate facilities can be provided, the Company may decline to serve an applicant for service or to change materially the service of any customer, if, in its judgement, it does not have adequate facilities to render the service applied for or if the desired service is of a character that is likely to affect unfavorably the service to other customers.

(C) The Company may refuse to serve a customer if, in its best judgment, the customer's installation or equipment is regarded as hazardous or of such character that satisfactory service cannot be given.

(D) The Company may refuse to serve individual mobile homes and house trailers if the trailer does not have a firm foundation which will not permit it to rock or move thereby cracking or parting the connecting pipe or facilities. None of the weight of the trailer may be carried on the wheels or springs. All piping and appliance installations in trailers must be made in compliance with applicable laws, codes, and ordinances governing such installations.

(E) The Company may decline to serve any applicant who is indebted to the Company for gas utility service; provided, however, that in the event the indebtedness of the applicant for service is in dispute, applicant shall be served upon complying with the deposit requirement, and, in addition thereto, making a special deposit in an amount equal to the net balance in dispute. Upon settlement of a disputed account, the balance, if any, due the applicant shall be promptly repaid, together with interest thereon from the date of the deposit until repaid at the rate prescribed by law or order of the Commission.



Attachment: 2022-004 EXH 'A' Clean TXK TX Service Area Tariffs (3620 : 2022-004 ORD Reauthorizing Summit to charge natural gas rates)

**TEXARKANA, TEXAS SERVICE AREA**

Original Sheet No. 5

Replacing: Sheet No.

Summit Utilities Arkansas, Inc.
(Name of Company)

Kind of Service: Natural Gas Class of Service: All

**PART III**

**STANDARD SERVICE RULES AND REGULATIONS**

Effective: (to be determined)

(F) The Company shall also have the right to refuse service or to discontinue the supply of gas to a customer at a location until payment shall be made of delinquent bills for gas utility service for the customer at other premises.



Attachment: 2022-004 EXH 'A' Clean TXK TX Service Area Tariffs (3620 : 2022-004 ORD Reauthorizing Summit to charge natural gas rates)

**TEXARKANA, TEXAS SERVICE AREA**

Original Sheet No. 6

Replacing: Sheet No.

Summit Utilities Arkansas, Inc.
(Name of Company)

Kind of Service: Natural Gas Class of Service: All

**PART III**

**STANDARD SERVICE RULES AND REGULATIONS**

Effective: (to be determined)

IV. DISCONTINUANCE OF SERVICE

Subject to Commission rules suspending disconnection during an extreme weather emergency (7.460):

(A) The Company reserves the right to shut off the gas at any time and to remove its property from the premises for any of the following reasons: (a) for tests or repairs; (b) for non-payment of bills for gas utility service when due, after required notice has been given; (c) for incorrect representation of facts in application for service, after required notice has been given; (d) for failure to make or increase the cash deposit when required by the Company, after required notice has been given; (e) for reselling gas in violation of the Company's Standard Rules and Regulations, after required notice has been given; (f) for placing or permitting the placing of any by-pass around any meter or service line; or for tampering; or permitting tampering with same; (g) for permitting pipes, or appliances owned or used by the customer to leak or otherwise permit the escape or waste of gas, after required notice has been given; (h) for failure to comply with the Rules and Regulations of the Company, after required notice has been given; (i) failure to pay the applicable connect charge, after required notice has been given; (j) on order of municipal authorities having jurisdiction; or (k) when checks received from customer for amounts past due or for the required deposit are repeatedly not honored when presented to the bank for payment, then service may be discontinued without advance notice.

(B) The Company shall not discontinue service to any customer for violation of its rules or regulations nor for non-payment of bills, without first having diligently tried to induce the customer to comply with its rules and regulations, or to pay amounts due the Company. Service may be discontinued after five (5) days' written notice shall have been given to the customer by the Company in the manner provided for in Paragraph IV (d). Prior notice of disconnection shall not be required for fraudulent, negligent, or unlawful use of the commodity or service detected, or where a dangerous condition is found to exist on a customer's premises.



Attachment: 2022-004 EXH 'A' Clean TXK TX Service Area Tariffs (3620 : 2022-004 ORD Reauthorizing Summit to charge natural gas rates)

**TEXARKANA, TEXAS SERVICE AREA**

Original Sheet No. 7

Replacing: Sheet No.

Summit Utilities Arkansas, Inc.
(Name of Company)

Kind of Service: Natural Gas Class of Service: All

**PART III**

**STANDARD SERVICE RULES AND REGULATIONS**

Effective: (to be determined)

(C) The customer shall have the privilege of paying any delinquent account at any time prior to the actual disconnection or turning off of service; provided, however, that payment at Company's office within four hours of the time of actual disconnection or turning off of service shall not affect the right to disconnect or turn off service for non-payment. Whenever the Company dispatches an employee to the premises of any customer for the purpose of discontinuing service for non-payment, and such payment arrangements are made that do not result in actually disconnecting or turning off of service, a fee of $16.00 shall be added to and collected as a part of such delinquent account to cover, in part, the cost to the Company of dispatching such employee to the customer's premises. A $15.00 charge may also be added to an account and collected to recover cost for reprocessing any check that has been returned to the Company by the bank by reason of insufficient funds on deposit. Whenever service has actually been disconnected on account of the failure of the customer to pay such delinquent account, or for any other reason without fault of the utility if the customer desires the service to be reconnected, the Company shall require the customer to pay a reconnection charge of $37.00.

(D) Notice of delinquency shall be construed to be given to the customer when a copy of such notice is left with such customer, or left at the premises where service is required, or posted in the United States mail addressed to the customer's last known post office address except as specified in (h) and (i) below.

(E) The Company shall not be liable for any damage to persons or property resulting from the discontinuance of gas service after having given the required notice. Arrangement satisfactory to the Company for the continuance of service on account of serious illness or other causes shall be made by the customer prior to the expiration of the notice period.

(F) When, at the customer's request, the Company changes the location at which service is rendered the gas consumed at the new and old locations, for the purposes of billing, shall be combined. The change of the location to which service is rendered shall not be deemed to affect the rights of the Company with regard to the application of deposit or discontinuance of service for non-payment of the account.



Attachment: 2022-004 EXH 'A' Clean TXK TX Service Area Tariffs (3620 : 2022-004 ORD Reauthorizing Summit to charge natural gas rates)

**TEXARKANA, TEXAS SERVICE AREA**

Original Sheet No. 8

Replacing: Sheet No.

Summit Utilities Arkansas, Inc.
(Name of Company)

Kind of Service: Natural Gas Class of Service: All

**PART III**

**STANDARD SERVICE RULES AND REGULATIONS**

Effective: (to be determined)

(G) The fact that the Company has a cash deposit from a customer shall not in any manner affect the right of the Company to discontinue service to that customer for the non-payment of amounts past due regardless of the fact that the deposit is in excess of the amount past due.

(H) Termination of service to Elderly Persons, Handicapped Persons, and Persons with Serious Illnesses

(1) Definitions

(a) "Elderly." An "elderly" person is any residential customer aged 65 or older whose total gross income is less than or equal to the median income for Texas families categorized as "65 years and over" in Table 19A or successor tables reported in Consumer Income: Money Income and Poverty Status in 1975 of Families and Persons in the United States and the South Region, By Divisions and States (Spring 1976 Survey of Income and Education by the Bureau of Census of the United States Department of Commerce**,** as most recently published.

(b) "Handicapped." A handicapped person is any residential customer:

(i) who has any permanent severe physical or mental impairment which substantially limits his ability to pay for utility service; and

(ii) who is certified as being physically or mentally disabled by a physician, licensed psychologist, by the United States Veterans Administration, the Social Security Administration, the appropriate governmental agency, or a local regional mental health center.



Attachment: 2022-004 EXH 'A' Clean TXK TX Service Area Tariffs (3620 : 2022-004 ORD Reauthorizing Summit to charge natural gas rates)

**TEXARKANA, TEXAS SERVICE AREA**

Original Sheet No. 9

Replacing: Sheet No.

Summit Utilities Arkansas, Inc.
(Name of Company)

Kind of Service: Natural Gas Class of Service: All

**PART III**

**STANDARD SERVICE RULES AND REGULATIONS**

Effective: (to be determined)

(c) "Serious illness" includes serious injury not amounting to a handicap.

(2) Special Provision for the Elderly and Handicapped

Each utility shall file with the Commission, for its approval, procedures the utility will follow to insure the protection of elderly and handicapped customers. In addition, each utility shall keep records of all delinquent accounts of elderly or handicapped customers and the disposition of these accounts. Protection procedures shall include:

(a) Identification of eligible households.

(b) Personal contact by telephone or in person by utility personnel to arrange installment of deferred payment of any delinquency.

(c) Notification of right to third-party notice before termination of service.

(d) Assistance to customers wishing to make arrangements with state or local social service agencies for payment for service.

The procedures may require elderly and handicapped persons to disclose information and furnish documents in connection with the status claimed on an annual basis. If a customer provides false information to the utility in order to claim an exemption under this Rule, it shall be grounds for termination. Customers establishing eligibility to claim an exemption as elderly or handicapped shall be presumed to retain this status for one (1) year after the date eligibility is established. Eligibility related to income level and ability to pay for utility service shall be reestablished annually.



Attachment: 2022-004 EXH 'A' Clean TXK TX Service Area Tariffs (3620 : 2022-004 ORD Reauthorizing Summit to charge natural gas rates)

**TEXARKANA, TEXAS SERVICE AREA**

Original Sheet No. 10

Replacing: Sheet No.

Summit Utilities Arkansas, Inc.
(Name of Company)

Kind of Service: Natural Gas Class of Service: All

**PART III**

**STANDARD SERVICE RULES AND REGULATIONS**

Effective: (to be determined)

(3) Delay of Termination on Grounds of Serious Illness

(a) A utility shall postpone termination of service to a residential customer, or reconnect previously terminated service**,** for a reasonable time up to thirty (30) days if the customer presents a certificate from a physician stating it is likely that termination of service will either aggravate a serious illness or give rise to a substantial risk of death or a grave impairment of the health of the customer, of a member of the customer's family, or of another permanent resident of the premises where service is rendered. The certificate shall identify the medical emergency, specify the effect of termination of service, and specify the time during which termination of service will aggravate the illness. The utility may**,** at its expense, obtain an additional medical report or certificate from a physician of its choice and may rely on that opinion and in reliance on that opinion terminate service five days after mailing an additional notice of termination to the customer. Failure of customer without good cause to attend the company-scheduled medical appointment shall be sufficient reason for termination of service by the utility.

A customer, his physician, or a nurse, nurse practitioner, physician's assistant, or a public or private agency providing physical or mental health care services may notify the utility of a serious illness in person, by telephone, or by letter. The customer shall have seven (7) days from the date of notification to present the certificate. Notice by telephone shall be subject to verification by the utility.

(b) The thirty-day postponement may be extended one time by renewal by notice as above and renewal of the certificate by a physician as above.



Attachment: 2022-004 EXH 'A' Clean TXK TX Service Area Tariffs (3620 : 2022-004 ORD Reauthorizing Summit to charge natural gas rates)

**TEXARKANA, TEXAS SERVICE AREA**

Original Sheet No. 11

Replacing: Sheet No.

Summit Utilities Arkansas, Inc.
(Name of Company)

Kind of Service: Natural Gas Class of Service: All

**PART III**

**STANDARD SERVICE RULES AND REGULATIONS**

Effective: (to be determined)

(c) Continuation or reconnection of service under this rule shall not in any way relieve the customer of liability incurred for utility services.

(4) Delay of Termination for Elderly and Handicapped Persons

(a) Residential utility service shall not be terminated and, if previously terminated shall be reconnected, during the months of November through March for elderly and handicapped customers of the utility, provided that service may be terminated if such customers fail to pay at least one-half of the amount billed for service either as they fall due or pursuant to delayed payment agreement. Any balance due for service during these months shall be made in the months of April through October in installments agreed upon by the customer and the utility. If, during the months of April through October**,** a customer fails to pay the deferred balance due for service from November to March, the utility shall not be obligated to refrain from terminating or to reconnect service during the next November through March time period**.** Residential gas air condition service to such customers shall not be terminated on a day when the National Weather Service forecasts between 5:00 a.m. and 8:00 a.m**.** a maximum temperature for that day of 95 degrees Fahrenheit, or higher.

(b) At least 72 hours prior to the proposed termination of residential service to an elderly or handicapped person, a utility shall personally contact the customer, a person living in this household, or any other person or agency designated by the elderly or handicapped person to receive notice in person or by telephone during the utility's normal, working hours or between 9:00 a.m. and 4:00 p.m. on Saturdays and holidays that termination of service is imminent and that steps can be taken to avoid termination. This notice shall include an explanation of the procedures available under this or other applicable rules. If none of these parties is contacted on the first



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**TEXARKANA, TEXAS SERVICE AREA**

Original Sheet No. 12

Replacing: Sheet No.

Summit Utilities Arkansas, Inc.
(Name of Company)

Kind of Service: Natural Gas Class of Service: All

**PART III**

**STANDARD SERVICE RULES AND REGULATIONS**

Effective: (to be determined)

attempt, a second attempt shall be made and may take place between 6:00 a.m. and 10:00 P.M.

(c) Continuation or reconnection of service under this rule shall not in any way relieve the customer of liability incurred for utility services.

(I) Notice of Termination to Tenants

(1) For the purposes of this rule, "landlord" means the owner, agent, manager, or lessor of premises intended primarily for residential use for which he receives lease or rent payments which include amounts for utility service**.**

(2) Each utility shall file with the Commission procedures for identifying accounts where service is rendered at an address different from the mailing address of the bill. Such procedures may include requiring landlords to identifying themselves as such and to identify their tenants by name, address, and account number. Absent such identification, the utility shall not be required to treat a customer as a tenant unless it has actual knowledge or information that reliably indicates that the person to whom service is rendered is a tenant.

(3) The utility shall not disconnect service to such an account for nonpayment of the bill until the following actions have been taken:

(a) When a termination notice has been sent to the landlord, if no response is received by the utility within seven (7) days, notice shall also be sent to the affected tenants or shall be posted in conspicuous locations such as near mail boxes, building entrances and exits, and other areas of common usage.

(b) If a landlord fails to pay for service to a tenant a utility shall not terminate service to the tenant until at least thirty (30) days have elapsed from the date of the delinquency, and, after being notified of



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**TEXARKANA, TEXAS SERVICE AREA**

Original Sheet No. 13

Replacing: Sheet No.

Summit Utilities Arkansas, Inc.
(Name of Company)

Kind of Service: Natural Gas Class of Service: All

**PART III**

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Effective: (to be determined)

the delinquency the tenant has not paid for service provided after the date of notification or made arrangements with the utility to do so.

(c) Where feasible the utility shall offer the tenant the opportunity to apply for service in his own name. If such service is not feasible or if the tenant declines to apply for such service**,** the utility may terminate service. If the tenant chooses to take service in his own name**,** termination shall thereafter be governed by other appropriate provisions of this rule.

(d) Where premises are master-metered and a tenant and the utility are unable to agree upon payments to be made by the tenant for service, the utility shall petition the Commission for an immediate informal resolution or formal hearing to resolve the dispute.

(4) A utility shall not attempt to recover from a tenant or condition service to a tenant on the payment of any amounts owed by the landlord to the utility.



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**TEXARKANA, TEXAS SERVICE AREA**

Original Sheet No. 14

Replacing: Sheet No.

Summit Utilities Arkansas, Inc.
(Name of Company)

Kind of Service: Natural Gas Class of Service: All

**PART III**

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Effective: (to be determined)

V. CUSTOMER DEPOSITS

(A) The Company may require, with each service application from any customer or any prospective customer, a cash deposit to guarantee payment of bill. This required deposit shall not exceed an amount equivalent to two estimated average bills when payment is due after the service is rendered. The Company shall pay interest on the deposit at the rate prescribed by law or order of the Commission. When service is discontinued by the Company for any reason other than for repairs, the Company may apply such deposit to the payment of all charges authorized under these Rules and Regulations. Interest will not accrue on deposits when they become Inactive. The Company shall pay interest on deposits annually in January of each year and upon return of the deposit to the customer.

(B) Interest shall not accrue on any cash deposit after the date the Company has made a bona fide effort to return such deposit to the depositor. The Company shall keep in its records evidence of its efforts to return such deposit.

(C) A new or additional deposit may be required upon reasonable written notice of the need of such a requirement in any case where a deposit has been refunded or is found to be inadequate as above provided for, or as provided by the applicable provisions of the Commission's Rules, as they may be in effect from time to time. The service of any customer who fails to comply with these requirements may be disconnected upon five (5) days' written notice.

(D) All charges authorized under these Rules and Regulations shall be due and payable on the same terms and conditions as charges made for gas service and the same procedure for discontinuance of service for such charges may be applied against refunds, if any, due on the customer's deposits.

(E) Upon the filing of a petition for relief under the United States Bankruptcy Code, the customer will be required to provide a cash deposit in an amount not to exceed two times the maximum estimated bill for the service location.



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**TEXARKANA, TEXAS SERVICE AREA**

Original Sheet No. 15

Replacing: Sheet No.

Summit Utilities Arkansas, Inc.
(Name of Company)

Kind of Service: Natural Gas Class of Service: All

**PART III**

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Effective: (to be determined)

VI. BILLING

(A) Gas supplies will be charged for from the time of turn on until the Company discontinues the supply. Failure on the part of the customer to properly notify the Company when their responsibility for the payment for gas at a premises ceases, shall not relieve the customer from the obligation of paying all bills accruing up to the time proper notification is received by the Company. The customer shall pay for all gas passing through the meter, whether the same be used or wasted through leaks in pipes, apparatus, or otherwise and shall be bound by the true reading of the meter, provided it is in good repair and working order.

(B) Bills rendered for service for less than the standard monthly billing period shall be calculated as follows:

(1) Where meter reading indicates no consumption and the period involved is less than fifteen (15) days, no charge will be made. If the period involved is fifteen (15) days or more**,** applicable monthly minimum will be charged**.**

(2) Where meter reading indicates any consumption, regular rate schedules will apply, regardless of period involved. Meter will be read to the nearest hundred cubic feet and bills computed on this basis.

(3) Where customer changes location within the same distribution plant, the consumption at both locations will be combined for the monthly billing.

(C) All customers of Company which are either, (1) sixty (60) years of age or older and depend upon a pension or Social Security check as their primary source of income, or (2) are dependent solely upon a disability income, regardless of age, are eligible to participate in the Company's FLEX-DATE Payment Plan. Such Plan will extend the due date for payment to the earlier of: (1) twenty-five (25) days after the current month's bill date, or (2) three (3) work days before the next month's bill date. Only the extended due date provided by FLEX-DATE will appear on eligible customers' bills. In addition, the Company will waive any otherwise applicable late penalty.



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Original Sheet No. 16

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(Name of Company)

Kind of Service: Natural Gas Class of Service: All

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Customers shall become Plan participants either upon telephone or form notification to Company, and their participation will be effective for each month of each calendar year thereafter.

(D) Monthly statements will be delivered to the location at which gas is supplied, by an employee of the Company, or posted in the United States mail, unless the customer has directed the Company in writing to send statements to another address. The terms “Delivered" or "Rendered" shall not be construed as an obligation on the part of the Company to deliver or render statements to the customer in person, or to other occupants of the premises**.** Duplicate copies of statements will be furnished upon request, and failure to receive statements for any reason whatsoever, will not entitle customer to further time to pay account, or to a continuation of gas supply if account is over due.

(E) Customers whose facilities are located on pipeline taps which are not centrally odorized will receive monthly statements based on the customer’s reading of the meter. If the meter is not read by the customer, bills will be estimated. The Company will read these meters at least every six (6) months and the difference between the customer readings or the estimated consumption will be billed or credited to the customer's account.

(F) A residential apartment shall be defined as a room or group of rooms which contain a sink and/or cooking facilities and shall be considered a separate apartment for metering and billing purposes. House trailers shall also be considered separate apartments for metering and billing purposes.

(G) Individual residential customer premises shall be metered and billed separately even if under common ownership, and combined metering or billing shall not be permitted. Commercial and industrial premises shall be considered separate when not on the same tract or contiguous tracts of land, or when each is a complete unit not physically integrated with, or essentially a part of, the other or others, and each renders a complete service or produces a finished product. Tracts of land separated by public streets, roads or alleys shall be considered non-contiguous tracts.



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**TEXARKANA, TEXAS SERVICE AREA**

Original Sheet No. 17

Replacing: Sheet No.

Summit Utilities Arkansas, Inc.
(Name of Company)

Kind of Service: Natural Gas Class of Service: All

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Effective: (to be determined)

(H) The commercial rate schedule of the Company will be applied to the gas used in two or more individual flats or apartments in a dwelling which was originally constructed as, or which has been converted into, a multiple-family building and where the owner has not elected to separately meter the gas used in each individual flat or apartment. Rooming houses without cooking facilities, tourist homes for transients and hotels will be metered and billed as single unit on the commercial rate.

(I) The Company may make a charge of $5.00 for any special meter reading which it is called upon to make other than on the regular reading date. Where interim meter readings are furnished the owner of premises the Company accepts no responsibility as to the distribution of the monthly bill as between tenants.

(J) Claims for error in statements rendered should be made by the customer as soon as discovered; if the claim is found to be meritorious, the Company will make proper adjustment on the Customer's subsequent bills, or make refund to the customer within a reasonable time.

(K) The Company shall make a test of the accuracy of registration of a meter upon request of a customer. Except as otherwise provided in these rate schedules, if such test shows the meter to be slow or within the tolerance limit as to accuracy of registration, the customer may be required to pay a charge of ten dollars ($10.00) for each test so made. If the test shows the meter to be fast and in excess of the tolerance limit of accuracy, such test shall be made at the expense of the Company and an adjustment shall be made with the customer. If no such test has been performed within the previous four years for the same customer at the same location, the test is to be performed without charge.

(L) In case a meter ceases to register, the quantity consumed will be estimated from the amount consumed during the corresponding period for the previous year, giving due consideration to weather and other pertinent factors**,** or by such other method that will be equitable.



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**TEXARKANA, TEXAS SERVICE AREA**

Original Sheet No. 18

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Summit Utilities Arkansas, Inc.
(Name of Company)

Kind of Service: Natural Gas Class of Service: All

**PART III**

**STANDARD SERVICE RULES AND REGULATIONS**

Effective: (to be determined)

VII. EXTENSION OF FACILITIES

(A) SERVICE LINES AND CONNECTIONS

(1) The Company will make, own and maintain all necessary connections with its street mains. Under normal construction conditions, the Company will install up to 100 feet of service line (up to one inch in diameter and capable of a delivery pressure of up to 60 psig) at no cost to the customer. In the event a service line exceeding the diameter and pressure requirements set forth above is needed, or in the event of abnormal construction conditions, such as solid rock, road crossings that require a bore, the need to bore under landscaping, etc., or in regard to the installation of excess flow valves, any additional costs incurred by the Company will be charged to the customer. The Company may waive these charges when it determines that it is economically justifiable to do so. The Company will own, maintain and specify the route of the piping. Access must be granted on customer's property for replacement or repairs of these facilities. The Company may at its option install a service cock and box. The meter location will be determined by the Company. The Company will also set and own the meter and regulator, but all other piping, connections, and appliances for the purpose of utilizing gas shall be furnished and installed by the customer at the customer's risk and expense. Customer will pay the cost of any relocation of the Company's facilities that the Company may perform at customer's request.

(B) MAIN EXTENSIONS

(1) Extensions from the Company's distribution lines, will be made under the following conditions and circumstances:

(a) Subject to the availability of capital funds, the Company shall construct main extensions from its existing facilities to serve new customers where the cost of the Company's capital investment is economically feasible. Determination of whether a proposed extension is economically feasible shall be made through the use of



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Original Sheet No. 19

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(Name of Company)

Kind of Service: Natural Gas Class of Service: All

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an economic model that will take into consideration the following factors:

(1) construction cost estimate;
(2) non-gas revenue;
(3) depreciation;
(4) incremental operating costs; and,
(5) any other factors relevant to economic feasibility of the project.

(b) If it is determined that the Company's return on investment (ROI) on the proposed main extension will equal or exceed the Company's cost of funding capital projects, the extension will be made at no cost to the customer. If it is determined that the Company's ROI will be less than the Company's cost of funding capital projects, the customer shall be required to pay an amount sufficient to ensure that the Company is able to earn an ROI equal to its cost of funding capital projects. On such an advance, the Company may enter into an agreement with the customer to refund the customer contribution. Refunds will be based only on changes in the factors considered in the economic model under which the investment was originally made. The Company shall establish, when capital funds are available, such new distribution service where the Company will be reasonably assured of a sufficient number of customers and an annual revenue to justify the capital expenditure. The Company may, however, refuse to extend facilities in the event system design and/or operational considerations so dictate.

(c) When the Company is requested to extend its distribution facilities to an area with existing potential users where no contributory capital is available, the Company has the option to provide the necessary capital in the amount equal to the necessary customer contribution to be recovered by a fixed daily surcharge rate applied to each customer account within the boundaries of the project for up to five



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**TEXARKANA, TEXAS SERVICE AREA**

Original Sheet No. 20

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Summit Utilities Arkansas, Inc.
(Name of Company)

Kind of Service: Natural Gas Class of Service: All

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Effective: (to be determined)

years* or until the customer contribution is recovered by the Company, whichever comes first. Under this option, the Company will construct and finance the facilities and recover the customer contribution, in addition to an appropriate interest (or finance charge) assigned to the capital required to fund the customer contribution, through the surcharge rate. If the customer contribution is not recovered during the pay-back period, the remaining balance of the customer contribution (including interest or finance charge) will be added to and included in the Company's overall rate base from that point forward. To insure sufficient customer commitment to each project, each customer will be required to sign an Extension Surcharge Agreement and may be required to make a reasonable customer deposit prior to commencement of construction. Surcharge areas are defined as those areas served by the facilities to be constructed. After the initial installation of facilities to serve the surcharge area, all subsequent connections which utilize mains from the original surcharge area installation will be subject to the same surcharge rate for the remaining period of the surcharge agreement.

*Special conditions may warrant extending this period based on economic conditions.

(d) When new extensions from the surcharge area are requested, the person(s) requesting an extension from these facilities will be required to make whatever customer contribution might otherwise be required for the extension under Part VII (B)(1)(b) and, in addition, will be subject to the surcharge rate for the remaining surcharge period.

(e) When a subsequent area requests service utilizing the facilities of an existing surcharge area, the following regulations will apply:



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Original Sheet No. 21

Replacing: Sheet No.

Summit Utilities Arkansas, Inc.
(Name of Company)

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(1) When a subsequent surcharge area is established after the installation of an existing surcharge area and the subsequent surcharge area's surcharge rate would be in excess of the surcharge rate applicable to the established surcharge area, the subsequent surcharge area will bear only the cost of their new facilities.

(2) When a subsequent surcharge area is established after the installation of an existing surcharge area and the subsequent surcharge rate is less than the surcharge rates applicable to the established surcharge area, the subsequent surcharge area will bear a portion of the remaining unpaid customer contribution of the established surcharge area in addition to its own surcharge allocation as follows:

(2)(a) The cost of the mainline established for the existing surcharge area shall be shared by the subsequent surcharge area up to an amount equal to the existing area surcharge rate if their computed surcharge is lower than the surcharge for the existing area. This shall be achieved by assigning an unamortized portion of the mainline investment which was required for the existing surcharge area to the subsequent surcharge area in order to fairly equate the surcharges. The amount of investment cost assigned to the subsequent surcharge area will then be credited to the unamortized amount payable by the existing surcharge area customers.

(2) The Company will not be required to enlarge its system of mains to meet the demand for gas of a prospective customer or to provide for an appreciable increase in the demands of a present customer, unless in the judgment of the Company, a reasonable rate of return is assured as a result of the expenditure required.



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**TEXARKANA, TEXAS SERVICE AREA**

Original Sheet No. 22

Replacing: Sheet No.

Summit Utilities Arkansas, Inc.
(Name of Company)

Kind of Service: Natural Gas Class of Service: All

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Effective: (to be determined)

(3) When the Company extends its main to serve new customers, the Company will extend its main, in a manner which, in its judgment, will be most advantageous for rendering service.

(4) Where the customer requires that his meter be placed in a particular location, the customer will be required to pay any additional cost that may result from compliance with the customer's request.

(5) A standard Rural Gas Contract must be executed by each customer requesting a pipeline tap. The Company will not make or serve a tap on any federally certificated transmission line, unless, in the judgment of the Company, a reasonable rate of return can be earned as a result of the expenditure required to construct the tap and serve the customer, without unreasonable consequences to other customers. In addition, the Company will not make or serve a tap on any other transmission line, field gathering pipeline, or lines to wells which in the Company's opinion, presently contain or may in the foreseeable future contain undehydrated gas, liquid hydrocarbons, sour gas, or gas that is otherwise not merchantable. The Company may discontinue service whenever it believes reliable service cannot continue to be provided for any reason, including, but not limited to, water content of the gas furnished. In the event service is suspended or terminated because the Company cannot or believes it cannot continue to provide safe and reliable service, the Company will be under no obligation to compensate the affected customer(s) for such loss of service.



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**TEXARKANA, TEXAS SERVICE AREA**

Original Sheet No. 23

Replacing: Sheet No.

Summit Utilities Arkansas, Inc.
(Name of Company)

Kind of Service: Natural Gas Class of Service: All

**PART III**

**STANDARD SERVICE RULES AND REGULATIONS**

Effective: (to be determined)

EXTENSION SURCHARGE AGREEMENT

The undersigned promises to pay to Summit Utilities Arkansas, Inc., a surcharge on his/her/their/its monthly gas bill in consideration of the Company's extension of its facilities into the surcharge area in which the undersigned resides. The surcharge amount will be $_____ per month. The surcharge will be applied to all monthly billings to the undersigned for a ____ year period or until the Company recovers the required customer contribution for the surcharge area, whichever comes first. The surcharge amount will appear as a separate line item on the undersigned's bill.

The terms of this Extension Surcharge Agreement shall be subject to the provisions of the Company's rates and policies.

_____

_____

Accepted this _____ day of _____, 20__.

Summit Utilities Arkansas, Inc.

By _____



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**TEXARKANA, TEXAS SERVICE AREA**

Original Sheet No. 24

Replacing: Sheet No.

Summit Utilities Arkansas, Inc.
(Name of Company)

Kind of Service: Natural Gas Class of Service: All

**PART III**

**STANDARD SERVICE RULES AND REGULATIONS**

Effective: (to be determined)

VIII. GENERAL

The customer shall use the gas delivered by the Company for his purposes only. The customer shall not, under any circumstances, resell or share with others any gas delivered by the Company. No changes**,** extensions, or replacement of service `lines shall be made without the written consent of the Company. No extension whatsoever of customer owned piping shall be made for the purpose of supplying gas to adjacent property**,** or other person or concerns residing or operating on the premises of the customer.

The foregoing natural gas resale prohibition shall not apply to distributors selling compressed natural gas as a motor vehicle fuel.

The authorized agent of the Company shall have the right and permission to enter upon the premises of the customer to inspect or test lines, and appliances, to read, change or remove the meter, to turn on and shut off the gas, or to perform other related functions. This right shall not be construed as placing any responsibility on the Company to inspect and test the lines or equipment of the customer.

No structures shall be erected over the Company's gas lines. In the event any such structure is erected, the customer will be provided the option of either removing the structure or paying the Company the cost of relocating the gas line, including the cost of obtaining alternative easements, if required.

The place of delivery of all gas purchased shall be at the outside wall of the first structure being served if the Company has installed or replaced the service line to that point. In all other cases, the place of delivery of all gas purchased shall be at the point of connection to the customer's service line from which point all gas delivered shall become the property of the customer, who shall thereafter be responsible for its passage through the meter and for all damage caused by said gas.

The Company shall have no responsibility for any act or omission, and shall have no liability from any cause, downstream of delivery. In case the supply of gas should fail, whether from natural causes, bursting of pipes or accident in any way, the Company shall



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**TEXARKANA, TEXAS SERVICE AREA**

Original Sheet No. 25

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Summit Utilities Arkansas, Inc.
(Name of Company)

Kind of Service: Natural Gas Class of Service: All

**PART III**

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Effective: (to be determined)

not be liable for damages, whether direct, special, continuing, exemplary, presumptive, incidental, indirect or consequential, including without limitation, loss of profits, loss of revenue, or loss of production capacity by reason of such failure. The Company shall not be liable in damages for any act or event that is beyond the Company's control and which could not be reasonably anticipated and prevented through the use of reasonable measures, including, but not limited to acts of God, strikes, lockouts or other industrial disturbances, acts of the public enemy, arrests, wars, blockades, insurrections, riots and epidemics, landslides, lightning, earthquakes, fires, storms, floods and washouts, priority limitation or restraining orders of any governmental authority and civil disturbances, explosions, breakage, accidents, tests, maintenance or repair to machinery, equipment, lines of pipe or other facilities; inability to obtain, or unavoidable delay in obtaining, material, equipment, rights-of-way or permits; and any other causes whether of the kind herein enumerated or otherwise.

Meters and pipes are likely to freeze in cold weather, and it shall be the duty of each customer to protect the pipes and the meter or meters from the action of the elements.

These Rules and Regulations are made a part and condition of all rate schedules of the Company and all customers served under such schedules shall be subject to these Rules and Regulations.

These Rules and Regulations are in addition to Rules and Regulations now established by the Regulatory Body having jurisdiction over these matters.



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Original Sheet No. 26

Replacing: Sheet No.

Summit Utilities Arkansas, Inc.
(Name of Company)

Kind of Service: Natural Gas Class of Service: All

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**STANDARD SERVICE RULES AND REGULATIONS**

Effective: (to be determined)

IX. STATE AND MUNICIPAL TAXES

Whenever the State or a municipality imposes upon the Company any sales privilege, occupation, meter, or other special tax, except ad valorem taxes, the Company shall pass the tax on to customers within the jurisdiction of the taxing authority in accordance with provisions set forth in such tax law or ordinance.



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Original Sheet No. 27

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Summit Utilities Arkansas, Inc.
(Name of Company)

Kind of Service: Natural Gas Class of Service: All

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**STANDARD SERVICE RULES AND REGULATIONS**

Effective: (to be determined)

X. LEVELIZED PAYMENT PLAN

A. Residential customers and small commercial customers having less than 500 MMBtu annual usage may have the option of participating in the "Levelized Payment Plan" (LPP) for billing purposes as opposed to the normal billing procedure.

B. Operation of the Levelized Payment Plan

Under the LPP a customer's bill will be computed by averaging to the nearest dollar, the amount derived by applying the current applicable rate schedule, cost-of-gas adjustment, and applicable tax factor to each of the most recent twelve months historical volumes. The average bill amount thus derived will be the monthly payment amount for each of the succeeding six months.

Actual billings will continue to be based upon the applicable rates and meter readings obtained to determine consumption. The amount due under the LPP will be identified as a separate item on the customer's bill so the customer will know the amount to pay. The actual bill amount will also be reflected on the bill as a memo item for the customer's information.

The cumulative difference between actual billings and the levelized billings under the LPP will be carried in a deferred balance that will accumulate both debit and credit differences.

The monthly payment amount will be automatically reviewed and adjusted six months after the anniversary date. This adjustment will be made to assure that the difference between actual payments and average payments under the LPP will be minimal. The new LPP payment amount will be computed by averaging the sum of the most recent six months actual billings and a projected amount for the next six months. The projected amount will be derived by applying the current applicable rate schedule, cost-of-gas adjustment, and applicable tax factor to each of the most recent year's historical volumes for the corresponding months. This amount will be



Attachment: 2022-004 EXH 'A' Clean TXK TX Service Area Tariffs (3620 : 2022-004 ORD Reauthorizing Summit to charge natural gas rates)

**TEXARKANA, TEXAS SERVICE AREA**

Original Sheet No. 28

Replacing: Sheet No.

Summit Utilities Arkansas, Inc.
(Name of Company)

Kind of Service: Natural Gas Class of Service: All

**PART III**

**STANDARD SERVICE RULES AND REGULATIONS**

Effective: (to be determined)

rounded to the nearest dollar and will be the monthly LPP payment amount for the next six months.

On the initial and subsequent anniversary dates a new levelized payment amount is calculated by averaging to the nearest dollar, the amount of the deferred balance and the amount derived by applying the current applicable rate schedule, cost-of-gas adjustment, and applicable tax factor to each of the most recent twelve months historical volumes. This new LPP amount will then be in effect until the time of the next six-months review. On each subsequent anniversary date a new levelized payment amount will be calculated in this manner.

In such instances where sufficient billing history is not available, a twelve-month billing history will be estimated by the local office. The estimated history will be based on actual billings for those months in which actual billing data is available and estimated based on the service address or a similar location for those months in which no such actual billing is available.

Participation in the LPP will have no effect on the Company's approved rate schedules or other billing charges used to calculate the customer's actual monthly billing.

C. Customer Qualification for "Levelized Payment Plan"

No additional customers shall be added to the LPP. The Company will, however, maintain the LPP for those customers participating in the LPP.

Customer may discontinue LPP at any time by notifying the Company. If a customer requests termination, if an account is final billed, or if the customer is suspended by the Company as a result of past due amounts on an account, any outstanding balance owed to the Company at the time, including any differences between billings under the LPP and billings which would have been rendered under normal billing procedures shall be immediately due and payable. Likewise, any credit due customer shall be applied to the next bill or refunded, as appropriate.



Attachment: 2022-004 EXH 'A' Clean TXK TX Service Area Tariffs (3620 : 2022-004 ORD Reauthorizing Summit to charge natural gas rates)

**TEXARKANA, TEXAS SERVICE AREA**

Original Sheet No. 29

Replacing: Sheet No.

Summit Utilities Arkansas, Inc.
(Name of Company)

Kind of Service: Natural Gas Class of Service: All

**PART III**

**STANDARD SERVICE RULES AND REGULATIONS**

Effective: (to be determined)

XI. EXTENDED ABSENCE PAYMENT PLAN

(A) The following options are available to residential customers to avoid suspension of service during any extended absence over one (1) month:

(1) Bills due during the customer's absence may be paid in advance. The amount of the payment will be based on the prior year's corresponding usage based on current rates. Any over or under payment by the customer will be applied to the customer's next bill when he returns. A delayed payment agreement will be available for underpayments.

(2) The customer will be given the opportunity to enroll in the Company's automatic bank draft program. The monthly bill will be paid automatically through the customer's checking or savings account.

(a) This option may be utilized by the customer in conjunction with the Company's Average Monthly Billing (AMB), which establishes the monthly bill amount for customer's budgeting purposes during the absence.

(3) The customer can arrange to have bills coming due mailed to an alternate address, or to a third party during the absence.

(a) Third-party notification does not imply the third party will be responsible for the bill. Normal suspension of service rules will apply in the event bills are not paid.

(B) The customer must notify the Company in order to take advantage of any of these extended absence payment plans.



Attachment: 2022-004 EXH 'A' Clean TXK TX Service Area Tariffs (3620 : 2022-004 ORD Reauthorizing Summit to charge natural gas rates)

**TEXARKANA, TEXAS SERVICE AREA**

Original Sheet No. 30

Replacing: Sheet No.

Summit Utilities Arkansas, Inc.
(Name of Company)

Kind of Service: Natural Gas Class of Service: All

**PART III**

**STANDARD SERVICE RULES AND REGULATIONS**

Effective: (to be determined)

XII. AVERAGE MONTHLY BILLING

(A) Residential customers have the option of adopting the "Average Monthly Billing" plan ("AMB") for billing purposes as opposed to the normal billing procedure.

(B) OPERATION OF THE "AVERAGE MONTHLY BILLING"

(1) Each month, under the AMB a customer's bill will be computed by averaging to the nearest dollar, the amount billed to the customer's account during the last 12 months, plus or minus one-twelfth of the deferred budget balance. The average bill amount thus derived will be the payment amount for the month.

(2) Actual billings will continue to be based upon the appropriate rate schedules, riders, tax factors, and meter readings used to determine consumption. The AMB amount will be identified as a separate item on the customer's bill so the customer will know the amount to pay. The actual bill amount will also be shown on the bill as a memo item for the customer's information.

(3) The cumulative difference between actual billings and the AMB billings will be carried in a deferred budget balance that will accumulate both debits and credits and will adjust monthly.

(4) The monthly payment amount will be automatically reviewed and adjusted each month.

(5) In such instances where sufficient billing history is not available, a twelve-month billing history may be estimated.

(6) Participation in the AMB will have no effect on the Company's approved rate schedules or other billing charges used to calculate the customer's actual monthly billing.



Attachment: 2022-004 EXH 'A' Clean TXK TX Service Area Tariffs (3620 : 2022-004 ORD Reauthorizing Summit to charge natural gas rates)

**TEXARKANA, TEXAS SERVICE AREA**

Original Sheet No. 31

Replacing: Sheet No.

Summit Utilities Arkansas, Inc.
(Name of Company)

Kind of Service: Natural Gas Class of Service: All

**PART III**

**STANDARD SERVICE RULES AND REGULATIONS**

Effective: (to be determined)

(C) CUSTOMER QUALIFICATION FOR "AVERAGE MONTHLY BILLING" PLAN

(1) The AMB shall be made available to residential customers. The AMB is optional and will be available only on customer request, after an appropriate application for the AMB is completed, submitted and approved by the Company.

(2) At the time a customer chooses to participate in the AMB, his account must be current. This means that the current billings must not be past due and no unpaid balance exists.

(3) The customer may discontinue the AMB at any time by notifying the Company. The AMB will be discontinued if the customer requests a disconnect, if the customer is delinquent 30 or more days, if an account is final billed, or if the customer is turned off for non-payment as a result of past due amounts. Any outstanding balance owed to the Company at the time, including the deferred balance, will be due immediately. A delayed payment plan may be available to qualifying customers. Likewise, any credit due customer shall be applied to the next bill or refunded, as appropriate.



Attachment: 2022-004 EXH 'A' Clean TXK TX Service Area Tariffs (3620 : 2022-004 ORD Reauthorizing Summit to charge natural gas rates)

**TEXARKANA, TEXAS SERVICE AREA**

Original Sheet No. 32

Replacing: Sheet No.

Summit Utilities Arkansas, Inc.
(Name of Company)

Kind of Service: Natural Gas Class of Service: All

**PART III**

**STANDARD SERVICE RULES AND REGULATIONS**

Effective: (to be determined)

XIII. PROVISIONS FOR LANDLORDS AND TENANTS

(A) LANDLORD/TENANT ACCOUNT IDENTIFICATION

(1) The following procedure is used by the Company to identify landlord/tenant accounts:

(a) New service applicants are questioned during the initial application to determine if a landlord/tenant relationship exists.

(b) If Company personnel determine a landlord/tenant relationship exists, then the account will be coded accordingly.

(1) The landlord may be contacted to confirm tenant information.

(c) Company personnel may review landlord/tenant accounts periodically to verify landlord/tenant status.

(d) The Company will not be liable for any damage to persons or property resulting from the failure to properly identify a landlord/tenant account.



Attachment: 2022-004 EXH 'A' Clean TXK TX Service Area Tariffs (3620 : 2022-004 ORD Reauthorizing Summit to charge natural gas rates)

**TEXARKANA, TEXAS SERVICE AREA**

Original Sheet No. 33

Replacing: Sheet No.

Summit Utilities Arkansas, Inc.
(Name of Company)

Kind of Service: Natural Gas Class of Service: All

**PART III**

**STANDARD SERVICE RULES AND REGULATIONS**

Effective: (to be determined)

XIV. MINIMUM HEATING VALUE FOR GAS

(A) The average heating value for gas delivered to customers shall not be less than 975 Btu per cubic foot at 14.73 psia and 60° Fahrenheit.



Attachment: 2022-004 EXH 'A' Clean TXK TX Service Area Tariffs (3620 : 2022-004 ORD Reauthorizing Summit to charge natural gas rates)

**TEXARKANA, TEXAS SERVICE AREA**

Original Sheet No. 34

Replacing: Sheet No.

Summit Utilities Arkansas, Inc.
(Name of Company)

Kind of Service: Natural Gas Class of Service: All

**PART III**

**STANDARD SERVICE RULES AND REGULATIONS**

Effective: (to be determined)

XV. BASE OR ABSOLUTE GAS PRESSURE

(A) The established absolute pressure base for all deliveries shall be 14.73 psia.



Attachment: 2022-004 EXH 'A' Clean TXK TX Service Area Tariffs (3620 : 2022-004 ORD Reauthorizing Summit to charge natural gas rates)

**TEXARKANA, TEXAS SERVICE AREA**

Original Sheet No. 35

Replacing: Sheet No.

Summit Utilities Arkansas, Inc.
(Name of Company)

Kind of Service: Natural Gas Class of Service: All

**PART III**

**STANDARD SERVICE RULES AND REGULATIONS**

Effective: (to be determined)

XVI. NORMAL GAUGE PRESSURE FOR GAS

(A) The normal gauge pressure for all deliveries shall be .33 pounds gauge pressure per square inch above 14.4 assumed atmospheric pressure.



Attachment: 2022-004 EXH 'A' Clean TXK TX Service Area Tariffs (3620 : 2022-004 ORD Reauthorizing Summit to charge natural gas rates)

**TEXARKANA, TEXAS SERVICE AREA**

Original Sheet No. 36

Replacing: Sheet No.

Summit Utilities Arkansas, Inc.
(Name of Company)

Kind of Service: Natural Gas Class of Service: All

**PART III**

**STANDARD SERVICE RULES AND REGULATIONS**

Effective: (to be determined)

XVII. LEAVE ON AGREEMENT

(A) Pursuant to owner/manager's request and upon completion and approval of a Leave on Agreement as provided on sheet numbers 36 through 39 herein, the Company agrees to continue to sell and deliver natural gas service to owner/manager's rental units identified in the Agreement and the owner/manager agrees to pay Company for all gas service and charges provided for in the Agreement, subject to the terms and conditions of the Agreement.



Attachment: 2022-004 EXH 'A' Clean TXK TX Service Area Tariffs (3620 : 2022-004 ORD Reauthorizing Summit to charge natural gas rates)

**TEXARKANA, TEXAS SERVICE AREA**

Original Sheet No. 37

Replacing: Sheet No.

Summit Utilities Arkansas, Inc.
(Name of Company)

Kind of Service: Natural Gas Class of Service: All

**PART III**

**STANDARD SERVICE RULES AND REGULATIONS**

Effective: (to be determined)

## LEAVE ON AGREEMENT FOR NATURAL GAS SERVICE

This contract and agreement (hereinafter called the "Agreement") is made and entered into this _____ day of _____, 20____, by and between Summit Utilities Arkansas Inc., (hereinafter called "Company") its successors and assigns, and _____, (hereinafter called "Customer").

Customer represents that it is the owner/manager of the residential or commercial property identified on Attachment A hereto (said property being hereinafter referred to as the "rental property"), and that the terms and provisions of this Agreement are intended to cover and pertain to said rental property, consisting of a total of _____ rental unit(s).

Article I

Customer hereby requests that Company continue to sell and deliver natural gas service to each of the rental units identified above during any period of time subsequent to the closing of an account for service to a tenant or occupant of any of such rental units, or to the discontinuance or termination of service to any such rental units for any reason whatsoever except the nonpayment of utility bills by either the tenant or customer, and prior to the opening of an account for service to a new tenant or occupant of such rental unit. Customer agrees to be responsible for payment of all charges for gas service provided to any and all rental units covered by this Agreement during the aforesaid period of time.

Article II

A. Company agrees to waive the connection charge on all units identified on Attachment A, provided the gas service is transferred directly to the Customer without interruption. It is understood and agreed to by the Customer that the normal connection fee as approved by the appropriate regulatory authority will apply on units where a service interruption has occurred.

B. Customer agrees to pay Company for all gas service and charges provided for in this Agreement in accordance with all rates, tariffs, schedules and charges which have been approved by the prevailing regulatory authority. Both parties understand that the charges provided and set forth in



Attachment: 2022-004 EXH 'A' Clean TXK TX Service Area Tariffs (3620 : 2022-004 ORD Reauthorizing Summit to charge natural gas rates)

**TEXARKANA, TEXAS SERVICE AREA**

Original Sheet No. 38

Replacing: Sheet No.

Summit Utilities Arkansas, Inc.
(Name of Company)

Kind of Service: Natural Gas Class of Service: All

**PART III**

**STANDARD SERVICE RULES AND REGULATIONS**

Effective: (to be determined)

this Agreement may, from time to time, be revised pursuant to order of prevailing regulatory authorities. The parties agree that in the event any charge provided and set forth in this Agreement is so revised, the provisions of this Agreement will automatically be revised in accordance therewith without further action by either party.

Article III

A. This Agreement shall continue in full force and effect as to all rental units identified herein until terminated by either party by written notice mailed or delivered to the other party at least thirty (30) days prior to the date on which termination of this Agreement is desired.

B. In the event the Customer desires additional rental units to be covered by this Agreement or to delete rental units covered by this Agreement from such coverage, Customer agrees to provide notice of such changes to Company in writing. It is agreed that changes in the coverage of this Agreement requested by Customer shall become effective no more than one (1) business day after Customer's written request for such changes is received by Company.

Article IV

It is understood and agreed that this Agreement and the gas service to be provided by Company hereunder shall be subject to all applicable rules of the prevailing regulatory authorities, and the Company's rates and policies as presently on file with those authorities, as the same may be changed in accordance with the law.

Article V

This Agreement supersedes any previous Leave On Agreements entered into between Company and Customer with respect to the rental property or units identified herein.



Attachment: 2022-004 EXH 'A' Clean TXK TX Service Area Tariffs (3620 : 2022-004 ORD Reauthorizing Summit to charge natural gas rates)

**TEXARKANA, TEXAS SERVICE AREA**

Original Sheet No. 39

Replacing: Sheet No.

Summit Utilities Arkansas, Inc.
(Name of Company)

Kind of Service: Natural Gas Class of Service: All

**PART III**

**STANDARD SERVICE RULES AND REGULATIONS**

Effective: (to be determined)

Article VI

This Agreement shall bind and benefit the successors and assigns of Company and may be assigned by Customer upon written consent of Company.

_____ Summit Utilities Arkansas, Inc.

By:_____ By:_____

Mailing Address for Notices Required Herein:

_____ _____

_____ _____

_____ _____



Attachment: 2022-004 EXH 'A' Clean TXK TX Service Area Tariffs (3620 : 2022-004 ORD Reauthorizing Summit to charge natural gas rates)

**TEXARKANA, TEXAS SERVICE AREA**

Original Sheet No. 40

Replacing: Sheet No.

Summit Utilities Arkansas, Inc.
(Name of Company)

Kind of Service: Natural Gas Class of Service: All

**PART III**

**STANDARD SERVICE RULES AND REGULATIONS**

Effective: (to be determined)

ATTACHMENT A

Summit Utilities Arkansas, Inc.
LEAVE ON AGREEMENT PROPERTY LISTING

Customer _____ Date_____

| UNIT NUMBER | PROPERTY DESCRIPTION | ADDRESS | CITY/TOWN | STATE |
|---|---|---|---|---|
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Attachment: 2022-004 EXH 'A' Clean TXK TX Service Area Tariffs (3620 : 2022-004 ORD Reauthorizing Summit to charge natural gas rates)

**TEXARKANA, TEXAS SERVICE AREA**

Original Sheet No. 41

Replacing: Sheet No.

Summit Utilities Arkansas, Inc.
(Name of Company)

Kind of Service: Natural Gas Class of Service: All

**PART III**

**STANDARD SERVICE RULES AND REGULATIONS**

Effective: (to be determined)

XVIII. ORDER OF CURTAILMENT (OC)

(A) In order to take steps necessary for the protection of the reliable and adequate service that present supplies, capacities and facilities will permit, the Company will adhere to the following curtailment program:

(1) Deliveries of gas will be curtailed to whatever extent and for whatever periods Company may find necessary from time to time in the operation of its system for the primary benefit of human needs customers.

(2) In case of curtailments for whatever reason, the following order of priorities will be observed insofar as practicable, with the first noted category having the highest priority, and so on:

Priority 1.1 Residential; all commercial requirements of less than 500 Ccf per peak day.

Priority 1.2 All other commercial requirements (including schools, hospitals, and similar institutions unless they have provided an affidavit of waiver as set forth in Affidavit B of the LCS-1 Appendix), plant protection, small industrial and essential agricultural users with total requirements of up to 3,000 Ccf per day, and other uses the curtailment of which the Secretary of Energy or FERC determines would endanger life, health, or maintenance of physical property.

Priority 2.1* All other firm requirements for essential agricultural uses as defined in Section 401 of the Natural Gas Policy Act of 1978 which cannot use an alternate fuel within the meaning of applicable rules and regulations promulgated by the FERC under Section 401(b) of that Act.

Priority 2.2* Firm requirements for essential commercial process and feedstock uses as defined in Section 402 of the Natural Gas Policy Act of 1978 which cannot use an alternate fuel.

Priority 2.3* Firm requirements for other feedstock and process needs.



Attachment: 2022-004 EXH 'A' Clean TXK TX Service Area Tariffs (3620 : 2022-004 ORD Reauthorizing Summit to charge natural gas rates)

**TEXARKANA, TEXAS SERVICE AREA**

Original Sheet No. 42

Replacing: Sheet No.

Summit Utilities Arkansas, Inc.
(Name of Company)

Kind of Service: Natural Gas Class of Service: All

**PART III**

**STANDARD SERVICE RULES AND REGULATIONS**

Effective: (to be determined)

Priority 3 Firm requirements for commercial needs not covered elsewhere.

Priority 4 Firm requirements for commercial needs for boiler fuel use of more than 3,000 Ccf per day but not more than 15,000 Ccf per day.

Priority 5 Firm requirements for commercial needs for boiler fuel use of more than 15,000 Ccf per day but not more than 30,000 Ccf per day.

Priority 6 Firm requirements for commercial needs for boiler fuel use of more than 30,000 Ccf per day.

Priority 7 Commercial transportation requirements for customers contracting directly with an upstream pipeline where gas supply deliveries have been interrupted or curtailed by the pipeline.

* **When it is necessary to curtail loads in each of these priorities, the large requirements that normally use more than 3,000 Mcf per day will be curtailed before the smaller loads.**

(3) Each higher priority of use will be fully protected from curtailment until all lower priorities have been ordered curtailed 100 percent; that is, no curtailments of Priority 5 uses will be ordered until all Priority 6 uses have been ordered curtailed, and so forth.

(4) If system deliverability permits only partial delivery of gas to a given category of use, curtailment will occur, on the basis of a pro rata sharing based on historical deliveries to customers for that category. On days when curtailment is required, total deliveries to individual customers may not exceed contract volumes.

(5) Before service commences, when the character of gas usage materially changes, and from time to time upon request, each customer shall furnish Company with all information reasonably required by Company with regard to gas usage at the facility served to assist Company in its determination of the proportionate parts, if any, of that usage falling in different priority categories. In determining the appropriate priority



Attachment: 2022-004 EXH 'A' Clean TXK TX Service Area Tariffs (3620 : 2022-004 ORD Reauthorizing Summit to charge natural gas rates)

**TEXARKANA, TEXAS SERVICE AREA**

Original Sheet No. 43

Replacing: Sheet No.

Summit Utilities Arkansas, Inc.
(Name of Company)

Kind of Service: Natural Gas Class of Service: All

**PART III**

**STANDARD SERVICE RULES AND REGULATIONS**

Effective: (to be determined)

category for gas sold, no distinction will be made between gas sold to direct customers and to resale customers.

(6) Company will implement this curtailment plan throughout each of Company's systems to the extent possible consistent with the practical operation of the system, giving due regard to such factors as system capacity and where curtailable customers are located in relation to where the gas is needed.

Any customer who fails to comply with any curtailment directive issued by the Company in response to this order shall be subject to total curtailment of gas during the remainder of the curtailment period. The Company shall have the right to enter the premises of the customer to ascertain the degree of compliance with the curtailment order and to take such other steps as may be necessary to enforce the provisions of this curtailment order.

(7) An emergency exemption from curtailment will be provided for all firm electric utility customers to the extent required to avoid the curtailment of firm electric load upon an attestation by a utility to Company that: (1) the utility faces an emergency situation wherein it will be required to shed firm electric load necessary to serve human needs customers unless an exemption from curtailment is granted in an amount which will avoid the curtailment of firm electric load necessary to serve human needs customers; (2) the utility has no alternate fuel capability; (3) the utility has exhausted all purchased power opportunities; (4) the utility has utilized all alternative sources of power; and (5) the utility will accept reduced deliveries during the emergency exemption from curtailment. Electric utilities served at more than one location are permitted to divert their entitlements between plants so long as they stay within their total entitlements, where Company determines that this can be done consistently with prudent operation of its system.

(8) Any firm customer claiming an emergency need for supplemental deliveries during curtailment to forestall irreparable injury to life or property shall furnish Company with full details of the nature, cause, unavoidability and estimated duration of the emergency. This information is to be given by telephone followed by immediate



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**TEXARKANA, TEXAS SERVICE AREA**

Original Sheet No. 44

Replacing: Sheet No.

Summit Utilities Arkansas, Inc.
(Name of Company)

Kind of Service: Natural Gas Class of Service: All

**PART III**

**STANDARD SERVICE RULES AND REGULATIONS**

Effective: (to be determined)

written notice to Company signed by an officer or responsible employee under oath. Upon receipt of the initial notice Company will make such investigation as is reasonably possible under the circumstances and if gas is available, Company will deliver such supplemental volumes as Company determines the situation to require. The customer must promptly take all reasonable steps to eliminate the cause of the emergency and accept reduced deliveries after the emergency to offset the supplemental deliveries.

(9) Company shall be relieved of all liabilities, penalties, charges, payments, price adjustments, alternate fuel subsidizations and claims of whatever kind, contractual and otherwise, resulting from or arising out of Company's failure to deliver all, or any portion of, the volumes of gas desired by any particular customer or customers to the extent that such failure results from Company's implementation of this curtailment plan in accordance with its provisions and applicable regulatory orders, notwithstanding inconsistent provisions in contracts, jurisdictional and non-jurisdictional, heretofore entered into.

(10) Until the reserves available to Company's system are substantially augmented, Company will husband its existing gas supply by regulating its receipts from connected sources so as to receive gas at rates reasonably calculated to permit the maximum utilization of the reserves for the benefit of Company's human needs customers over the longest possible periods of time.

(11) All surplus gas deliveries are to be discontinued completely before contract service to the above listed priorities is curtailed.

(12) To the extent Company has gas available, Company will deliver volumes of natural gas to firm customers:

(a) to respond to emergency situations (including environmental emergencies) during period of curtailment where additional supplies are required to forestall irreparable injury to life or to property; and



Attachment: 2022-004 EXH 'A' Clean TXK TX Service Area Tariffs (3620 : 2022-004 ORD Reauthorizing Summit to charge natural gas rates)

**TEXARKANA, TEXAS SERVICE AREA**

Original Sheet No. 45

Replacing: Sheet No.

Summit Utilities Arkansas, Inc.
(Name of Company)

Kind of Service: Natural Gas Class of Service: All

**PART III**

**STANDARD SERVICE RULES AND REGULATIONS**

Effective: (to be determined)

(b) to provide for minimum plant protection when the plant is shut down.



Attachment: 2022-004 EXH 'A' Clean TXK TX Service Area Tariffs (3620 : 2022-004 ORD Reauthorizing Summit to charge natural gas rates)

**TEXARKANA, TEXAS SERVICE AREA**

~~First Revised~~Original Sheet No. 1-1.1/3

Replacing: ~~Original~~ Sheet No. ~~1-1.1~~/3

~~CenterPoint Energy Resources Corp.~~
~~d/b/a CenterPoint Energy Arkansas Gas~~Summit Utilities Arkansas, Inc.
(Name of Company)

Kind of Service: Natural Gas Class of Service: Residential

PART I – Rate Schedule No. 1

**Title: RESIDENTIAL FIRM SALES SERVICE (RS-1)** Effective: ~~(September 1, 2017~~TBD~~~~to be determined)

## 1. RESIDENTIAL FIRM SALES SERVICE (RS-1)

1.1. AVAILABILITY

1.1.1. This rate is available to any consumer where gas is delivered to an individually metered, single, private dwelling and its appurtenances, the major use of which is for household appliances, and for the personal comfort and convenience of those persons residing therein. This rate schedule is not available for any dwelling used principally for commercial purposes. Natural gas supplied hereunder is for the individual use of the customer at the point of delivery and shall not be resold or shared with others. Standby service is not available under this rate schedule.

1.2. RATES

1.2.1. Each customer receiving service under this rate schedule shall be charged the sum of (a), (b), and (c) as follows:

(a) Monthly Customer Charge -- $10.75. ~~–~~The monthly customer charge shall be pro-rated in the months that the customer initiates and terminates gas service.

(b) Distribution Rate:

First 15 Ccf at $0.45335 per Ccf
Over 15 Ccf at $0.36576 per Ccf

(c) Gas Supply Rate - The Gas Supply Rate will be calculated and adjusted periodically as defined in the Company's Gas Supply Rate Rider.



Attachment: 2022-004 ATTH 01 Redline TXK TX Service Area Tariffs (3620 : 2022-004 ORD Reauthorizing Summit to charge natural gas rates)

**TEXARKANA, TEXAS SERVICE AREA**

~~First Revised~~Original Sheet No. 1-1.2/3

Replacing: ~~Original~~ Sheet No. ~~1-1.~~2~~/3~~

~~CenterPoint Energy Resources Corp.~~
~~d/b/a CenterPoint Energy Arkansas Gas~~Summit Utilities Arkansas, Inc.
(Name of Company)

Kind of Service: Natural Gas Class of Service: Residential

PART I – Rate Schedule No. 1

**Title: RESIDENTIAL FIRM SALES SERVICE (RS-1)** Effective: ~~(September 1, 2017~~TBD~~~~to be determined)

(d) WNA Rider will be applicable only to volumes in excess of 15 Ccf per month.

1.3. MINIMUM CHARGE

1.3.1. Monthly Customer Charge -- $10.75. ~~-~~The monthly customer charge shall be pro-rated in the months that the customer initiates and terminates gas service.

1.4. RIDERS

1.4.1. In addition to the Gas Supply Rate Rider, the following riders are applicable to service under this rate schedule:

| Rider Name | Description | Identification on Customer Bills |
|---|---|---|
| TA | Municipal Tax Adjustment | Municipal Franchise Adj |
| WNA | Weather Normalization Adjustment | Weather Normalization Adj |
| ~~BDA~~ | ~~Interim Billing Determinant Rate Adjustment~~ | ~~Billing Determinant Rate Adj~~ |
| EECR | Energy Efficiency Cost Recovery Rider | EE Cost Rate |
| ~~FRP~~ | ~~Formula Rate Plan Rider~~ | ~~Formula Rate Plan Adj~~ |



Attachment: 2022-004 ATTH 01 Redline TXK TX Service Area Tariffs (3620 : 2022-004 ORD Reauthorizing Summit to charge natural gas rates)

**TEXARKANA, TEXAS SERVICE AREA**

~~First Revised~~Original Sheet No. 1-1.3/3

Replacing: ~~Original~~ Sheet No. ~~1-1.~~3~~/3~~

~~CenterPoint Energy Resources Corp.~~
~~d/b/a CenterPoint Energy Arkansas Gas~~Summit Utilities Arkansas, Inc.
(Name of Company)

Kind of Service: Natural Gas Class of Service: Residential

PART I – Rate Schedule No. 1

**Title: RESIDENTIAL FIRM SALES SERVICE (RS-1)** Effective: ~~(September 1, 2017~~~~TBD~~to be determined)

1.4.2. Service will be rendered under this rate schedule until service is discontinued to customer or the schedule is superseded.

1.5. RULES AND REGULATIONS GOVERNING UTILITY SERVICE

1.5.1. The Company's Standard Rules and Regulations, as the same may from time to time be changed in accordance with the law, shall be applicable to service under this rate schedule.



Attachment: 2022-004 ATTH 01 Redline TXK TX Service Area Tariffs (3620 : 2022-004 ORD Reauthorizing Summit to charge natural gas rates)

**TEXARKANA, TEXAS SERVICE AREA**

~~First Revised~~Original Sheet No. 1-2.1/8

Replacing: ~~Original~~ Sheet No. ~~1-2.1/6~~

~~CenterPoint Energy Resources Corp.~~
~~d/b/a CenterPoint Energy Arkansas Gas~~Summit Utilities Arkansas, Inc.
(Name of Company)

Kind of Service: Natural Gas Class of Service: Small Commercial

PART I – Rate Schedule No. 2

**Title: SMALL COMMERCIAL FIRM SALES SERVICE (SCS-1)**

Effective: ~~September 1, 2017~~(to be determined)~~TBD~~

## 2. SMALL COMMERCIAL FIRM SALES SERVICE (SCS-1)

### 2.1. AVAILABILITY

2.1.1. This rate schedule is available at points of adequate capacity and suitable pressure on the Company's existing facilities. This rate schedule is available to any consumer engaging in business, professional, institutional or other non-residential activity supplied at an individually metered point of delivery for all uses of gas. Natural gas supplied hereunder is for the individual use of the customer at the point of delivery and shall not be resold or shared with others. Standby service is not available under this rate schedule.

2.1.2. Gas consumption under this rate schedule is limited to 365,000 Ccf in any 12 consecutive month period. If at any time, it is anticipated, based on Company's estimate, that the customer will consume in excess of 365,000 Ccf per year in the succeeding 12 consecutive month period, the customer shall become subject to the applicable large commercial firm service rate schedule.

2.1.3. Company has historically allowed the volume usage of meters at business facilities under common ownership and subject to this rate schedule to be aggregated for the sole purpose of establishing eligibility for transportation as referenced in Part 3.1.3. of Rate Schedule LCS-1. Customers historically qualifying for transportation under this aggregation provision shall remain subject to the rates and charges under this rate schedule in addition to any additional specific rates, charges, or adjustment riders peculiar to the Transportation Supply Option ("TSO") set out in Rate Schedule LCS-1, such as, but not limited to, administrative fees. Customers aggregating volume shall be subject to all provisions and policies governing TSO option customers as specified in LCS-1, except as provided for herein.



Attachment: 2022-004 ATTH 01 Redline TXK TX Service Area Tariffs (3620 : 2022-004 ORD Reauthorizing Summit to charge natural gas rates)

**TEXARKANA, TEXAS SERVICE AREA**

~~First Revised~~Original Sheet No. 1-2.2/8

Replacing: ~~Original~~ Sheet No. ~~1-2.2/6~~

~~CenterPoint Energy Resources Corp.~~
~~d/b/a CenterPoint Energy Arkansas Gas~~Summit Utilities Arkansas, Inc.
(Name of Company)

Kind of Service: Natural Gas Class of Service: Small Commercial

PART I – Rate Schedule No. 2

**Title: SMALL COMMERCIAL FIRM SALES SERVICE (SCS-1)**

Effective: ~~September 1, 2017~~(to be determined)~~TBD~~

Although no aggregation will be allowed for eligibility, the ability to aggregate for eligibility purposes at existing and new locations shall remain unchanged for transportation customers eligible under such aggregation provision prior to September 21, 2002. Future aggregation for the purpose of qualification, except as otherwise referenced herein, is prohibited. Each individual account of historically qualified customers shall be treated as a separate account and shall be subject to the same rates and charges under the originating SCS-1 or LCS-1 rate schedule, and are additionally subject to any specific rates, charges or riders specific to the TSO.

For the purpose of establishing eligibility for the "TSO" defined in the LCS rate schedule, customers experiencing or anticipating an average daily demand of 10 MMBtu per day during the preceding or succeeding twelve months will be eligible for the TSO. Customers qualifying for transportation who choose the TSO shall be subject to rates and charges under the SCS-1 rate schedule, and are additionally subject to any additional specific rates, charges or riders specific to the TSO.

2.1.4. Customers converting from transportation service to sales service will be required to contract for such sales services between the months of February through April preceding the expiration of the primary or any succeeding term of the Customer's existing contract. Customers seeking to contract for sales service during the required time frame will be allowed to convert to sales service provided that the Company is able to secure firm upstream transportation capacity and other upstream pipeline services sufficient to meet the Customer's needs. Any such conversion will be effective upon the expiration of the term of the Customer's existing contract, unless the Company and the Customer agree otherwise.



Attachment: 2022-004 ATTH 01 Redline TXK TX Service Area Tariffs (3620 : 2022-004 ORD Reauthorizing Summit to charge natural gas rates)

**TEXARKANA, TEXAS SERVICE AREA**

~~First Revised~~Original Sheet No. 1-2.3/8

Replacing: ~~Original~~ Sheet No. ~~1-2.~~3~~/6~~

~~CenterPoint Energy Resources Corp.~~
~~d/b/a CenterPoint Energy Arkansas Gas~~Summit Utilities Arkansas, Inc.
(Name of Company)

Kind of Service: Natural Gas Class of Service: Small Commercial

PART I – Rate Schedule No. 2

**Title: SMALL COMMERCIAL FIRM SALES SERVICE (SCS-1)**

Effective: ~~September 1, 2017~~(to be determined)~~TBD~~

2.1.5. Seasonal Transportation. Customer facilities experiencing more than 80% of annual load during the flow months April through October, and who experience or anticipate an average daily demand of more than 10 MMBtu per day during any consecutive 30-day period of the preceding or succeeding April through October, are eligible to transport on a seasonal basis. Customers meeting the aforementioned criteria, may elect the TSO option and choose a subsequent return to the System Supply Option ("SSO") only once during the calendar year. Customers electing the TSO on a seasonal basis, pursuant to notice given prior to May 31st or thirty days prior to commencement of service, whichever is earlier, may receive transportation service for a continuous period of at least 30 days between April 1 and October 31. Customers electing the TSO option on a seasonal basis are subject to the TSO contract administration fee. Additionally, each participating location shall pay a $300 set-up fee upon initial election and upon any subsequent return to transportation service.

2.2. RATES

2.2.1. Each customer receiving service under this rate schedule shall be charged the sum of (a), (b), and (c) as follows:

(a) Monthly Customer Charge - $14.67. The monthly customer charge shall be pro-rated in the months that the customer initiates and terminates gas service.

(b) Distribution Rate for customers electing the SSO option:

| | |
|---|---|
| First 1,500 Ccf at | $0.17133 |
| 1,501 – 15,000 Ccf at | $0.12959 |
| Over 15,000 Ccf at | $0.05555 |



Attachment: 2022-004 ATTH 01 Redline TXK TX Service Area Tariffs (3620 : 2022-004 ORD Reauthorizing Summit to charge natural gas rates)

**TEXARKANA, TEXAS SERVICE AREA**

~~First Revised~~Original Sheet No. 1-2.4/8

Replacing: ~~Original~~ Sheet No. ~~1-2.~~4/~~6~~

~~CenterPoint Energy Resources Corp.~~
~~d/b/a CenterPoint Energy Arkansas Gas~~Summit Utilities Arkansas, Inc.
(Name of Company)

Kind of Service: Natural Gas Class of Service: Small Commercial

PART I – Rate Schedule No. 2

**Title: SMALL COMMERCIAL FIRM SALES SERVICE (SCS-1)**

Effective: ~~September 1, 2017~~(to be determined)~~TBD~~

Distribution Rate for customers electing the TSO option:

| | |
|---|---|
| First 150 MMBtu at | $1.68620 |
| 151 – 1,500 MMBtu at | $1.27534 |
| Over 1,500 MMBtu at | $0.54673 |

(c) Gas Supply Rate - The Gas Supply Rate will be calculated and adjusted periodically as defined in the Company's Gas Supply Rate Rider.

(d) WNA Rider will be applicable only to volumes in excess of 78 Ccf.

2.2.2. Rates for customers historically qualifying for service under the Part 2.1.3. aggregation provision and customers qualifying for transportation under this rate schedule will be subject to thermal adjustment. Delivered volumes will be adjusted by the appropriate thermal content factor obtained from the nearest available chromatograph or sampling location (Ccf / 10) x thermal content factor = MMBtu).

2.3. MINIMUM CHARGE

2.3.1. Monthly Customer Charge -- $14.67. The monthly customer charge shall be pro-rated in the months that the customer initiates and terminates gas service.

2.4. TELEMETERING

2.4.1.

Telemetering is required for customers electing and qualifying for transportation service. Company shall install telemetry equipment of



Attachment: 2022-004 ATTH 01 Redline TXK TX Service Area Tariffs (3620 : 2022-004 ORD Reauthorizing Summit to charge natural gas rates)

**TEXARKANA, TEXAS SERVICE AREA**

~~First Revised~~Original Sheet No. 1-2.5/8

Replacing: ~~Original~~ Sheet No. ~~1-2.~~5~~/6~~

~~CenterPoint Energy Resources Corp.~~
~~d/b/a CenterPoint Energy Arkansas Gas~~Summit Utilities Arkansas, Inc.
(Name of Company)

Kind of Service: Natural Gas Class of Service: Small Commercial

PART I – Rate Schedule No. 2

**Title: SMALL COMMERCIAL FIRM SALES SERVICE (SCS-1)**

Effective: ~~September 1, 2017~~(to be determined)~~TBD~~

standard make and manufacture to determine hourly and daily flow at customer's point of delivery. Customer shall choose between analog telemetry and wireless telemetry, if suitable wireless service is available. Customer will pay Company for telemetry equipment under one of the following payment options as chosen by the customer:

( ) Option 1: Customer agrees to provide an analog phone line for each meter and pay for standard telemetry equipment and installation costs for each meter. Customer will be subject to meter reading fees for an inoperable phone line for each meter.

( ) Option 2: Customer will provide an analog phone line for each meter but elects to pay a monthly fee for standard telemetry equipment and installation costs for each meter. The fee will be $30 per month per meter for meters that do not require pressure instrumentation and $84 per month per meters that do require pressure instrumentation. The customer will be subject to meter reading fees for an inoperable phone line for each meter.

( ) Option 3: Customer elects wireless service through ~~CenterPoint Energy Arkansas Gas~~Summit Utilities Arkansas, Inc. for each meter and agrees to pay for standard telemetry equipment and installation costs for each meter. The wireless service fee will be $10 per month per meter, and Customer will not be subject to meter reading fees.

( ) Option 4: Customer elects wireless service through ~~CenterPoint Energy Arkansas Gas~~Summit Utilities Arkansas, Inc. for each meter and elects to pay a monthly fee for standard telemetry equipment and installation costs for each meter. The fee will be $40 per month for meters that do not require pressure instrumentation and $94 per month per meter for meters that do require pressure instrumentation. The customer will not be subject to meter reading fees.



Attachment: 2022-004 ATTH 01 Redline TXK TX Service Area Tariffs (3620 : 2022-004 ORD Reauthorizing Summit to charge natural gas rates)

**TEXARKANA, TEXAS SERVICE AREA**

~~First Revised~~Original Sheet No. 1-2.6/8

Replacing: ~~Original~~ Sheet No. ~~1-2.~~6~~/6~~

~~CenterPoint Energy Resources Corp.~~
~~d/b/a CenterPoint Energy Arkansas Gas~~Summit Utilities Arkansas, Inc.
(Name of Company)

Kind of Service: Natural Gas Class of Service: Small Commercial

PART I – Rate Schedule No. 2

**Title: SMALL COMMERCIAL FIRM SALES SERVICE (SCS-1)**

Effective: ~~September 1, 2017~~(to be determined)~~TBD~~

In the event customer has in place working telemetering facilities and equipment; and the customer receives system supply service; and Company determines it necessary to keep the telemeter(s) operational, Company will arrange and pay for the associated telecommunications cost while the customer receives sales service under this rate schedule.

2.4.2. If customer chooses analog telemetry, then customer shall be responsible for installing and maintaining telecommunications lines. Should customer fail to maintain or repair telecommunications lines required to communicate with telemetry equipment, Company shall have the right to bill customer all labor and expense required to manually read the meter, at whatever intervals the Company may deem necessary.

If customer chooses wireless telemetry, then customer shall pay Company $10 per month per meter for wireless telemetry service for the entire period such meter(s) is(are) served under this or any other transportation rate schedule.

2.5. RIDERS

2.5.1. In addition to the Gas Supply Rate Rider, the following riders are applicable to service under this rate schedule:

| Rider Name | Description | Identification on Customer Bills |
|---|---|---|
| TA | Municipal Tax Adjustment | Municipal Franchise Adj |
| WNA | Weather Normalization | Weather Normalization Adj |



Attachment: 2022-004 ATTH 01 Redline TXK TX Service Area Tariffs (3620 : 2022-004 ORD Reauthorizing Summit to charge natural gas rates)

**TEXARKANA, TEXAS SERVICE AREA**

~~First Revised~~Original Sheet No. 1-2.7/8

Replacing: ~~Original~~ Sheet No. ~~1-2.7/6~~

~~CenterPoint Energy Resources Corp.~~
~~d/b/a CenterPoint Energy Arkansas Gas~~Summit Utilities Arkansas, Inc.
(Name of Company)

Kind of Service: Natural Gas Class of Service: Small Commercial

PART I – Rate Schedule No. 2

**Title: SMALL COMMERCIAL FIRM SALES SERVICE (SCS-1)**

Effective: ~~September 1, 2017~~(to be determined)~~TBD~~

| | Adjustment | |
|---|---|---|
| ~~BDA~~ | ~~Interim Billing Determinant Rate Adjustment~~ | ~~Billing Determinant Rate Adj~~ |



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**TEXARKANA, TEXAS SERVICE AREA**

Original Sheet No. 1-2.8/8

Replacing: Sheet No.

~~CenterPoint Energy Resources Corp.~~
~~d/b/a CenterPoint Energy Arkansas Gas~~Summit Utilities Arkansas, Inc.
(Name of Company)

Kind of Service: Natural Gas Class of Service: Small Commercial

PART I – Rate Schedule No. 2

**Title: SMALL COMMERCIAL FIRM SALES SERVICE (SCS-1)**

Effective: ~~September 1, 2017~~TBD

| | | |
|---|---|---|
| EECR | Energy Efficiency Cost Recovery Rider | EE Cost Rate |
| ~~FRP~~ | ~~Formula Rate Plan Rider~~ | ~~Formula Rate Plan Adj~~ |

2.5.2. Service will be rendered under this rate schedule until service is discontinued to customer, the customer qualifies for service under the large commercial firm service rate schedule, or the schedule is superseded.

2.6. RULES AND REGULATIONS GOVERNING UTILITY SERVICE

2.6.1. The Company's Standard Rules and Regulations, as the same may from time to time be changed in accordance with the law, shall be applicable to service under this rate schedule.



Attachment: 2022-004 ATTH 01 Redline TXK TX Service Area Tariffs (3620 : 2022-004 ORD Reauthorizing Summit to charge natural gas rates)

**TEXARKANA, TEXAS SERVICE AREA**

~~First Revised~~Original Sheet No. 1-3.1/39

Replacing: ~~Original~~ Sheet No. ~~1-3.1~~/38

~~CenterPoint Energy Resources Corp.~~
~~d/b/a CenterPoint Energy Arkansas Gas~~Summit Utilities Arkansas, Inc.
(Name of Company)

Kind of Service: Natural Gas Class of Service: Large Commercial

PART I - Rate Schedule No. 3

**Title: LARGE COMMERCIAL FIRM SERVICE (LCS-1)** Effective: ~~September 1, 2017(to be determined)~~

**3. LARGE COMMERCIAL FIRM SERVICE (LCS-1)**

3.1. AVAILABILITY

3.1.1. This rate schedule is available at points of adequate capacity and suitable pressure on the Company's existing facilities. This rate schedule is available to any customer at a particular facility owned or operated by customer who enters into a large volume commercial service agreement ("Agreement") with Company, in the form appended to this rate schedule on reasonable terms and conditions acceptable to the Company, for delivery of gas at the facility, provided such facility has experienced, or anticipates, an average daily demand of more than 100 MMBtu per day during the preceding or succeeding twelve (12) months, respectively.

For the purpose of establishing eligibility for the Transportation Supply Option ("TSO") defined in this rate schedule, customers experiencing or anticipating an average daily demand of 10 MMBtu per day during the preceding or succeeding twelve months will be eligible for the TSO. Customers choosing the TSO will remain under their originating SCS or LCS rate schedules, and are additionally subject to any specific rates, charges or riders specific to the TSO.

3.1.2. Company has historically allowed the volume usage of meters at facilities under common ownership and subject to other commercial rate schedules to be aggregated for the sole purpose of establishing eligibility for transportation. Although no aggregation will be allowed for eligibility, the ability to aggregate for eligibility purposes at existing and new locations shall remain unchanged for transportation customers eligible under such aggregation provision prior to September 21, 2002. Future aggregation for the purpose of qualification, except as otherwise referenced herein, is prohibited. Each individual account of historically qualified customers shall be treated as a separate account and shall be subject to the same rates and



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Attachment: 2022-004 ATTH 01 Redline TXK TX Service Area Tariffs (3620 : 2022-004 ORD Reauthorizing Summit to charge natural gas rates)

**TEXARKANA, TEXAS SERVICE AREA**

~~First Revised~~Original Sheet No. 1-3.2/39

Replacing: ~~Original~~ Sheet No. ~~1-3.2/38~~

~~CenterPoint Energy Resources Corp.~~
~~d/b/a CenterPoint Energy Arkansas Gas~~Summit Utilities Arkansas, Inc.
(Name of Company)

Kind of Service: Natural Gas Class of Service: Large Commercial

PART I - Rate Schedule No. 3

**Title: LARGE COMMERCIAL FIRM SERVICE (LCS-1)** Effective: ~~September 1, 2017(to be determined)~~

charges under the originating SCS or LCS rate schedule, and are additionally subject to any specific rates, charges or riders specific to the TSO.

3.1.3. Customers under this rate schedule may choose between two sources of supply, as follows:

(a) System Supply Option ("SSO") - under which customer will be delivered natural gas supply designated as general system supply of Company.

(b) Transportation Supply Option ("TSO") - under which customer will be delivered natural gas supply received for customer's account at points of receipt on Company's distribution facilities.

3.1.4. The customer's election between the two supply options under this rate schedule shall be set forth in the requisite Agreement which will specify the term (duration) of this customer election. Under no circumstances shall the Company be obligated to (a) deliver natural gas volumes to a customer under this rate schedule from a supply source other than the one reflected in customer's election embodied in the Agreement or (b) enter into an agreement with a term of less than one year. LCS customers failing to execute the requisite agreement setting forth the supply option election, shall default to the System Supply Option, and shall remain until such time that an agreement setting forth the alternative supply option is executed.

3.1.5. If customer has human needs requirements, or other requirements necessary for the preservation of life, health or physical property, the Company will require customer to certify and document such requirements in writing prior to the start of service. The Customer shall update the Company in writing when its human needs requirements change.



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Attachment: 2022-004 ATTH 01 Redline TXK TX Service Area Tariffs (3620 : 2022-004 ORD Reauthorizing Summit to charge natural gas rates)

**TEXARKANA, TEXAS SERVICE AREA**

~~First Revised~~Original Sheet No. 1-3.3/39

Replacing: ~~Original~~ Sheet No. ~~1-3.3/38~~

~~CenterPoint Energy Resources Corp.~~
~~d/b/a CenterPoint Energy Arkansas Gas~~Summit Utilities Arkansas, Inc.
(Name of Company)

Kind of Service: Natural Gas Class of Service: Large Commercial

PART I - Rate Schedule No. 3

**Title: LARGE COMMERCIAL FIRM SERVICE (LCS-1)** Effective: ~~September 1, 2017(to be determined)T~~

3.1.6. Additionally, if customer has human needs requirements under the TSO, the Company will require customer to certify and document to Company that it:

(a) has made firm pipeline capacity and gas supply arrangements sufficient to ensure non-interruptible deliveries to satisfy its level of human needs requirements. This documentation will include written acknowledgement from the upstream pipeline that firm, primary delivery point capacity is under contract for the appropriate location that will service customer, and that such capacity is under contract for the entire November through March time period; or,

(b) has one or more alternative energy back-up systems in place to provide for continuous energy to satisfy the total human needs requirements that otherwise would be met by natural gas. In such instance, there will be no requirement to meet this firm pipeline capacity and gas supply provision.

3.1.7. Customers converting from sales service to transportation service shall bear the supply-related cost/credit shifts or additional costs/credits, if any, directly resulting from that conversion, including existing pipeline commitments, existing gas supply costs, and additional administrative costs. The Company shall maintain adequate records to demonstrate such costs and to substantiate that this result has been achieved, and shall make such information available to the converting customer upon request. Upon request, Company shall provide a good faith estimate of such costs/credits based upon representations made by the customer as to usage, demand, timing, and other factors.

3.1.8 Customers converting from transportation service to sales service will be required to contract for such sales service between the months of February through April preceding the expiration of the primary or any succeeding term of the Customer's existing contract. Customers seeking to contract for



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Attachment: 2022-004 ATTH 01 Redline TXK TX Service Area Tariffs (3620 : 2022-004 ORD Reauthorizing Summit to charge natural gas rates)

**TEXARKANA, TEXAS SERVICE AREA**

~~First Revised~~Original Sheet No. 1-3.4/39

Replacing: ~~Original~~ Sheet No. ~~1-3.4/38~~

~~CenterPoint Energy Resources Corp.~~
~~d/b/a CenterPoint Energy Arkansas Gas~~Summit Utilities Arkansas, Inc.
(Name of Company)

Kind of Service: Natural Gas Class of Service: Large Commercial

PART I - Rate Schedule No. 3

**Title: LARGE COMMERCIAL FIRM SERVICE (LCS-1)** Effective: ~~September 1, 2017~~(to be determined)~~T~~

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sales service during the required time frame will be allowed to convert to sales service provided that the Company is able to secure firm upstream transportation capacity and other upstream pipeline services sufficient to meet the Customer's needs. Any such conversion will be effective upon the expiration of the term of the Customer's existing contract, unless the Company and the Customer agree otherwise.

3.1.9. Seasonal Transportation. Customer facilities experiencing more than 80% of annual load during the flow months April through October, and who has experienced or anticipates an average daily demand of more than 10 MMBtu per day during any consecutive 30-day period of the preceding or succeeding April through October, are eligible to transport on a seasonal basis. Customers meeting the aforementioned criteria, may elect the TSO option and choose a subsequent return to the SSO option only once during the calendar year. Customers electing the TSO option on a seasonal basis, pursuant to notice given prior to May 31st or thirty days prior to commencement of service, whichever is earlier, may receive transportation service for a continuous period of at least 30 days between April 1 and October 31. Customers electing the TSO option on a seasonal basis are subject to the TSO contract administration fee. Additionally, each participating location shall pay a $300 set-up fee upon initial election and upon any subsequent return to transportation service.

3.2. MAXIMUM QUANTITIES

3.2.1. Company and customer shall agree upon a Maximum Daily Winter Quantity ("MDWQ") applicable to the period from November through March which will be reflected in the Agreement, and shall establish the maximum MMBtu Quantity that the Company will be obligated to deliver on a firm basis on any given day to customer's point of delivery until such maximum quantity is revised pursuant to Part 3.2.4.



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~~First Revised~~Original Sheet No. 1-3.5/39

Replacing: ~~Original~~ Sheet No. ~~1-3.5/38~~

~~CenterPoint Energy Resources Corp.~~
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(Name of Company)

Kind of Service: Natural Gas Class of Service: Large Commercial

PART I - Rate Schedule No. 3

**Title: LARGE COMMERCIAL FIRM SERVICE (LCS-1)** Effective: ~~September 1, 2017(to be determined)~~

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3.2.2. Average Daily Volume shall be calculated by dividing the annual volume by 365.

3.2.3. Under no circumstances is Company required to agree to an MDWQ, Average Daily Volume or other quantity-related obligation under this rate schedule that it finds inconsistent with actual expected operating outcomes or load requirements based on observed historical operating data, the level and nature of currently installed natural gas facilities, equipment and appliances, or other relevant, reasonable and appropriate information or data. When entering into a new Agreement, an existing customer will not be required to agree to an MDWQ, Average Daily Volume or other quantity-related obligation under this rate schedule that is less than the quantities in effect during the previous Agreement, provided, however, that the quantities sought by the customer were actually experienced during the two-year period preceding the new Agreement.

3.2.4. Unless agreed otherwise, should customer deliveries exceed the Initial MDWQ during the period from November through March, then delivery demand set on that day shall reestablish the MDWQ and shall hereinafter be referred to as the Replacement MDWQ. Should annual deliveries exceed previously established levels, for the prior 12-month period, then the Initial Average Daily Volume will be reestablished for the annual period, and shall be known as the Replacement Average Daily Volume. The Replacement MDWQ or Average Daily Volume, respectively, become effective on the first day of the month after which the excess occurred for all meters read on and after that date, and continue for the remaining term of the contract or until such time that a Replacement MDWQ or Average Daily Volume is established. The Replacement MDWQ or Average Daily Volume shall not, however, exceed the quantity that is capable of being received or delivered on a firm basis. In the event that the Replacement MDWQ or Average Daily Volume would otherwise exceed the quantity that is capable of being



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**TEXARKANA, TEXAS SERVICE AREA**

~~First Revised~~Original Sheet No. 1-3.6/39

Replacing: ~~Original~~ Sheet No. ~~1-3.6/38~~

~~CenterPoint Energy Resources Corp.~~
~~d/b/a CenterPoint Energy Arkansas Gas~~Summit Utilities Arkansas, Inc.
(Name of Company)

Kind of Service: Natural Gas Class of Service: Large Commercial

PART I - Rate Schedule No. 3

**Title: LARGE COMMERCIAL FIRM SERVICE (LCS-1)** Effective: ~~September 1, 2017(to be determined)~~

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received or delivered on a firm basis, then the Replacement MDWQ or Average Daily Volume shall be the maximum level that can be received or delivered on a firm basis.

3.2.5. Company shall not be obligated to receive or deliver more than the Maximum Hourly Quantity ("MHQ"). If customer takes gas in excess of the specified MHQ at the point of delivery without the approval of Company, and such excess flow causes physical harm to the Company, its other customers or its facilities, then customer shall reimburse Company for the actual cost of damages or harm or repairs to its facilities, plus overhead expenses, within 15 days after the date of Company's invoice to customer for such damages.

3.3. CAPACITY DEMAND

3.3.1. Each individually metered point of delivery under this rate schedule shall have a capacity demand ("CD"), equal to the higher of:

(a) The Initial MDWQ specified in customer's Agreement with Company, subject to the maximum quantities provision herein, or the Replacement MDWQ as established pursuant to the provisions of Part 3.2.4.

(b) The Initial Average Daily Volume specified in customer's Agreement with Company, or the Replacement Average Daily Volume as established pursuant to the provisions of Part 3.2.4.

3.3.2. This CD shall be the billing determinant for both distribution demand charges and Fixed Storage Charges, Fixed Gas Supply Charges and Fixed Transportation Charges (GSR Demand) under the Gas Supply Rate Rider. The Initial MDWQ or Initial Average Daily Volume, the higher of which is also known as the Initial CD, shall remain in place until such time as a Replacement MDWQ or Replacement Average Daily Volume, the higher of



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**TEXARKANA, TEXAS SERVICE AREA**

~~First Revised~~Original Sheet No. 1-3.7/39

Replacing: ~~Original~~ Sheet No. ~~1-3.7/38~~

~~CenterPoint Energy Resources Corp.~~
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(Name of Company)

Kind of Service: Natural Gas Class of Service: Large Commercial

PART I - Rate Schedule No. 3

**Title: LARGE COMMERCIAL FIRM SERVICE (LCS-1)** Effective: ~~September 1, 2017(to be determined)~~

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which is also known as the Replacement CD, is established pursuant to the provisions of Part 3.2.4. During the course of the contract term, the CD established as billing determinant shall be the higher of the Initial CD under the contract or any Replacement CD established during the previous 12-month period. Unless agreed upon otherwise, if during the course of a multi-year contract, any Replacement CD established pursuant to Part 3.2.4. does not re-occur during any prior 12-month period, then effective the first day of the following month the Replacement CD will be established as the higher of the Initial CD or highest daily volume during the MDWQ period that falls within the previous twelve months. In no instance shall the Replacement CD be based upon usage occurring before the effective date of the customer's Agreement.

3.4. RATES

3.4.1. Each customer receiving service under this rate schedule, other than small commercial firm sales service customers historically qualifying under the Part 3.1.2. aggregation provision, shall be charged the sum of (a), (b), (c) and (d) as follows:

(a) Distribution Customer Charge - $290.00 per month. The monthly customer charge shall be pro-rated in the months that the customer initiates and terminates gas service.

(b) Distribution Demand Charge per MMBtu of CD per month:

(i) $8.01586per MMBtu of CD up to 400 MMBtu of CD plus, if applicable

(ii) $1.23854 per MMBtu of CD over 400 MMBtu of CD.

(c) Gas Supply Rate Rider :



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**TEXARKANA, TEXAS SERVICE AREA**

~~First Revised~~Original Sheet No. 1-3.8/39

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~~d/b/a CenterPoint Energy Arkansas Gas~~Summit Utilities Arkansas, Inc.
(Name of Company)

Kind of Service: Natural Gas Class of Service: Large Commercial

PART I - Rate Schedule No. 3

**Title: LARGE COMMERCIAL FIRM SERVICE (LCS-1)** Effective: ~~September 1, 2017(to be determined)T~~

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(i) SSO - The Gas Supply Rate will be calculated and adjusted periodically as defined in the Company's Gas Supply Rate Rider.

(ii) TSO - The customer will provide the appropriate LUFG-in-Kind as described in the Company's Gas Supply Rate Rider. Volumes provided as LUFG-in-Kind will not be considered in the calculation of Capacity Demand and shall not be subject to Distribution Charges.

3.4.2. Monthly charges applicable to customers under the TSO described in Part 3.1.3. of this rate schedule, including small commercial firm sales service customers historically qualifying under the Part 3.1.2. aggregation provision of this rate schedule or qualifying for transportation under the SCS rate schedule, are as follows:

(a) Contract Administration Fees:

TSO - $332.61 per month.

3.5. MINIMUM CHARGE
The sum of (a), (b), and (c) if applicable:

(a) Distribution Customer Charge - $290.00 per month. The monthly customer charge shall be pro-rated in the months that the customer initiates and terminates gas service.

(b) Distribution Demand Charge - per MMBtu of CD per month:

(i) $8.01586 per MMBtu of CD up to 400 MMBtu of CD

plus, if applicable

(ii) $1.23854 per MMBtu of CD over 400 MMBtu of CD



Attachment: 2022-004 ATTH 01 Redline TXK TX Service Area Tariffs (3620 : 2022-004 ORD Reauthorizing Summit to charge natural gas rates)

**TEXARKANA, TEXAS SERVICE AREA**

~~First Revised~~Original Sheet No. 1-3.9/39

Replacing: ~~Original~~ Sheet No. ~~1-3.~~9/~~38~~

~~CenterPoint Energy Resources Corp.~~
~~d/b/a CenterPoint Energy Arkansas Gas~~Summit Utilities Arkansas, Inc.
(Name of Company)

Kind of Service: Natural Gas Class of Service: Large Commercial

PART I - Rate Schedule No. 3

**Title: LARGE COMMERCIAL FIRM SERVICE (LCS-1)** Effective: ~~September 1, 2017(to be determined)~~

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(c) Contract Administration Fee – TSO - $332.61 per month.

3.6. TELEMETERING EQUIPMENT

3.6.1. Telemetering is required for all customers who receive service pursuant to this rate schedule, including customers qualifying under Part 3.1.2. of the aggregation provision of this rate schedule. If Company does not have telemetry at customer's point of delivery, upon execution of the Agreement, Company shall install telemetry equipment of standard make and manufacture to determine hourly and daily flow of gas at customer's point of delivery. Customer shall choose between analog telemetry and wireless telemetry, if suitable wireless service is available. Customer will pay Company for telemetry equipment under one of the following payment options as chosen by the customer:

( ) Option 1: Customer agrees to provide an analog phone line for each meter and pay for standard telemetry equipment and installation costs for each meter. Customer will be subject to meter reading fees for an inoperable phone line for each meter.

( ) Option 2: Customer will provide an analog phone line for each meter but elects to pay a monthly fee for standard telemetry equipment and installation costs for each meter. The fee will be $30 per month per meter for meters that do not require pressure instrumentation and $84 per month per meters that do require pressure instrumentation. The customer will be subject to meter reading fees for an inoperable phone line for each meter.

( ) Option 3: Customer elects wireless service through ~~CenterPoint Energy Arkansas Gas~~Summit Utilities Arkansas, Inc. for each meter and agrees to pay for standard telemetry equipment and installation costs for each meter. The wireless service fee will be $10 per month per meter, and Customer will not be subject to meter reading fees.



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**TEXARKANA, TEXAS SERVICE AREA**

~~First Revised~~Original Sheet No. 1-3.10/39

Replacing: ~~Original~~ Sheet No. ~~1-3.10/38~~

~~CenterPoint Energy Resources Corp.~~
~~d/b/a CenterPoint Energy Arkansas Gas~~Summit Utilities Arkansas, Inc.
(Name of Company)

Kind of Service: Natural Gas Class of Service: Large Commercial

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( ) Option 4: Customer elects wireless service through ~~CenterPoint Energy Arkansas Gas~~ Summit Utilities Arkansas, Inc. for each meter and elects to pay a monthly fee for standard telemetry equipment and installation costs for each meter. The fee will be $40 per month for meters that do not require pressure instrumentation and $94 per month per meter for meters that do require pressure instrumentation. The customer will not be subject to meter reading fees.

3.6.2. If customer chooses analog telemetry, then customer shall be responsible for installing and maintaining telecommunications lines. Should customer fail to maintain or repair telecommunications lines required to communicate with telemetry equipment, Company shall have the right to bill customer all labor and expense required to manually read the meter, at whatever intervals the Company may deem necessary.

If customer chooses wireless telemetry, then customer shall pay Company $10 per month per meter for wireless telemetry service for the entire period such meter(s) is(are) served under this or any other transportation rate schedule.

3.7. RIDERS

3.7.1 In addition to the Gas Supply Rate Rider, the following riders are applicable to service under this rate schedule:

| Rider Name | Description | Identification on Customer Bills |
|---|---|---|
| TA | Municipal Tax Adjustment | Municipal Franchise Adj |
| EECR | Energy Efficiency Cost Recovery Rider | EE Cost Rate |



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**TEXARKANA, TEXAS SERVICE AREA**

~~First Revised~~Original Sheet No. 1-3.11/39

Replacing: ~~Original~~ Sheet No. ~~1-3.11/38~~

~~CenterPoint Energy Resources Corp.~~
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(Name of Company)

Kind of Service: Natural Gas Class of Service: Large Commercial

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~~FRP~~ ~~Formula Rate Plan Rider~~ ~~Formula Rate Plan Adj~~

3.7.2. Service will be rendered under this rate schedule until service is discontinued to customer, the customer qualifies for service under the small commercial firm sales service rate schedule, or the schedule is superseded.

3.8. RULES AND REGULATIONS GOVERNING UTILITY SERVICE

3.8.1. The Company's Standard Rules and Regulations, as the same may from time to time be changed in accordance with the law, shall be applicable to service under this rate schedule.

3.9. BILLING AND PAYMENT

3.9.1. Customer's bills will be based on capacity demand and the quantity of MMBtu's delivered to customer at the delivery point. Such bills shall be rendered promptly after the close of each billing period and shall be paid within fourteen (14) days after the date the bill is mailed or made available electronically. Company shall have the right to bill customer each month hereunder on the basis of nominated quantities or estimated quantities, provided that adjustments shall be made to such quantities in subsequent months' billings based on actual quantities delivered. Amounts past due hereunder shall bear interest from the due date until paid at the maximum lawful rate. The Company shall not discontinue service to customer for violation of its rates and policies nor for non-payment of bills, without first having diligently tried to induce the customer to comply with its rates and policies, or to pay amounts due the Company. Company may suspend service to customer after written notice shall have been given to the customer by the Company in the manner provided for in the Commission's Rules. Company may require as a condition of recommencement or continuation of service the maximum refundable deposit or bond allowed by



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**TEXARKANA, TEXAS SERVICE AREA**

~~First Revised~~Original Sheet No. 1-3.12/39

Replacing: ~~Original~~ Sheet No. ~~1-3.12/38~~

~~CenterPoint Energy Resources Corp.~~
~~d/b/a CenterPoint Energy Arkansas Gas~~Summit Utilities Arkansas, Inc.
(Name of Company)

Kind of Service: Natural Gas Class of Service: Large Commercial

PART I - Rate Schedule No. 3

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the Commission to secure payment of bills. Interest at such rates as are required by the Commission shall be paid on any such deposit amount.

3.10. DEFINITIONS

3.10.1. The following terms when used herein shall be construed to have the following meaning, except where the context of their use clearly indicates another meaning:

3.10.2. The term "Large Volume Commercial Customer Agreement" (Agreement) shall mean a written and fully executed agreement between Company and customer which provides for service under the applicable supply option of this rate schedule.

3.10.3. The term "customer" shall mean the party so identified in the Agreement, or its designee.

3.10.4. The term "day" or "daily" shall mean a period of twenty-four (24) consecutive hours, beginning and ending as near as practicable to 9:00 a.m., Central Standard Time, at the point at which delivery of gas is made.

3.10.5. The term “month,” “Service Month,” or “monthly” shall mean the period beginning at or as near as practicable to 9:00 a.m., Central Standard Time, on the first day of the calendar month and ending as near as practicable to 9:00 a.m. on the first day of the next succeeding calendar month.

3.10.6. The term "year" or "service year" shall mean a period of three hundred sixty-five (365) consecutive days beginning on the date specified in the Agreement for the commencement of the term of service or any anniversary thereof; provided, however, that any year which contains a date of February 29, shall consist of three hundred sixty-six (366) consecutive days.

3.10.7. The term "cubic foot" shall mean the volume of gas which occupies one (1) cubic foot when said gas is at a temperature of sixty degrees (60



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~~CenterPoint Energy Resources Corp.~~
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(Name of Company)

Kind of Service: Natural Gas Class of Service: Large Commercial

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degrees) Fahrenheit, and at a pressure of 14.73 pounds per square inch absolute.

3.10.8. The term "Mcf" shall mean one thousand (1,000) cubic feet of gas.

3.10.9. The term "Btu" shall mean British Thermal Unit.

3.10.10. The term "MMBtu" shall mean one million (1,000,000) Btu's.

3.10.11. The term "gas supply" as it relates to purchased gas costs shall mean the charge for the product known as natural gas, and does not include any charges associated with delivery of the product by Company or any supplier pipeline of the Company.

3.10.12. The term "balancing" shall mean the service provided by Company when quantities of gas received by Company at the Point(s) of Receipt differ at any time from the quantities of gas delivered by Company at the Point(s) of Delivery under the Agreement.

3.10.13. 3.10.13.The term "Point(s) of Receipt" shall mean the point or points specified in the Agreement where Company agrees to receive gas for transportation for the account of customer.

3.10.14.The term "Point(s) of Delivery" shall mean the point or points specified in the Agreement where Company agrees to deliver gas transported for the account of customer.

3.10.15.The term "imbalance" shall mean the difference in the MMBtu's of natural gas which customer takes at the Point(s) of Delivery and the MMBtu's which customer provides for transportation at the Point(s) of Receipt.

3.10.16.The term “Average Daily Volume” shall be calculated by dividing the annual volume by 365.



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Replacing: ~~Original~~ Sheet No. ~~1-3.14/38~~

~~CenterPoint Energy Resources Corp.~~
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(Name of Company)

Kind of Service: Natural Gas Class of Service: Large Commercial

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3.10.17. The term "Maximum Hourly Quantity" or "MHQ" shall mean the maximum MMBtu Company is obligated to deliver or receive for customer's account in any single hour. Company shall not be obligated to agree to a maximum hourly quantity greater than 1/15 of, MDWQ or Average Daily Volume.

3.10.18. The term "Initial CD" shall mean the higher of the Average Daily Volume or the Maximum Daily Winter Quantity "MDWQ." The Initial CD shall be negotiated by the Company and the customer.

3.10.19. The term "Initial Maximum Daily Winter Quantity" shall mean the Maximum Daily Winter Quantity "MDWQ" reflected on the initial Exhibit A to the Large Volume Commercial Customer Agreement.

3.10.20. The term "Replacement CD" shall mean a daily volume higher than the Initial CD, that is substituted and used as a CD pursuant to Part 3.3.2.

3.10.21. The term "Replacement Maximum Daily Winter Quantity" shall mean the Maximum Daily Winter Quantity "MDWQ" reflected on the revised Exhibit A to the Large Volume Commercial Customer Agreement.

3.10.22. The term "*Inside FERC* Enable-East First-of-the-Month Index," or "Enable Index," shall mean the price published in Platt's *Inside FERC*'s *Gas Market Report* under the heading "Prices of Spot Gas Delivered to Pipelines" for "Enable Gas Transmission, LLC." "East" under the subheading "Index" for the applicable Month of gas delivery. For any month in which Platt's *Inside FERC Gas Market Report* fails to report an Enable Index, Company shall substitute the price published in Platt's *Inside FERC Gas Market Report* under the heading "Market Center Spot Gas Prices" for "Henry Hub" under the subheading "Index" for the applicable Month of gas delivery (the "Henry Hub Index"), adjusted to reflect a historical variance between the Enable Index and the Henry Hub



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Replacing: ~~Original~~ Sheet No. ~~1-3.15/38~~

~~CenterPoint Energy Resources Corp.~~
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(Name of Company)

Kind of Service: Natural Gas Class of Service: Large Commercial

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Index. The variance shall be the average of the difference between the Henry Hub Index and the Enable Index for the two most recent months in which both indices were published by Platt's *Inside FERC's Gas Market Report*. "

3.11. GOVERNMENTAL REGULATIONS

3.11.1. Service hereunder shall be subject to all relevant present and future local, state and federal laws and all rules, regulations and orders of regulatory authorities having jurisdiction over any of the parties, as applicable, and the obligations of all parties hereunder are subject to obtaining whatever regulatory approvals and authorizations are necessary for the lawful implementation of the Agreement, on continuing conditions satisfactory to the party affected. Customer shall cooperate with the Company by providing promptly all information and in making whatever reports or filings are necessary in regard to service rendered under this rate schedule. Neither party shall be held in default for failure to perform hereunder if such failure is due to good faith compliance with the requirements of any such laws, orders, rules and regulations. Should any governmental body having jurisdiction impose on the Company or the services provided hereunder or otherwise require service hereunder on terms and conditions that are unacceptable to Company, in its sole discretion, then Company may terminate service hereunder at any time thereafter upon notice to customer. Customer shall also reimburse Company, or cause Company to be reimbursed, for any fees, taxes (other than income and property taxes) or other charges levied or paid by Company to any governmental authorities in connection with or attributable to the services provided hereunder.

3.12. MEASUREMENT

3.12.1. Except as may be otherwise provided elsewhere herein or required by law, the measurement and testing of gas received and delivered hereunder shall



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(Name of Company)

Kind of Service: Natural Gas Class of Service: Large Commercial

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be done by Company, or its designee, as measuring party in accordance with the following:

3.12.2. The gas received by Company hereunder shall be measured as follows:

3.12.2.A. The unit of volume shall be 1,000 cubic feet of gas (Mcf) at a temperature base of 60 degrees Fahrenheit and at a pressure base of 14.73 pounds per square inch absolute. Whenever the actual conditions of pressure and temperature of the particular gas stream being measured differ from the above standard, conversion of the volume from such actual conditions to the above standard conditions shall be made in accordance with the Ideal Gas Laws corrected for super-compressibility in accordance with the method customarily used by the measuring party.

3.12.2.B. Measurements of gas shall always be in accordance with requirements of law, and if the procedures, bases, or standards herein contemplated to be used in the determination of gas volumes are changed by law or regulatory action, the applicable rates shall be appropriately modified and adjusted to the extent necessary to the end that calculations to determine sums of money due hereunder after the change will reach the same end result in dollars and cents as would have been reached in the absence of such change.

3.12.2.C. The temperature of the gas at each point of receipt shall be (i) determined by a recording thermometer, (ii) determined by taking the average of the daily readings of an indicating thermometer, or (iii) assumed by mutual agreement to be 60 degrees Fahrenheit, provided that, if a recording thermometer is not being used, customer shall have the right, by reimbursing the



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Kind of Service: Natural Gas Class of Service: Large Commercial

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cost of the equipment and its installation, to require the use of a recording thermometer. The Btu content of the gas per cubic foot shall be determined on a dry basis in accordance with good engineering practice in a manner reasonably calculated to result in a fair and accurate determination.

3.12.2.D. The specific gravity of the gas shall be determined in accordance with good engineering practice as often as found necessary in operation.

3.12.2.E. Standard type measuring and testing equipment necessary to measure and determine quantities hereunder shall be installed, operated and maintained in a workmanlike manner. Readings, calibrations, tests, repairs and adjustments of said equipment, and changing of charts, shall be done only by employees or agents of measuring party and in accordance with good engineering practice as often as found necessary in operation. Orifice meters, if used, shall be installed and operated, and volumes computed, in accordance with the latest version of the American Gas Association Gas Measurement Committee Report and Appendices thereto, and such amendments thereof as measuring party may place in use on its system for transactions of this type. Customer shall have access to the measuring and testing equipment at reasonable times, and shall have the right to have a representative present at tests, calibrations and adjustments thereof. Upon request by customer for a special test of any meter or auxiliary equipment, the accuracy of same shall be verified promptly, provided that the cost of such special test shall be borne by customer unless the percentage of inaccuracy is found to be more than two percent (2%), then previous readings shall be corrected to zero error for the period of time



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(Name of Company)

Kind of Service: Natural Gas Class of Service: Large Commercial

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during which the equipment was known to be inaccurate, or if not known then to the shorter of six (6) months or the last date that the meter was tested; if said total inaccuracy is not more than two percent (2%), then previous reading shall be considered correct but the equipment shall be adjusted to read correctly. Measuring party shall not be required to verify the accuracy of such equipment more than once in any 90-day period, unless customer has a specific and verifiable reason to believe that the equipment is inaccurate by more than 2%.

3.12.2.F. If any meter or auxiliary equipment is out of service or out for repair for a period of time so that the quantity of gas delivered cannot be ascertained or computed from the reading thereof, then the quantity delivered during such period shall be estimated upon the basis of the best data available, using the first of the following methods which is feasible: (i) by correcting the error if the percentage of error is ascertainable by calibration, test, or mathematical calculations; (ii) by using the registration of any check equipment installed and accurately registering, or (iii) by estimating the volume on the basis of deliveries during preceding periods under similar conditions when the equipment was registering accurately.

3.12.2.G. Upon request, measurement charts and records shall be submitted to customer for examination, the same to be returned within twenty (20) days. The measurement charts and records for a given accounting month shall be conclusively presumed correct if no written objection thereto is served on Company within the 12-month period following the given accounting month. All test data, meter charts and similar records shall be preserved for a period of at least one (1) year.



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3.12.2.H. The formal measurement and testing of gas hereunder shall only be by the equipment operated by measuring party, but customer may install, operate and maintain, at customer's own cost, risk and expense and in the same manner as is required for the primary equipment hereunder, check measuring and testing equipment of standard type, provided that the same does not interfere with the operation of the primary equipment. Company shall have the same rights with respect to check equipment as customer has with respect to the primary equipment.

3.12.2.I. If Company causes any or all of the foregoing measurements and testing procedures to be done by a third-party designee, then in such event:

3.12.2.I(1) Customer's rights hereunder with respect to the third-party's equipment and procedures will be subject to reasonable arrangements by Company with such third party; and

3.12.2.I(2) If the third party's usual and customary procedures differ in particular respects from the detailed procedures set out above, then the third-party's procedures, and measured quantities resulting therefrom shall be acceptable and used hereunder so long as they are consistent with good engineering practice in the industry.

3.12.2.J. The gas delivered by Company to customer after transportation shall be measured in the same manner as are volumes sold by Company to customers of similar size as customer under Company's sales rate schedules.



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3.12.2.K. Volume measured in Mcf will be subject to thermal adjustment and billed in MMBtu as measured on a dry basis. Delivered volumes will be adjusted by the appropriate thermal content factor obtained from the nearest available chromatograph or sampling location. The formula for conversion from Mcf to MMBtu is as follows: Mcf x thermal content factor = MMBtu.



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(Name of Company)

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3.13. FORCE MAJEURE

3.13.1. Neither customer nor Company shall be liable to the other for failure to perform their respective obligations under the Agreement (other than to make any and all payments thereunder) due to acts or conditions beyond the reasonable control of the parties affected. The obligations of the affected party to perform shall be suspended so long as and to the extent that performance is prevented by the occurrence of such acts or conditions. Such acts or conditions shall be deemed to include, but not be limited to, fire, labor disputes, acts of God, the elements, wars, epidemics, riots, civil disturbances, explosions, breakdown of equipment, test and repairs of pipeline facilities, freezing of wells or pipelines, requirements of local, state or federal authorities, failure of any intermediate transporters relied upon by Company to transport the gas for any reason, failure of appropriate regulatory approvals or lack of sufficient capacity, the inability of Company to obtain or maintain such regulatory authorizations as may be necessary for the lawful performance of the service contemplated hereby on continuing conditions satisfactory to Company, the curtailment of service by Company in accordance with Company's curtailment plan as effective from time to time, failure of gas supply and any other cause, similar or dissimilar, not within the reasonable control of the party claiming relief. The party affected shall notify the other promptly and shall remedy the cause of suspension with reasonable diligence, retaining to such party unqualified discretion in settling labor disputes.

3.14. OPERATING INFORMATION AND FORECASTS

3.14.1. Customer, upon request, shall furnish or cause to be furnished to Company from time to time such reasonable data as in Company's judgment is necessary for the proper analysis of the daily and annual gas load requirements of customer for this service. Customer at all times shall keep



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**Title: LARGE COMMERCIAL FIRM SERVICE (LCS-1)** Effective: ~~September 1, 2017~~(to be determined)~~T~~

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Company informed of anticipated significant changes in the size and character of such load requirements.

3.15. USE

3.15.1. All gas delivered to customer under the Agreement shall be for customer's own use and shall not be resold.

3.16. NON-SYSTEM SUPPLY: TERMS AND CONDITIONS

3.16.1. Customer transactions operating under the SSO described in Part 3.1.3. of this rate schedule shall be governed by Company's other generally applicable rates and policies. The operating terms and conditions of service provided hereinafter, in addition to the Company's other generally applicable rates and policies not consistent therewith, shall apply to customer transactions under the TSO of this rate schedule.

3.17. NOTICES

3.17.1. Notices, requests, demands, statements, or bills provided for under this rate schedule and the Agreement (other than those related to nomination, scheduling and other operational issues having immediate operational consequence and requiring shorter notice that either Company or customer may desire to give the other, as provided for under Part 3.32.1.) shall be in writing and if delivered shall be considered as duly delivered when mailed by registered or certified mail to the post office address of Company or customer as indicated in the Agreement, or at such other address as either shall designate by formal written notice to the other. Routine, non-operational communications, including monthly statements and payments if received, shall be considered as duly delivered when mailed by either registered, certified or ordinary mail or when provided electronically.



Attachment: 2022-004 ATTH 01 Redline TXK TX Service Area Tariffs (3620 : 2022-004 ORD Reauthorizing Summit to charge natural gas rates)

**TEXARKANA, TEXAS SERVICE AREA**

~~First Revised~~Original Sheet No. 1-3.23/39

Replacing: ~~Original~~ Sheet No. ~~1-3.~~23/~~38~~

~~CenterPoint Energy Resources Corp.~~
~~d/b/a CenterPoint Energy Arkansas Gas~~Summit Utilities Arkansas, Inc.
(Name of Company)

Kind of Service: Natural Gas Class of Service: Large Commercial

PART I - Rate Schedule No. 3

**Title: LARGE COMMERCIAL FIRM SERVICE (LCS-1)** Effective: ~~September 1, 2017(to be determined)T~~

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3.18. RECEIPT OF GAS FOR TRANSPORT

3.18.1. The customer must tender the gas for transportation hereunder at a mutually agreeable point or points as specified in the Agreement at whatever pressure is necessary to effect deliveries of the gas against the fluctuating working pressures maintained in Company's system at that point from time to time. Company will not be obligated to accept any gas into such system for transportation that does not meet the quality specifications required to be met by Company's suppliers when delivering gas to Company for sales to Company's customers.

3.18.2. Company will be responsible for installing and operating the necessary tap and measurement facilities at each point of receipt to receive and measure the gas delivered for transportation hereunder. If Company agrees to provide new or additional facilities to perform the services requested by customer, upon Company's request, customer shall reimburse Company, or cause Company to be reimbursed, for all costs of construction, installation and/or acquisition of such facilities.

3.19. DELIVERY OF GAS BY COMPANY AFTER TRANSPORTATION

3.19.1. Except as may be otherwise specified elsewhere herein, the gas shall be tendered for delivery after transportation at the working pressures maintained from time to time by the delivering party at the designated point of delivery as specified in the Agreement from time to time. It is recognized that the gas delivered to customer after transportation will not be the same gas that Company received for transportation, but that the gas delivered after transportation will meet the quality specifications applicable to gas that Company sells on its system from its general system supply. Company will use its best efforts consistent with the prudent operation of its system to deliver gas meeting such specifications but shall not be liable in damages for failure to do so. If the gas tendered by Company fails at any time to conform to any of said specifications, then customer shall notify Company



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**TEXARKANA, TEXAS SERVICE AREA**

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Replacing: ~~Original~~ Sheet No. ~~1-3.~~24~~/38~~

~~CenterPoint Energy Resources Corp.~~
~~d/b/a CenterPoint Energy Arkansas Gas~~Summit Utilities Arkansas, Inc.
(Name of Company)

Kind of Service: Natural Gas Class of Service: Large Commercial

PART I - Rate Schedule No. 3

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of such deficiency and thereupon may, at customer's option, refuse to accept delivery pending correction by Company.

3.19.2. The point where responsibility for the gas shall pass to customer after transportation shall be at the outlet of the delivery facilities at the designated point of delivery. Customer shall provide reasonable access to the premises at the point of delivery for any purpose connected with this service.

3.19.3. Company shall install, operate and maintain whatever facilities are necessary to deliver the gas at the point or points of delivery hereunder and shall indemnify customer and hold it harmless from and against any and all claims, actions, suits, damages, liabilities, penalties, costs and expenses arising out of use, possession or presence of the gas before it passes the point of delivery. If Company agrees to provide new or additional facilities to perform services requested by customer, upon Company's request, customer shall reimburse Company, or cause Company to be reimbursed, for all costs of construction, installation and/or acquisition of such facilities.

3.19.4. Customer shall install, operate and maintain at its own expense whatever facilities are necessary to safely receive and utilize the gas at and beyond the point of delivery hereunder, and shall indemnify Company and hold it harmless from and against any and all claims, actions, suits, damages, liabilities, penalties, costs and expenses arising out of the use, possession, or presence of the gas at and after it passes the point of delivery.

3.19.5. If the services of one or more other transporters are necessary for Company to provide the service herein contemplated, Company's obligations hereunder shall be subject to the availability of such services by others on continuing terms and conditions acceptable to Company, and in such event, customer agrees that Company may act as agent for customer in arranging for such services, including execution of the necessary agreements therefore and administering same, and arranging and confirming capacity release



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**TEXARKANA, TEXAS SERVICE AREA**

~~First Revised~~Original Sheet No. 1-3.25/39

Replacing: ~~Original~~ Sheet No. ~~1 3.25/38~~

~~CenterPoint Energy Resources Corp.~~
~~d/b/a CenterPoint Energy Arkansas Gas~~Summit Utilities Arkansas, Inc.
(Name of Company)

Kind of Service: Natural Gas Class of Service: Large Commercial

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transactions necessary to facilitate the transaction, provided that, unless otherwise provided elsewhere, any costs and/or charges or penalties associated with such services by a third party to the point of delivery hereunder shall be borne by customer.

3.20. SCHEDULING AND NOMINATIONS

3.20.1. Nominations for gas flow shall be submitted by customer to Company no later than 10:00 a.m. Central Standard Time the day prior to gas flow; provided however, if a change in the nomination level is desired on a weekend or Company holiday, then nominations shall be submitted by customer to Company no later than 10:00 a.m. Central Standard Time the last business day immediately prior to such weekend or holiday. Nominations shall be submitted via the Company's internet based nomination system. Company and customer may agree on other means of submitting nominations from time to time. Nomination quantities shall be expressed in MMBtu. Company shall not be required to confirm a nomination that is: (A) inconsistent with the recently observed deliveries and projected deliveries for the Service Month; or (B) higher than the MDWQ or MDSQ in the applicable season; or (C) not confirmed by the upstream pipeline. For these purposes, the projected deliveries for the Service Month shall be equal to the arithmetic average of the number of observed deliveries within the Service Month to date multiplied by the number of days in the Service Month. Once a nomination is made and confirmed by the Company, that nomination will remain in effect through the end of the month or until changed by the customer. Company shall confirm nominated volume to Pipeline.

3.20.2. Company will require customer to comply with the scheduling and nominating procedures as set forth in customer's upstream pipeline supplier's transportation tariffs as on file with and approved by the Federal Energy Regulatory Commission. Customer shall be liable for and shall



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**TEXARKANA, TEXAS SERVICE AREA**

~~First Revised~~Original Sheet No. 1-3.26/39

Replacing: ~~Original~~ Sheet No. ~~1 3.~~26~~/38~~

~~CenterPoint Energy Resources Corp.~~
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(Name of Company)

Kind of Service: Natural Gas Class of Service: Large Commercial

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compensate Company for any costs imposed upon Company as a result of customer's scheduling and nomination deviations or non-compliance.

3.21. BALANCING

3.21.1. General Intent: These balancing provisions are in recognition of the fact that Company's upstream transportation, storage and no-notice service capacity is reserved for the exclusive use by Company for transactions related to its system supply.

3.21.1.A. SSO transactions are allocated costs associated with the Company's upstream transportation, storage and no-notice service capacity. Therefore, SSO transactions have defined relative rights to those upstream services.

3.21.1.B. TSO transactions are not allocated any costs associated with the Company's upstream transportation, storage and no-notice services or associated capacity. Therefore, TSO transactions carry no explicit or implicit right to make use of the Company's upstream services or associated capacity.

3.21.2. [Reserved.]

3.21.3. [Reserved.]

3.21.4. Company shall make available electronically daily imbalance information which shall notify customer of any imbalance under an Agreement in the current Service Month, based on the best information then available to Company, including, but not limited to data such as nominations, allocations, electronic measurement data, and meter observations. The provision of such information shall not relieve customer of its obligations under this tariff to avoid, correct or eliminate actual imbalances.

3.21.5. Customers shall make a good faith effort to: (i) conform their takes each day at delivery points with their deliveries to Company at receipt points on



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the same day and thereby minimize imbalances; and (ii) to correct any such imbalances as soon as practical. Company shall monitor the accumulation of daily imbalances by customer and shall have the right to take corrective action pursuant to this tariff, as required, to eliminate customer encroachment upon upstream transportation, storage, or no-notice service capacity held by Company for general system supply.

3.21.5.A. A Critical Period Event may be called for operational purposes relating to a physical event causing or threatening a system failure and/or existence of an Operational Flow Order ("OFO") on the upstream pipeline. Additionally, the Company's declaration of a Critical Period Event will be location-specific, when possible, and the Company is not required to apply the Critical Period Event where corrective action would not be curative of the critical situation. A Critical Period Event declared for economic purposes shall be applicable only to customers with an annual average customer delivery of 100 MMBtu or less. Critical Period Events declared for economic purposes may be declared only on days when the *Gas Daily* price differs by more than $.50 per MMBtu from the *Inside FERC* Enable-East First-of-the-Month Index. The Company shall notify affected customers verbally of the critical situation and customers shall have a minimum of twenty-four (24) hours to bring receipts and deliveries into balance, or other longer time periods as deemed applicable by the Company. If, after the specified notice period indicated in Company's notice to customer of critical situation, customer has not balanced receipts and deliveries, Company shall have the right to balance deliveries and receipts. Company shall not be obligated to redeliver a greater volume of gas to the point of delivery than it



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Replacing: ~~Original~~ Sheet No. ~~1-3.28/38~~

~~CenterPoint Energy Resources Corp.~~
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(Name of Company)

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received at the point of receipt for customer's account, as indicated by the upstream delivering pipeline, until such time as Company determines that the critical situation no longer exists. An imbalance that occurs during such critical situation, after the expiration of the notice period, may not be carried forward for clearing during the month, but instead may, at the Company's option, be cashed out based on the "Critical Period Price."

(i) The Critical Period Price shall be the applicable regional posting for the upstream pipeline expressed in ($/MMBtu) for the day of delivery as found in the publication *Gas Daily* under the heading "Daily Price Survey" and under the subheading "Midpoint." If *Gas Daily* fails to publish this information for the upstream pipeline for the day of delivery, then the Critical Period Price shall be based upon the same information published by *Gas Daily* in regard to Henry Hub for the day of delivery, adjusted to reflect the variance between the most recently published monthly indices for the applicable upstream pipeline and Henry Hub.

(ii) If, on any day during a critical situation, after the expiration of the notice period, customer delivers to Company volumes of gas that are greater than customer's gas requirements at the point of delivery then Company can purchase such over-delivered volumes at the point of delivery from customer at the following rates per MMBtu. The first 6% of over-delivered volumes will be cashed out at the Critical Period Price. Amounts greater than 6% will be



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cashed out at a rate equal to 50% of the Critical Period Price.

(iii) If, on any day during a critical situation, after the expiration of the notice period, customer delivers to Company volumes of gas that are less than customer's gas requirements at the point of delivery, then Company may require customer to purchase such deficiency at the point of delivery from Company at the following rates per MMBtu. The first 6% of under-delivered volumes will be cashed out at the Critical Period Price. Amounts greater than 6% will be cashed out at a rate equal to 150% of the Critical Period Price for the day in which the deficiency occurred.

(iv) Any Critical Period imbalance incurred of 10 MMBtu or less shall not be subject to Critical Period cash-out pricing. Such imbalances will be deferred until the end of the month, and will be cashed out in accordance with the terms of Part 3.21.8.

(v) Company shall make a reasonable effort to provide 24 hours' notice of the issuance of a CPE. Upon issuance of notice of a CPE, Company will allow shipper to submit revised nominations to the extent permitted by the upstream pipeline declaring an OFO, in an attempt to minimize imbalance activity on the Company's system. During any CPE, Company shall remain obligated to deliver all natural gas supplies that it receives on behalf of each individual shipper.



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**TEXARKANA, TEXAS SERVICE AREA**

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~~CenterPoint Energy Resources Corp.~~
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3.21.5.B. For any multi-day period measured from the beginning of the first day of the Month where a cumulative imbalance is equal to or greater than 6% of the projected deliveries for the Service Month, Company may at its option, eliminate, through an intra-month cash-out action, all or part of said cumulative imbalance. For these purposes, the projected deliveries for the Service Month shall be equal to the arithmetic average of the number of observed deliveries within the Service Month to date multiplied by the number days in the Service Month. The "cash-out" price applicable to such intra-month cash-out transactions for cash out quantities that are 3% or less of deliveries shall be equal to 75% of the Critical Period Price for cash-out purchases by Company from customer and 125% of Critical Period Price for cash-out purchases required of customer from Company. The "cash-out" price applicable to such intra-month cash-out transactions for cash out quantities that are in excess of 3% of deliveries shall be equal to 50% of the Critical Period Price for cash-out purchases by Company from customer and 150% of Critical Period Price for cash-out purchases required of customer from Company. The Company shall give a two-day warning before penalties are imposed.

3.21.6. Company shall not be obligated under any circumstances: (i) to deliver more gas to customer during any given day or month than it shall have received for the account of customer during said period; or (ii) to receive or deliver during any given Day a total quantity of gas in excess of the MDWQ.

3.21.7. Customer will be responsible for its allocable share of any incremental costs associated with Company's upstream transportation, storage, or no-notice services attributable to nomination and scheduling activities



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of customer, including but not limited to incremental overrun charges, commodity charges, daily demand charges, and penalties. The responsibility provided for herein shall not relieve customer of its obligations under this rate schedule or the tariffs of Company's upstream service providers to avoid, correct or eliminate nomination or scheduling errors.

3.21.8. At the end of each Service Month, remaining customer Imbalances to the extent the receipts do not equal deliveries under customer's Agreement shall be cashed out. To the extent customer owes natural gas volumes to Company (deliveries exceeded receipts) customer will purchase said volumes at the applicable cash-out price described below. To the extent Company owes natural gas volumes to customer (receipts exceeded deliveries), Company will purchase said volumes at the applicable cash-out price described below.



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| Imbalance Level | Overage The Company Pays Customer | Underage Customer Pays the Company |
|---|---|---|
| From 0% to 5% | 100% | 100% |
| From 5% to 10% | 80% | 120% |
| From 10% to 15% | 70% | 130% |
| From 15% to 20% | 60% | 140% |
| Greater than 20% | 50% | 150% |

Overages in all tiers will be priced, using the applicable percentage, at the lesser of: *Inside FERC* Enable-East First-of-the-Month Index or the Company's Commodity Cost component. Underages in all tiers will be priced, using the applicable percentage, at the greater of: *Inside FERC* Enable-East First-of-the-Month Index or the Company's Commodity Cost component under the Gas Supply Rate Rider.

3.21.9. The imbalances incurred due to customers' reliance on imbalance data that differ materially from subsequently corrected data will be assumed to fall into the 0% to 5% range for the determination of the applicable cash-out price.

3.22. PREDETERMINED ALLOCATION

3.22.1. Should customer elect service under this rate schedule under more than one of the two supply options, such that gas delivered by Company at any single delivery point will involve supply under more than one of the



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(Name of Company)

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two options, Company and customer shall enter into a Predetermined Allocation Agreement ("PDA") in the form appended to this rate schedule. This PDA will establish the allocation of deliveries, which can be relied upon by either party in the conduct and performance under the Agreement. The method of allocation can be: (i) ranked (order through the meter); (ii) pro rata; (iii) fixed percentage; (iv) swing; or (v) any other method to which both Company and customer agree. Each PDA shall be effective for at least one Service Month and shall remain in effect until superseded by a new PDA.

3.23. POOLING SERVICE

3.23.1 The Company shall make Pooling Service available to any party (hereinafter referred to as Pool Manager) that requests Pooling Service from Company when:

(a) Company has received, reviewed and accepted a credit application from Pool Manager, and Pool Manager has been deemed creditworthy.

(b) Company and Pool Manager have executed a Pooling Service Agreement in the form acceptable to Company.

(c) Pool Manager has submitted formal documentation of agency for customers subject to aggregation under this service.

(d) Pool Manager complies with all applicable provisions of this rate schedule.



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(Name of Company)

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Pooling service shall be available subject to capacity constraints and operational conditions. Company reserves the right to require the Pool Manager to deliver supply adequate to meet the requirements of the customers served by the Pool Manager.

3.23.2. Pooling shall consist of the aggregation of the Receipt Point(s) available to customers subject to the Pooling Service Agreement and deliveries made at Delivery Point(s) delivered subject to the Pooling Service Agreement. The Pool Manager, having documented agency authority, shall submit nominations and allocation information for all customers subject to the Pooling Service Agreement, to Company, in accordance with Part 3.20.

Company shall not have any liability to a Pool Manager or customer as a result of Company's reliance on the performance of Pool Manager.

3.23.3. Pooling Managers shall make Pooling Service available for all customers for which Pooling Manager provides supply services on the Company's system.

3.23.4. Imbalances in a Pool will be calculated by determining the difference between total aggregated receipts into the Pool and the total deliveries allocated out of the Pool to end users. Imbalance tolerances outlined in Part 3.21.5.A., 3.21.5.B. and 3.21.8. shall apply to the aggregated imbalance total, unless and until Pooling rights are interrupted for a specified period.

3.23.5. Imbalances incurred subject to Parts 3.21.5.A., 3.21.5.B. and 3.21.8. will be billed as specified in the Pooling Service Agreement. In the event that the Pool Manager fails to pay invoices, customer will remain liable for payment of all charges, as acknowledged in the Pooling Service Agreement.



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Should Pool Manager fail to pay invoices calculated at the aggregated level, upon default to the individual customer invoice, the invoice shall be recalculated at the individual customer level, without benefit of the aggregated tolerance.

3.23.6. Pooling Service Agreements and Agency Agreements, and changes thereto, shall become effective on the first day of the month provided that the Company receives such Agreements, or changes thereto, at least five (5) business days before the first day of the month.

3.24. WARRANTY OF TITLE

3.24.1. Customer shall have title to and shall warrant its title to all gas delivered to Company under the TSO of this rate schedule, and such gas shall be delivered to Company free and clear of all liens, claims and encumbrances. Customer shall indemnify Company against all suits, actions, debts, accounts and damages arising out of any adverse claims to, against or in respect of such gas. Customer shall also indemnify Company and hold it harmless from and against any and all claims, actions, suits, costs, liabilities and expenses caused by or arising out of possession or presence of such gas before it is delivered into Company's facilities. Customers entering into Agreements as specified in Part 3.1.1. shall have the right to deliver volume for redelivery, available exclusively for customers' own use. Such delivery rights shall not be resold to or shared with third parties.

3.25. ASSIGNMENT

3.25.1. Customer shall not assign the Agreement in whole or in part, nor shall customer agree to provide services to others by use of any capacity contracted for under the Agreement, without Company's prior written consent. In addition to all other rights and remedies, Company may terminate the Agreement immediately if it is assigned by customer or if customer subcontracts its transportation capacity to others without such



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prior consent, whether the assignment be voluntary or by operation of law or otherwise. Subject to the above, the respective rights and obligations of the parties under the Agreement shall extend to and be binding upon their heirs, successors, assigns and legal representatives.

3.26. TRANSPORTATION REGULATIONS

3.26.1. With regard to all aspects of the transportation service, it is recognized that Company operates a local distribution system, and, accordingly, all provisions hereof having to do with transportation of gas and the charge therefore, including Company's obligation to transport gas at all, are subject and subordinate to the provisions of any certificates and rate schedules issued by or filed with the Commission or successor authority, as well as any and all local, state and federal laws, orders, rules and regulations, to the extent applicable to the transportation of gas by Company, as contemplated hereby. To the extent that any local, state or federal authorization and/or approval is required to provide such transportation service, Company will proceed with due diligence to seek to obtain same as and when necessary in such manner as Company considers to be appropriate, provided that due diligence will not obligate Company to accept conditions or rates otherwise unacceptable to Company.

3.27. UNACCEPTABLE QUANTITIES

3.27.1. Company shall have the right to refuse at any time, and from time to time, to receive at any receipt point or to deliver at any delivery point a quantity of gas that Company determines, in its reasonable judgment, to be unduly burdensome from an operating or administrative standpoint.

3.28. LIMITATION OF LIABILITY

3.28.1. In no event shall Company be liable (in contract or in tort, including actions based on claims of negligence) to customer or any other claimant for special, indirect, incidental, or consequential damages, including, but not



Attachment: 2022-004 ATTH 01 Redline TXK TX Service Area Tariffs (3620 : 2022-004 ORD Reauthorizing Summit to charge natural gas rates)

**TEXARKANA, TEXAS SERVICE AREA**

~~First Revised~~Original Sheet No. 1-3.37/39

Replacing: ~~Original~~ Sheet No. ~~1-3.37/38~~

~~CenterPoint Energy Resources Corp.~~
~~d/b/a CenterPoint Energy Arkansas Gas~~Summit Utilities Arkansas, Inc.
(Name of Company)

Kind of Service: Natural Gas Class of Service: Large Commercial

PART I - Rate Schedule No. 3

**Title: LARGE COMMERCIAL FIRM SERVICE (LCS-1)** Effective: ~~September 1, 2017~~(to be determined)~~T~~

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limited to, lost profits and any part of the expense incurred in securing alternative services which exceeds the amount customer would have paid hereunder, resulting from Company's performance, nonperformance or delay in performing its obligations hereunder.

3.29. FACILITIES POLICY

3.29.1. Section VII of the Standard Service Rules and Regulations shall govern when gas is connected to a new facility.

3.30. SALES SERVICE

3.30.1. Company shall only be obligated to provide sales service to customer if and to the extent it is purchased and contracted for by customer pursuant to one of Company's filed rate schedules. In those circumstances in which customer elects to purchase sales service offered by Company during periods of full or partial interruption of transportation service by customer's upstream pipeline transporter, customer shall pay Company the total applicable cost of providing such emergency sales service.



Attachment: 2022-004 ATTH 01 Redline TXK TX Service Area Tariffs (3620 : 2022-004 ORD Reauthorizing Summit to charge natural gas rates)

**TEXARKANA, TEXAS SERVICE AREA**

~~First Revised~~Original Sheet No. 1-3.38/39

Replacing: ~~Original~~ Sheet No. ~~1-3.~~38/~~38~~

~~CenterPoint Energy Resources Corp.~~
~~d/b/a CenterPoint Energy Arkansas Gas~~Summit Utilities Arkansas, Inc.
(Name of Company)

Kind of Service: Natural Gas Class of Service: Large Commercial

PART I - Rate Schedule No. 3

**Title: LARGE COMMERCIAL FIRM SERVICE (LCS-1)** Effective: ~~September 1, 2017~~(to be determined)~~T~~

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3.31. OPERATIONAL NOTICES AND COMMUNICATIONS

3.31.1. Company shall make available scheduling personnel on a twenty-four (24) hour basis. Customer shall provide, and update as necessary, the name, address, and telephone number of an operational contact person or persons who will be available on a twenty-four (24) hour basis to receive or provide communications involving receipts, deliveries, curtailment and for any other purposes relating to customer's service under this rate schedule. Company shall be entitled to rely on such contact person's actions and communications for all purposes and shall have no liability for doing so, and if customer fails to designate such person or such person is unavailable to Company at any time, customer may be liable and shall indemnify and hold Company harmless from and against losses, damages and other expenses which Company or any other person may suffer or for which Company may be liable which are attributable to such failure or unavailability.



Attachment: 2022-004 ATTH 01 Redline TXK TX Service Area Tariffs (3620 : 2022-004 ORD Reauthorizing Summit to charge natural gas rates)

**TEXARKANA, TEXAS SERVICE AREA**

~~First Revised~~Original Sheet No. 1-3.39/39

Replacing: ~~Original~~ Sheet No. ~~1-3.~~39/~~38~~

~~CenterPoint Energy Resources Corp.~~
~~d/b/a CenterPoint Energy Arkansas Gas~~Summit Utilities Arkansas, Inc.
(Name of Company)

Kind of Service: Natural Gas Class of Service: Large Commercial

PART I - Rate Schedule No. 3

**Title: LARGE COMMERCIAL FIRM SERVICE (LCS-1)** Effective: ~~September 1, 2017~~(to be determined)~~T~~

3.32. APPENDICES

3.32.1. The following appendices shall apply to both large commercial and small commercial customers under the TSO. For small commercial customers, references to the "LCS" rate schedule shall be changed to the SCS rate schedule where appropriate.

Incorporated Cities of Texarkana, Nash, Redwater and Wake Village, Texas

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Attachment: 2022-004 ATTH 01 Redline TXK TX Service Area Tariffs (3620 : 2022-004 ORD Reauthorizing Summit to charge natural gas rates)

Attachment: 2022-004 ATTH 01 Redline TXK TX Service Area Tariffs (3620 : 2022-004 ORD Reauthorizing Summit to charge natural gas rates)

**TEXARKANA, TEXAS SERVICE AREA**

~~First Revised~~Original Sheet No. 1-3A.1/28

Replacing: ~~Original~~ Sheet No. ~~1-3A.2/27~~

~~CenterPoint Energy Resources Corp.~~
Summit Utilities Arkansas, Inc.~~d/b/a CenterPoint Energy Arkansas Gas~~
(Name of Company)

Kind of Service: Natural Gas Class of Service: Large Commercial

PART I – Rate Schedule No. 3 Appendix

**Title: LARGE CUSTOMER FIRM SERVICE (LCS-1) APPENDIX** Effective: ~~September 1, 2017~~~~TBD~~(to be determined)

**LARGE VOLUME COMMERCIAL CUSTOMER AGREEMENT**
(System Supply Option)

THIS AGREEMENT (the "Agreement") is made and entered into as of the _____ day of _____, 20____, by and between

~~CenterPoint Energy Resources Corp.~~Summit Utilities Arkansas, Inc.
~~d/b/a CenterPoint Energy Arkansas Gas~~

hereinafter referred to as "Company," and

_____,
a _____ corporation,

hereinafter referred to as "Customer,"

WITNESSETH THAT:

WHEREAS, Company is a local distribution company; and

WHEREAS, Customer owns or operates a facility and has requested natural gas service under Company's Rate Schedule No. 3, Large Commercial Firm Service (hereinafter referred to as "LCS-1");

NOW THEREFORE, Company agrees to provide the services to Customer as hereinafter set forth and Customer agrees to pay for such services and comply with the provisions hereof, on the following terms and conditions:

Attachment: 2022-004 ATTH 01 Redline TXK TX Service Area Tariffs (3620 : 2022-004 ORD Reauthorizing Summit to charge natural gas rates)

**TEXARKANA, TEXAS SERVICE AREA**

~~First Revised~~Original Sheet No. 1-3A.2/28

Replacing: ~~Original~~ Sheet No. ~~1-3A.2/27~~

~~CenterPoint Energy Resources Corp.~~
Summit Utilities Arkansas, Inc.~~d/b/a CenterPoint Energy Arkansas Gas~~
(Name of Company)

Kind of Service: Natural Gas Class of Service: Large Commercial

PART I – Rate Schedule No. 3 Appendix

**Title: LARGE CUSTOMER FIRM SERVICE (LCS-1) APPENDIX** Effective: ~~September 1, 2017~~~~TBD~~(to be determined)

ARTICLE I
SUPPLY OPTION

Section 1.1 – Customer has selected the System Supply Option ("SSO") under LCS-1 pursuant to which Customer will be delivered natural gas supply designated as general system supply of Company for the term of this Agreement.

ARTICLE II
TERM

Section 2.1 – This Agreement shall remain in force for a primary term beginning _____ and ending _____, and from year to year thereafter unless terminated by either party by a minimum of sixty (60) days' written notice prior to the end of the primary or any succeeding term.

ARTICLE III
POINT OF DELIVERY

Section 3.1 – Company shall deliver gas to Customer at the outlet of Company's facilities at the Point(s) of Delivery designated on Exhibit "A" hereto.

ARTICLE IV
QUANTITIES

Section 4.1 – As used herein, the following terms shall have the following meanings:

Maximum Daily Winter Quantity ("MDWQ") shall mean the total maximum MMBtu which Company shall be obligated to deliver on a firm basis on any given day on behalf of Customer during the period November through March of each year.

**TEXARKANA, TEXAS SERVICE AREA**

~~First Revised~~Original Sheet No. 1-3A.3/28~~–~~

Replacing: ~~Original~~ Sheet No. ~~1-3A.3~~/27

~~CenterPoint Energy Resources Corp.~~
~~d/b/a CenterPoint Energy Arkansas Gas~~Summit Utilities Arkansas, Inc.
(Name of Company)

Kind of Service: Natural Gas Class of Service: Large Commercial

PART I – Rate Schedule No. 3 Appendix

**Title: LARGE CUSTOMER FIRM SERVICE (LCS-1) APPENDIX** Effective: ~~September 1, 2017~~~~TBD~~(to be determined)

Maximum Hourly Quantity ("MHQ") shall mean the maximum MMBtu Company is obligated to deliver or receive in any single hour.

Average Daily Volume shall be calculated by dividing the annual volume by 365.

Section 4.2 – The Maximum Daily Winter Quantity ("MDWQ"), the Maximum Hourly Quantity ("MHQ") and the Average Daily Volume applicable to services rendered under this Agreement are set forth on Exhibit "A" hereto.

Section 4.3 – The MDWQ and Average Daily Volume may be adjusted pursuant to the provisions of Part 3.2.4. of LCS-1.

ARTICLE V
RATES

Section 5.1 – Customer shall pay to Company each month for all services rendered hereunder the charges, fees, surcharges, taxes, penalties, balancing charges, adjustments and assessments provided for in LCS-1 and associated riders, as on file and in effect from time to time.

Section 5.2 - The capacity demand ("CD") shall be the billing determinant for distribution demand charges and gas supply demand charges. Each individually metered point of delivery shall have a CD equal to the higher of (i) the MDWQ, subject to the maximum quantities provision in LCS-1; (ii) the Average Daily Volume.

ARTICLE VI
MISCELLANEOUS



Attachment: 2022-004 ATTH 01 Redline TXK TX Service Area Tariffs (3620 : 2022-004 ORD Reauthorizing Summit to charge natural gas rates)

**TEXARKANA, TEXAS SERVICE AREA**

~~First Revised~~Original Sheet No. 1-3A.4/28~~–~~

Replacing: ~~Original~~ Sheet No. ~~1-3A.4~~/27

~~CenterPoint Energy Resources Corp.~~
~~d/b/a CenterPoint Energy Arkansas Gas~~Summit Utilities Arkansas, Inc.
(Name of Company)

Kind of Service: Natural Gas Class of Service: Large Commercial

PART I – Rate Schedule No. 3 Appendix

**Title: LARGE CUSTOMER FIRM SERVICE (LCS-1) APPENDIX** Effective: ~~September 1, 2017~~~~TBD~~(to be determined)

Section 6.1 – Customer represents that it qualifies for service under LCS-1.

Section 6.2 – Customer agrees to certify, document and update in writing annually prior to October 1 its human needs requirements and other requirements necessary for the preservation of life, health or physical property, and any material change to the level of said requirements.

Section 6.3 – Customer agrees that Company shall have the right at any time and from time to time to file and place into effect unilateral changes or modifications in the rates and charges, and other terms and conditions of service hereunder, in accordance with applicable law. Company agrees that Customer may protest or contest any such charges or modifications.

Section 6.4 – Service hereunder shall be in accordance with and subject to, and both parties agree to be bound by, all applicable terms and conditions set forth in LCS-1, as in effect from time to time, which terms and conditions are incorporated herein by reference.

Section 6.5 – Customer agrees that, to the extent not already satisfied, Customer shall pay Company for the installation of appropriate telemetering equipment to be installed and owned by Company under one of the following payment options as chosen by the customer:

( ) Option 1: Customer agrees to provide an analog phone line for each meter and pay for standard telemetry equipment and installation costs for each meter.

Customer will be subject to meter reading fees for an inoperable phone line for each meter.



Attachment: 2022-004 ATTH 01 Redline TXK TX Service Area Tariffs (3620 : 2022-004 ORD Reauthorizing Summit to charge natural gas rates)

**TEXARKANA, TEXAS SERVICE AREA**

~~First Revised~~Original Sheet No. 1-3A.5/28

Replacing: ~~Original~~ Sheet No. ~~1-3A.5/27~~

~~CenterPoint Energy Resources Corp.~~
~~d/b/a CenterPoint Energy Arkansas Gas~~Summit Utilities Arkansas, Inc.
(Name of Company)

Kind of Service: Natural Gas Class of Service: Large Commercial

PART I – Rate Schedule No. 3 Appendix

**Title: LARGE CUSTOMER FIRM SERVICE (LCS-1) APPENDIX** Effective: ~~September 1, 2017~~~~TBD~~(to be determined)

( ) Option 2: Customer will provide an analog phone line for each meter but elects to pay a monthly fee for standard telemetry equipment and installation costs for each meter. The fee will be $30 per month per meter for meters that do not require pressure instrumentation and $84 per month per meters that do require pressure instrumentation. The customer will be subject to meter reading fees for an inoperable phone line for each meter.

( ) Option 3: Customer elects wireless service through ~~CenterPoint Energy Arkansas Gas~~ Summit Utilities Arkansas, Inc. for each meter and agrees to pay for standard telemetry equipment and installation costs for each meter. The wireless service fee will be $10 per month per meter, and Customer will not be subject to meter reading fees.

( ) Option 4: Customer elects wireless service through ~~CenterPoint Energy Arkansas Gas~~ Summit Utilities Arkansas, Inc. for each meter and elects to pay a monthly fee for standard telemetry equipment and installation costs for each meter. The fee will be $40 per month for meters that do not require pressure instrumentation and $94 per month per meter for meters that do require pressure instrumentation. The customer will not be subject to meter reading fees.

Under any option chosen above, customer shall comply with all necessary and appropriate procedures, as required by Company, pertaining to the installation, reading, monitoring, testing, repair and maintenance of all telemetering and associated equipment.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date hereinabove first written.

COMPANY:

Incorporated Cities of Texarkana, Nash, Redwater and Wake Village, Texas

Attachment: 2022-004 ATTH 01 Redline TXK TX Service Area Tariffs (3620 : 2022-004 ORD Reauthorizing Summit to charge natural gas rates)

**TEXARKANA, TEXAS SERVICE AREA**

~~First Revised~~Original Sheet No. 1-3A.6/28

Replacing: ~~Original~~ Sheet No.~~1-3A.6/27~~

~~CenterPoint Energy Resources Corp.~~
~~d/b/a CenterPoint Energy Arkansas Gas~~Summit Utilities Arkansas, Inc.
(Name of Company)

Kind of Service: Natural Gas Class of Service: Large Commercial

PART I – Rate Schedule No. 3 Appendix

**Title: LARGE CUSTOMER FIRM SERVICE (LCS-1) APPENDIX** Effective: ~~September 1, 2017~~~~TBD~~(to be determined)

~~CENTERPOINT ENERGY RESOURCES CORP.~~Summit Utilities Arkansas, Inc.

~~d/b/a CenterPoint Energy Arkansas Gas~~

By:_____
[Name]
[Title]

CUSTOMER:

_____

By:_____
[Name]
[Title]
[Address]

Incorporated Cities of Texarkana, Nash, Redwater and Wake Village, Texas

Attachment: 2022-004 ATTH 01 Redline TXK TX Service Area Tariffs (3620 : 2022-004 ORD Reauthorizing Summit to charge natural gas rates)

**TEXARKANA, TEXAS SERVICE AREA**

~~First Revised~~Original Sheet No. 1-3A.7/28~~.~~

Replacing: ~~Original~~ _____Sheet No.~~1-3A.7~~/~~27~~

~~CenterPoint Energy Resources Corp.~~
~~d/b/a CenterPoint Energy Arkansas Gas~~Summit Utilities Arkansas, Inc.
(Name of Company)

Kind of Service: Natural Gas Class of Service: Large Commercial

PART I – Rate Schedule No. 3 Appendix

**Title: LARGE CUSTOMER FIRM SERVICE (LCS-1) APPENDIX** Effective: ~~September 1, 2017~~(to be determined)~~TBD~~

EXHIBIT A
TO
LARGE VOLUME COMMERCIAL CUSTOMER AGREEMENT
(SYSTEM SUPPLY OPTION)

DELIVERY POINTS

Address:_____
CA#_____

Delivery Point(s)

For the account of
Customer at Customer's
Facility located at
_____,
_____, Texas _____

QUANTITIES

Maximum Daily Winter Quantity ("MDWQ") _____ MMBtu

Maximum Hourly Quantity ("MHQ") _____MMBtu

Average Daily Volume _____MMBtu



Attachment: 2022-004 ATTH 01 Redline TXK TX Service Area Tariffs (3620 : 2022-004 ORD Reauthorizing Summit to charge natural gas rates)

Attachment: 2022-004 ATTH 01 Redline TXK TX Service Area Tariffs (3620 : 2022-004 ORD Reauthorizing Summit to charge natural gas rates)

**TEXARKANA, TEXAS SERVICE AREA**

~~First Revised~~Original Sheet No. 1-3A.8/28~~--~~

Replacing: ~~Original~~ _____ Sheet No.~~1-3A.~~8~~/27~~

~~CenterPoint Energy Resources Corp.~~
~~d/b/a CenterPoint Energy Arkansas Gas~~Summit Utilities Arkansas, Inc.
(Name of Company)

Kind of Service: Natural Gas Class of Service: Large Commercial

PART I – Rate Schedule No. 3 Appendix

**Title: LARGE CUSTOMER FIRM SERVICE (LCS-1) APPENDIX** Effective: ~~September 1, 2017~~(to be determined)~~TBD~~

**LARGE VOLUME COMMERCIAL CUSTOMER AGREEMENT**
**(Transportation Supply Option)**

THIS AGREEMENT (the "Agreement") is made and entered into as of the _____ day of _____, 20____, by and between

~~CenterPoint Energy Resources Corp~~Summit Utilities Arkansas, Inc.~~,~~
~~d/b/a CenterPoint Energy Arkansas Gas~~

hereinafter referred to as "Company," and

_____,
a _____ corporation,

hereinafter referred to as "Customer,"

WITNESSETH THAT:

WHEREAS, Company is a local distribution company; and

WHEREAS, Customer owns or operates a facility and has requested natural gas service under Company's Rate Schedule No. 3, Large Commercial Firm Service (hereinafter referred to as "LCS-1" or qualified "SCS-1,SCS-2 or SCS-3");

NOW THEREFORE, Company agrees to provide the services to Customer as hereinafter set forth and Customer agrees to pay for such services and comply with the provisions hereof, on the following terms and conditions:

**TEXARKANA, TEXAS SERVICE AREA**

~~First Revised~~Original Sheet No. 1-3A.9/28~~—~~

Replacing: ~~Original~~ Sheet No.~~1-3A.9/27~~

~~CenterPoint Energy Resources Corp.~~
~~d/b/a CenterPoint Energy Arkansas Gas~~Summit Utilities Arkansas, Inc.
(Name of Company)

Kind of Service: Natural Gas Class of Service: Large Commercial

PART I – Rate Schedule No. 3 Appendix

**Title: LARGE CUSTOMER FIRM SERVICE (LCS-1) APPENDIX** Effective: ~~September 1, 2017~~~~TBD~~(to be determined)

ARTICLE I
SUPPLY OPTION

Section 1.1 – Customer has selected the Transportation Supply Option ("TSO") under LCS-1 pursuant to which Customer will be delivered natural gas supply received for Customer's account at points of receipt on Company's distribution facilities for the term of this Agreement. If Customer later desires to convert to the Sales Supply Option ("SSO"), pursuant to which Customer will be delivered natural gas supply designated as general system supply of Company, Customer will be required to contract for such service between the months of February through April preceding the expiration of the primary or any succeeding term of this Agreement. Subject to this requirement, Customer will be allowed to convert to the SSO provided that the Company is able to secure firm upstream capacity and other upstream pipeline services sufficient to meet Customer's needs. Any such conversion will be effective upon the expiration of the term of this Agreement, unless the Company and the Customer agree otherwise.

Section 1.2 – If volume usage of meters at business facilities under Customer's common ownership and subject to other commercial rate schedules are aggregated for the sole purpose of qualifying for the TSO under LCS-1, then each individual account shall be treated as a separate account and shall be subject to the same rates and charges under the originating commercial rate schedule(s), in addition to any additional specific rates, charges or adjustment riders peculiar to the TSO under this rate schedule, such as, but not limited to, administrative fees.

ARTICLE II
TERM

Section 2.1 – This Agreement shall remain in force for a primary term beginning _____ and ending _____, and from year to year thereafter unless terminated by either party by a minimum of sixty (60) days' written notice prior to the end of the primary or any succeeding term.



Attachment: 2022-004 ATTH 01 Redline TXK TX Service Area Tariffs (3620 : 2022-004 ORD Reauthorizing Summit to charge natural gas rates)

**TEXARKANA, TEXAS SERVICE AREA**

~~First Revised~~Original Sheet No. 1-3A.10/28

Replacing: ~~Original~~ Sheet No. ~~1-3A.10/27~~

~~CenterPoint Energy Resources Corp.~~
~~d/b/a CenterPoint Energy Arkansas Gas~~Summit Utilities Arkansas, Inc.
(Name of Company)

Kind of Service: Natural Gas Class of Service: Large Commercial

PART I – Rate Schedule No. 3 Appendix

**Title: LARGE CUSTOMER FIRM SERVICE (LCS-1) APPENDIX** Effective: ~~September 1, 2017~~~~TBD~~(to be determined)

ARTICLE III
POINTS OF RECEIPT AND DELIVERY

Section 3.1 – Company shall receive gas from Customer at the Point(s) of Receipt designated on Exhibit "A" hereto and Company shall deliver gas to Customer at the outlet of Company's facilities at the Point(s) of Delivery designated on Exhibit "A" hereto.

ARTICLE IV
QUANTITIES

Section 4.1 - As used herein, the following terms shall have the following meanings:

Maximum Daily Winter Quantity ("MDWQ") shall mean the total maximum MMBtu which Company shall be obligated to receive or deliver on a firm basis on any given day on behalf of Customer during the period November through March of each year.

Maximum Hourly Quantity ("MHQ") shall mean the maximum MMBtu Company is obligated to receive or deliver in any single hour.

Average Daily Volume shall be calculated by dividing the annual volume by 365.

Section 4.2 – The Maximum Daily Winter Quantity ("MDWQ"), the Maximum Hourly Quantity ("MHQ") and the Average Daily Volume applicable to services rendered under this Agreement are set forth on Exhibit "A" hereto.

Section 4.3 – The MDWQ and Average Daily Volume may be adjusted pursuant to the provisions of Part 3.2.4. of LCS-1.



Attachment: 2022-004 ATTH 01 Redline TXK TX Service Area Tariffs (3620 : 2022-004 ORD Reauthorizing Summit to charge natural gas rates)

**TEXARKANA, TEXAS SERVICE AREA**

~~First Revised~~Original Sheet No. 1-3A.11/28

Replacing: ~~Original~~ Sheet No. ~~1-3A.11~~/27

~~CenterPoint Energy Resources Corp.~~
~~d/b/a CenterPoint Energy Arkansas Gas~~Summit Utilities Arkansas, Inc.
(Name of Company)

Kind of Service: Natural Gas Class of Service: Large Commercial

PART I – Rate Schedule No. 3 Appendix

**Title: LARGE CUSTOMER FIRM SERVICE (LCS-1) APPENDIX** Effective: ~~September 1, 2017~~~~TBD~~(to be determined)

Section 4.4 – Company shall not be obligated under any circumstances: (i) to deliver more gas to Customer during any given day or month than it shall have received for the account of Customer during said period; or (ii) to receive or deliver during any given Day a total quantity of gas in excess of the MDWQ or Average Daily Volume as applicable.

ARTICLE V
RATES

Section 5.1 – Customer shall pay to Company each month for all services rendered hereunder the charges, fees, surcharges, taxes, penalties, balancing charges, adjustments and assessments provided for in LCS-1 and associated riders, or SCS-1, SCS-2 or SCS-3 and associated riders if subject to the aggregation provision in Part 3.1.2., as on file and in effect from time to time.

Section 5.2 – The capacity demand ("CD") shall be the billing determinant for distribution demand charges and gas supply demand charges. Each individually metered point of delivery shall have a CD equal to the higher of (i) the MDWQ, subject to the maximum quantities provision in LCS-1; (ii) the Average Daily Volume.

ARTICLE VI
MISCELLANEOUS

Section 6.1 – Customer represents that it qualifies for service under LCS-1 or qualified SCS-1, SCS-2 or SCS-3.

Section 6.2 – Customer agrees to certify and document in writing its human needs requirements and other requirements necessary for the preservation of life, health or physical property, and any material change to the level of said requirements prior to the start of service. The Customer shall update the Company in writing when its human needs requirements change.



Attachment: 2022-004 ATTH 01 Redline TXK TX Service Area Tariffs (3620 : 2022-004 ORD Reauthorizing Summit to charge natural gas rates)

**TEXARKANA, TEXAS SERVICE AREA**

~~First Revised~~Original Sheet No. 1-3A.12/28

Replacing: ~~Original~~ Sheet No. ~~1-3A.12/27~~

~~CenterPoint Energy Resources Corp.~~
~~d/b/a CenterPoint Energy Arkansas Gas~~Summit Utilities Arkansas, Inc.
(Name of Company)

Kind of Service: Natural Gas Class of Service: Large Commercial

PART I – Rate Schedule No. 3 Appendix

**Title: LARGE CUSTOMER FIRM SERVICE (LCS-1) APPENDIX** Effective: ~~September 1, 2017~~~~TBD~~(to be determined)

If Customer has human needs requirements, then Customer provides the following certifications and authorizations by choosing Scenario A or B below:

( ) Scenario A.

- Customer certifies that the _____ facility located at _____, _____, has human needs usage requirements of _____ MMBtu per day and that Customer has purchased and will continue to maintain the corresponding level of firm upstream pipeline capacity and upstream gas supply for the entire time period of November 1st through March 31st each year.

- Customer authorizes the Company to obtain the firm pipeline capacity information directly from the applicable upstream pipeline to ensure both the requisite level of capacity and that it is firm primary delivery point capacity at the appropriate location required to serve the facility.

- Customer furthermore certifies that it will maintain such firm primary delivery point capacity for each day of the November 1st through March 31st time period. If these certified arrangements should not be accurate, however, or if Customer's upstream pipeline capacity or upstream gas supply become insufficient for any reason, Customer is authorized by the Board of Directors or equivalent governing body to fully release ~~CenterPoint Energy Arkansas Gas and CenterPoint Energy Resources Corp.~~Summit Utilities Arkansas, Inc. from any and all claims, lawsuits, damages, costs, expenses, causes of action, and any and all liability associated with the interruption, curtailment, failure or suspension of natural gas service for any period of time. Customer further indemnifies ~~CenterPoint Energy Arkansas Gas and CenterPoint Energy Resources Corp.~~Summit Utilities Arkansas, Inc. from any and all claims, causes of action, lawsuits, damages, costs, expenses, and similar liability that might be asserted by third parties as a result of the interruption, curtailment, failure or suspension of natural gas service for any period of time.



Attachment: 2022-004 ATTH 01 Redline TXK TX Service Area Tariffs (3620 : 2022-004 ORD Reauthorizing Summit to charge natural gas rates)

**TEXARKANA, TEXAS SERVICE AREA**

~~First Revised~~Original Sheet No. 1-3A.13/28

Replacing: ~~Original~~ Sheet No. ~~1-3A.13~~/27

~~CenterPoint Energy Resources Corp.~~
~~d/b/a CenterPoint Energy Arkansas Gas~~Summit Utilities Arkansas, Inc.
(Name of Company)

Kind of Service: Natural Gas Class of Service: Large Commercial

PART I – Rate Schedule No. 3 Appendix

**Title: LARGE CUSTOMER FIRM SERVICE (LCS-1) APPENDIX** Effective: ~~September 1, 2017~~~~TBD~~(to be determined)

- In the event of any change in circumstances pertaining to Customer's upstream pipeline and upstream gas supply arrangements, Customer agrees to immediately notify the appropriate person at the Company by sending a certified letter to the Company's Gas Flow Information Center at the following address:

Summit Utilities Arkansas, Inc.~~CenterPoint Energy Resources Corp.~~
~~d/b/a CenterPoint Energy Arkansas Gas~~
Gas ~~Flow Information Center~~ Supply Department
~~525 Milam Street, Room 207~~115 North 12th Street
~~Shreveport~~Fort Smith, ~~Louisiana~~ Arkansas ~~71101~~72902-2414
E-Mail~~Telephone No.~~: ~~1-800-254-4342~~transportationservices@summitutilities.com~~TBD~~
~~Facsimile No.: 1-318-429-3986~~

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( ) Scenario B.

- Customer certifies that the _____ facility located at _____, _____ has on hand a fully functioning _____ back-up energy system (Describe type of back-up system) that can replace natural gas as the energy source for all of the facility's human needs usage requirements. This back-up system is also capable of being a continuing and sustaining source of energy for all of the facility's human needs usage requirements. Accordingly, on behalf of the Board of Directors or equivalent governing body, Customer hereby certifies it does require firm pipeline capacity and natural gas supplies to meet its facility's human needs usage requirements.

- Customer recognize that if all or any portion of its natural gas supply fails to reach the appropriate ~~CenterPoint Energy Arkansas Gas~~Summit Utilities Arkansas, Inc. delivery point, its natural gas service may be interrupted or curtailed.



Attachment: 2022-004 ATTH 01 Redline TXK TX Service Area Tariffs (3620 : 2022-004 ORD Reauthorizing Summit to charge natural gas rates)

**TEXARKANA, TEXAS SERVICE AREA**

~~First Revised~~Original Sheet No. 1-3A.14/28

Replacing: ~~Original~~ Sheet No. ~~1-3A.14~~/27

~~CenterPoint Energy Resources Corp.~~
~~d/b/a CenterPoint Energy Arkansas Gas~~Summit Utilities Arkansas, Inc.
(Name of Company)

Kind of Service: Natural Gas Class of Service: Large Commercial

PART I – Rate Schedule No. 3 Appendix

**Title: LARGE CUSTOMER FIRM SERVICE (LCS-1) APPENDIX** Effective: ~~September 1, 2017~~~~TBD~~(to be determined)

- Customer acknowledges that the Company's sole responsibility to it is to redeliver to Customer's facilities such gas supplies as Customer or its agents physically deliver to the Company's city gate, subject to the curtailment priority schedule (Standard Service Rules and Regulations, Order of Curtailment),which will not categorize our facility as a human needs customer. In acknowledgement of these facts, should all or any portion of Customer's natural gas supplies fail to reach the appropriate Company city-gate delivery point, Customer is authorized by the Board of Directors or equivalent governing body to fully release ~~CenterPoint Energy Arkansas Gas and CenterPoint Energy Resources Corp.~~ Summit Utilities Arkansas, Inc. from any and all claims, lawsuits, damages, costs, expenses, causes of action, and any and all liability associated with the interruption, curtailment, failure or suspension of natural gas service for any period of time. Customer further indemnify ~~CenterPoint Energy Arkansas Gas and CenterPoint Energy Resources Corp.~~ Summit Utilities Arkansas, Inc. from any and all claims, causes of action, lawsuits, damages, costs, expenses, and similar liability that might be asserted by third parties as a result of the interruption, curtailment, failure or suspension of natural gas service for any period of time.

- In the event of any change in circumstances pertaining to our facility's energy backup system, Customer agrees to immediately notify the appropriate person at the Company by sending a certified letter to the Company's Gas Flow Information Center at the following address:

Summit Utilities Arkansas, Inc.
Gas Supply Department
115 North 12th Street
Fort Smith, Arkansas 72902-2414
E-Mail: transportationservices@summitutilities.com~~TBD~~
~~CenterPoint Energy Resources Corp.~~
~~d/b/a CenterPoint Energy Arkansas Gas~~

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Incorporated Cities of Texarkana, Nash, Redwater and Wake Village, Texas

Attachment: 2022-004 ATTH 01 Redline TXK TX Service Area Tariffs (3620 : 2022-004 ORD Reauthorizing Summit to charge natural gas rates)

**TEXARKANA, TEXAS SERVICE AREA**

~~First Revised~~Original Sheet No. 1-3A.15/28

Replacing: ~~Original~~ Sheet No. ~~1-3A.~~15~~/27~~

~~CenterPoint Energy Resources Corp.~~
~~d/b/a CenterPoint Energy Arkansas Gas~~Summit Utilities Arkansas, Inc.
(Name of Company)

Kind of Service: Natural Gas Class of Service: Large Commercial

PART I – Rate Schedule No. 3 Appendix

**Title: LARGE CUSTOMER FIRM SERVICE (LCS-1) APPENDIX** Effective: ~~September 1, 2017~~~~TBD~~(to be determined)

~~Gas Flow Information Center~~
~~525 Milam Street, Room 207~~
~~Shreveport, Louisiana 71101~~
~~Telephone No.: 1-800-254-4342~~
~~Facsimile No.: 1-318-429-3986~~

Section 6.3 - Customer agrees that Company shall have the right at any time and from time to time to file and place into effect unilateral changes or modifications in the rates and charges, and other terms and conditions of service hereunder, in accordance with applicable law. Company agrees that Customer may protest or contest any such charges or modifications.

Section 6.4 - Service hereunder shall be in accordance with and subject to, and both parties agree to be bound by, all applicable terms and conditions set forth in LCS-1, as in effect from time to time, which terms and conditions are incorporated herein by reference.

Section 6.5 - Customer agrees that, to the extent not already satisfied, Customer shall pay Company for the installation of appropriate telemetering equipment to be installed and owned by Company under one of the following payment options as chosen by the customer:

( ) Option 1: Customer agrees to provide an analog phone line for each meter and pay for standard telemetry equipment and installation costs for each meter. Customer will be subject to meter reading fees for an inoperable phone line for each meter.

( ) Option 2: Customer will provide an analog phone line for each meter but elects to pay a monthly fee for standard telemetry equipment and installation costs for each meter. The fee will be $30 per month per meter for meters that do not require pressure instrumentation and $84 per month per meters that do require pressure instrumentation. The customer will be subject to meter reading fees for an inoperable phone line for each meter.

( ) Option 3: Customer elects wireless service through ~~CenterPoint Energy Arkansas Gas~~ Summit Utilities Arkansas, Inc. for each meter and agrees to pay for



Attachment: 2022-004 ATTH 01 Redline TXK TX Service Area Tariffs (3620 : 2022-004 ORD Reauthorizing Summit to charge natural gas rates)

standard telemetry equipment and installation costs for each meter. The wireless service fee will be $10 per month per meter, and Customer will not be subject to meter reading fees.

( ) Option 4: Customer elects wireless service through ~~CenterPoint Energy Arkansas Gas~~ Summit Utilities Arkansas, Inc. for each meter and elects to pay a monthly fee for standard telemetry equipment and installation costs for each meter. The fee will be $40 per month for meters that do not require pressure instrumentation and $94 per month per meter for meters that do require pressure instrumentation. The customer will not be subject to meter reading fees.

Under any option chosen above, Customer shall comply with all necessary and appropriate procedures, as required by Company, pertaining to the installation, reading, monitoring, testing, repair and maintenance of all telemetering and associated equipment.

Section 6.7 – This agreement shall be governed by and construed in accordance with the laws of the State of Texas. Any proceeding related to any cause of action of any nature arising in this contract may be brought only before the appropriate forum in Texas.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date hereinabove first written.



Attachment: 2022-004 ATTH 01 Redline TXK TX Service Area Tariffs (3620 : 2022-004 ORD Reauthorizing Summit to charge natural gas rates)

**TEXARKANA, TEXAS SERVICE AREA**

~~First Revised~~Original Sheet No. 1-3A.17/28

Replacing: ~~Original~~ Sheet No. ~~1-3A.17/27~~

~~CenterPoint Energy Resources Corp.~~
~~d/b/a CenterPoint Energy Arkansas Gas~~Summit Utilities Arkansas, Inc.
(Name of Company)

Kind of Service: Natural Gas Class of Service: Large Commercial

PART I – Rate Schedule No. 3 Appendix

**Title: LARGE CUSTOMER FIRM SERVICE (LCS-1) APPENDIX** Effective: ~~September 1, 2017~~~~TBD~~(to be determined)

COMPANY:

~~CENTERPOINT ENERGY RESOURCES CORP.~~Summit Utilities Arkansas, Inc.

~~d/b/a CenterPoint Energy Arkansas Gas~~

By:_____
[Name]
[Title]

CUSTOMER:

_____

By:_____
[Name]
[Title]
[Address]

EXHIBIT A
TO
LARGE VOLUME COMMERCIAL CUSTOMER AGREEMENT
(TRANSPORTATION SUPPLY OPTION)

RECEIPT AND DELIVERY POINTS

Address:_____
CA#_____



Attachment: 2022-004 ATTH 01 Redline TXK TX Service Area Tariffs (3620 : 2022-004 ORD Reauthorizing Summit to charge natural gas rates)

**TEXARKANA, TEXAS SERVICE AREA**

~~First Revised~~Original Sheet No. 1-3A.18/28

Replacing: ~~Original~~ Sheet No. ~~1-3A.18~~/27

~~CenterPoint Energy Resources Corp.~~
~~d/b/a CenterPoint Energy Arkansas Gas~~Summit Utilities Arkansas, Inc.
(Name of Company)

Kind of Service: Natural Gas Class of Service: Large Commercial

PART I – Rate Schedule No. 3 Appendix

**Title: LARGE CUSTOMER FIRM SERVICE (LCS-1) APPENDIX** Effective: ~~September 1, 2017~~~~TBD~~(to be determined)

Receipt Points

The gas will be received for Customer's account at the point(s) where the _____ (Upstream Pipeline) is interconnected with the distribution facilities of ~~CenterPoint Energy Resources Corp., d/b/a CenterPoint Energy Arkansas Gas~~Summit Utilities Arkansas, Inc. at or near _____,Texas.

Delivery Point(s)
For the account of
Customer at Customer's
Facility located at
_____,
_____, Texas_____

QUANTITIES

Maximum Daily Winter Quantity ("MDWQ") _____ MMBtu

Maximum Hourly Quantity ("MHQ") _____ MMBtu

Average Daily Volume _____ MMBtu



Attachment: 2022-004 ATTH 01 Redline TXK TX Service Area Tariffs (3620 : 2022-004 ORD Reauthorizing Summit to charge natural gas rates)

**TEXARKANA, TEXAS SERVICE AREA**

~~First Revised~~Original Sheet No. 1-3A.19/28

Replacing: ~~Original~~ Sheet No. ~~1-3A.~~19~~/27~~

~~CenterPoint Energy Resources Corp.~~
~~d/b/a CenterPoint Energy Arkansas Gas~~Summit Utilities Arkansas, Inc.
(Name of Company)

Kind of Service: Natural Gas Class of Service: Large Commercial

PART I – Rate Schedule No. 3 Appendix

**Title: LARGE CUSTOMER FIRM SERVICE (LCS-1) APPENDIX** Effective: ~~September 1, 2017~~~~TBD~~(to be determined)

**PREDETERMINED ALLOCATION AGREEMENT**

THIS AGREEMENT is made and entered into by ~~CenterPoint Energy Resources Corp., d/b/a CenterPoint Energy Arkansas Gas~~ Summit Utilities Arkansas, Inc. ("Company") and _____ ("Customer") effective _____.

WHEREAS, Company and Customer are parties to Large Commercial Service Agreements (the "Agreements") entered pursuant to Company's Rate Schedule No. 3, Large Commercial Firm Service (hereinafter referred to as "LCS-1"); and

WHEREAS, the Agreements select more than one of the two supply options offered under Part 3.1.3. of LCS-1; and

WHEREAS, the parties wish to enter this Predetermined Allocation Agreement.

NOW, THEREFORE, pursuant to Part 3.22. of LCS-1, Company and Customer hereby agree as follows:

1. In the event gas received by Company at any single delivery point involves supply under more than one of the two supply options offered under LCS-1, then such deliveries shall be allocated to each service option in the following manner:

[Describe allocation method]

2. [other provisions]

3. This Agreement shall be effective for at least one Service Month, and shall remain in effect until superceded by a new Predetermined Allocation Agreement.



Attachment: 2022-004 ATTH 01 Redline TXK TX Service Area Tariffs (3620 : 2022-004 ORD Reauthorizing Summit to charge natural gas rates)

**TEXARKANA, TEXAS SERVICE AREA**

~~First Revised~~Original Sheet No. 1-3A.20/28

Replacing: ~~Original~~ Sheet No. ~~1-3A.20/27~~

~~CenterPoint Energy Resources Corp.~~
~~d/b/a CenterPoint Energy Arkansas Gas~~Summit Utilities Arkansas, Inc.
(Name of Company)

Kind of Service: Natural Gas Class of Service: Large Commercial

PART I – Rate Schedule No. 3 Appendix

**Title: LARGE CUSTOMER FIRM SERVICE (LCS-1) APPENDIX** Effective: ~~September 1, 2017~~~~TBD~~(to be determined)

4. This Predetermined Allocation Agreement is subject to all applicable terms and conditions set forth in LCS-1, as in effect from time to time, which provisions are incorporated herein by reference.

Company:

~~CENTERPOINT ENERGY RESOURCES CORP~~Summit Utilities Arkansas, Inc.
~~d/b/a CenterPoint Energy Arkansas Gas~~

By:_____
Title

Customer:
_____

By:_____
Title



Attachment: 2022-004 ATTH 01 Redline TXK TX Service Area Tariffs (3620 : 2022-004 ORD Reauthorizing Summit to charge natural gas rates)

**TEXARKANA, TEXAS SERVICE AREA**

~~First Revised~~Original Sheet No. 1-3A.21/28

Replacing: ~~Original~~ Sheet No. ~~1-3A.21/27~~

~~CenterPoint Energy Resources Corp.~~
~~d/b/a CenterPoint Energy Arkansas Gas~~Summit Utilities Arkansas, Inc.
(Name of Company)

Kind of Service: Natural Gas Class of Service: Large Commercial

PART I – Rate Schedule No. 3 Appendix

**Title: LARGE CUSTOMER FIRM SERVICE (LCS-1) APPENDIX** Effective: ~~September 1, 2017~~~~TBD~~(to be determined)

**POOLING SERVICE AGREEMENT**

THIS AGREEMENT (the "Agreement") is made and entered into as of the _____ day of _____, 20____, by and between

~~CenterPoint Energy Resources Corp.~~Summit Utilities Arkansas, Inc.
~~d/b/a CenterPoint Energy Arkansas Gas~~

hereinafter referred to as "Company," and

_____,
a _____ corporation,

hereinafter referred to as "Pool Manager,"

WITNESSETH THAT:

WHEREAS, Company is a local distribution company; and

WHEREAS, Pool Manager has entered into agency agreements with the entities identified on Exhibit A hereto, as the same may be revised from time to time during the term of this Agreement, (hereinafter referred to collectively as "Customers") who Pool Manager represents have entered into Large Volume Commercial Customer Agreements, Transportation Supply Option, under Company's Rate Schedule No. 3, Large Commercial Firm Service (hereinafter referred to as "LCS-1"); and

WHEREAS, pursuant to the agency agreements between Pool Manager and Customers, Pool Manager is authorized to act on behalf of Customer's in all respects, including the submission of nominations and allocation information in accordance with LCS-1; and



Attachment: 2022-004 ATTH 01 Redline TXK TX Service Area Tariffs (3620 : 2022-004 ORD Reauthorizing Summit to charge natural gas rates)

**TEXARKANA, TEXAS SERVICE AREA**

~~First Revised~~Original Sheet No. 1-3A.22/28

Replacing: ~~Original~~ Sheet No. ~~1-3A.22/27~~

~~CenterPoint Energy Resources Corp.~~
~~d/b/a CenterPoint Energy Arkansas Gas~~Summit Utilities Arkansas, Inc.
(Name of Company)

Kind of Service: Natural Gas Class of Service: Large Commercial

PART I – Rate Schedule No. 3 Appendix

**Title: LARGE CUSTOMER FIRM SERVICE (LCS-1) APPENDIX** Effective: ~~September 1, 2017~~~~TBD~~(to be determined)

WHEREAS, Pool Manager and Customers desire to avail themselves of the Pooling Service offered by Company pursuant to Part 3.23. of LCS-1.

NOW THEREFORE, Company and Pool Manager, acting individually, and as agent for Customers, agree as follows:

ARTICLE I
NOMINATIONS AND ALLOCATIONS

Section 1.1 – Pool Manager agrees to submit to Company on behalf of Customers all nominations and allocation information required pursuant to LCS-1.

ARTICLE II
IMBALANCES

Section 2.1 – Imbalances between receipts and deliveries among the Customers subject to this Agreement will be calculated by determining the difference between the total aggregated deliveries by the Customers to Company at receipt points and the total aggregated deliveries received by the Customers at delivery points.

Section 2.2 – The imbalance tolerance set forth in Parts 3.21.5. and 3.21.8. shall apply to the aggregated imbalance total, unless and until pooling rights are interrupted by Company for a specified period.

ARTICLE III
PAYMENTS

Section 3.1 – Payments due Company for Customers' imbalances arising under LCS-1 shall be paid by Pool Manager.



Attachment: 2022-004 ATTH 01 Redline TXK TX Service Area Tariffs (3620 : 2022-004 ORD Reauthorizing Summit to charge natural gas rates)

**TEXARKANA, TEXAS SERVICE AREA**

~~First Revised~~Original Sheet No. 1-3A.23/28

Replacing: ~~Original~~ Sheet No. ~~1-3A.23~~/27

~~CenterPoint Energy Resources Corp.~~
~~d/b/a CenterPoint Energy Arkansas Gas~~Summit Utilities Arkansas, Inc.
(Name of Company)

Kind of Service: Natural Gas Class of Service: Large Commercial

PART I – Rate Schedule No. 3 Appendix

**Title: LARGE CUSTOMER FIRM SERVICE (LCS-1) APPENDIX** Effective: ~~September 1, 2017~~~~TBD~~(to be determined)

Section 3.2 – In the event Pool Manager should fail to timely pay the imbalances set forth in Section 3.1 of this Agreement, then Company shall redetermine the imbalance payments due by each Customer, which redetermination shall be made without benefit of the aggregated tolerances, and each Customer shall pay the said redetermined imbalance payment.

ARTICLE IV
TERM

Section 4.1 – This Agreement shall be effective _____ and, shall continue from month to month thereafter until terminated by either party upon written notice delivered at least five (5) days prior to the beginning of a month.

ARTICLE V
MISCELLANEOUS

Section 5.1 – Pool Manager represents that it is authorized to act on behalf of Customers with respect to the service rendered hereunder.

Section 5.2 – Pool Manager agrees that Company shall have the right at any time and from time to time to file and place into effect unilateral changes or modifications in the rates and charges, and other terms and conditions of service hereunder, in accordance with applicable law. Company agrees that Pool Manager may protest or contest any such charges or modifications.

Section 5.3 – Service hereunder shall be in accordance with and subject to, and the parties agree to be bound by, all applicable terms and conditions set forth in LCS-1, as in effect from time to time, which terms and conditions are incorporated herein by reference.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date hereinabove first written.

Incorporated Cities of Texarkana, Nash, Redwater and Wake Village, Texas

Attachment: 2022-004 ATTH 01 Redline TXK TX Service Area Tariffs (3620 : 2022-004 ORD Reauthorizing Summit to charge natural gas rates)

**TEXARKANA, TEXAS SERVICE AREA**

~~First Revised~~Original Sheet No. 1-3A.24/28

Replacing: ~~Original~~ Sheet No. ~~1-3A.24/27~~

~~CenterPoint Energy Resources Corp.~~
~~d/b/a CenterPoint Energy Arkansas Gas~~Summit Utilities Arkansas, Inc.
(Name of Company)

Kind of Service: Natural Gas Class of Service: Large Commercial

PART I – Rate Schedule No. 3 Appendix

**Title: LARGE CUSTOMER FIRM SERVICE (LCS-1) APPENDIX** Effective: ~~September 1, 2017~~~~TBD~~(to be determined)

COMPANY:

~~CENTERPOINT ENERGY RESOURCES~~
~~CORP.~~Summit Utilities Arkansas, Inc.
~~d/b/a CenterPoint Energy Arkansas Gas~~

By:_____
[Name]
[Title]

POOL MANAGER,
INDIVIDUALLY AND AS AGENT
FOR CUSTOMERS

_____

By:_____
[Name]
[Title]
[Address]

Incorporated Cities of Texarkana, Nash, Redwater and Wake Village, Texas

Attachment: 2022-004 ATTH 01 Redline TXK TX Service Area Tariffs (3620 : 2022-004 ORD Reauthorizing Summit to charge natural gas rates)

**TEXARKANA, TEXAS SERVICE AREA**

~~First Revised~~Original Sheet No. 1-3A.25/28

Replacing: ~~Original~~ Sheet No. ~~1-3A.25/27~~

~~CenterPoint Energy Resources Corp.~~
~~d/b/a CenterPoint Energy Arkansas Gas~~Summit Utilities Arkansas, Inc.
(Name of Company)

Kind of Service: Natural Gas Class of Service: Large Commercial

PART I – Rate Schedule No. 3 Appendix

**Title: LARGE CUSTOMER FIRM SERVICE (LCS-1) APPENDIX** Effective: ~~September 1, 2017~~~~TBD~~(to be determined)

**AGENCY AGREEMENT**
**~~CENTERPOINT ENERGY RESOURCES CORP.~~SUMMIT UTILITIES ARKANSAS, INC.**
**~~D/B/A CENTERPOINT ENERGY ARKANSAS GAS~~**

[Customer]
_____
_____
_____

[Agent]
_____
_____
_____

RE: Large Volume Commercial Customer Agreement (Transportation Supply Option) ("Agreement") dated as of _____, by and between ~~CenterPoint Energy Resources Corp., d/b/a/ CenterPoint Energy Arkansas Gas~~ Summit Utilities Arkansas, Inc. ("Company"), and _____, ("Customer")

Ladies and Gentlemen:

This Letter will evidence the understanding between _____ ("Customer"), _____ ("Agent") and ~~CenterPoint Energy Resources Corp., d/b/a CenterPoint Energy Arkansas Gas~~ Summit Utilities Arkansas, Inc. ("Company"), that effective as of _____, Agent will act as Customer's agent for services provided by Company pursuant to the referenced Agreement for all purposes related thereto, unless expressly provided otherwise herein, including, but not limited to, the purposes of submitting and receiving notices, nominations and other



Attachment: 2022-004 ATTH 01 Redline TXK TX Service Area Tariffs (3620 : 2022-004 ORD Reauthorizing Summit to charge natural gas rates)

**TEXARKANA, TEXAS SERVICE AREA**

~~First Revised~~Original Sheet No. 1-3A.26/28

Replacing: ~~Original~~ Sheet No. ~~1-3A.26~~/27

~~CenterPoint Energy Resources Corp.~~
~~d/b/a CenterPoint Energy Arkansas Gas~~Summit Utilities Arkansas, Inc.
(Name of Company)

Kind of Service: Natural Gas Class of Service: Large Commercial

PART I – Rate Schedule No. 3 Appendix

**Title: LARGE CUSTOMER FIRM SERVICE (LCS-1) APPENDIX** Effective: ~~September 1, 2017~~~~TBD~~(to be determined)

information related to receipts and deliveries of gas and performing other administrative or contractual duties [,including payment obligations,] under the Agreement and as required by Company's Rate Schedule No. 3, Large Commercial Firm Service ("LCS-1"), as on file and in effect from time to time. Company will coordinate with Agent for all imbalance administration, contract administration, nominations, scheduling and allocations for Customer's account, and shall be entitled to rely on Agent's actions with respect to the Agreement.

( ) Timely payments made by Agent to Company for services rendered to Customer in accordance with the terms of the Agreement and for any penalties, fees, assessments or other charges assessed against Customer's account by Company shall be credited to Customer's account and all notices given to Agent shall be deemed given to Customer.

( ) Company shall make any cash balancing payments it may be required to make for Customer's account to Agent. Company shall make any refund payments it may be required to make directly to Agent.

Agent agrees to indemnify, defend and hold harmless Company from any and all liabilities, losses, damages, expenses, claims, actions and fines of whatever nature (including, but not limited to, attorney's fees and court costs incurred by Company, whether related to the collection of any amounts due under the Agreement or otherwise) resulting from Company's reliance on Agent, including, but not limited to, actions taken by Company pursuant to Agent's action or inaction under the Agreement. Customer shall remain liable to Company for all of its obligations as Customer under the Agreement, and Company shall have no duty, liability or responsibility whatsoever to Agent. Customer acknowledges that if Agent acts as a Pool Manager pursuant to Part 3.23. of LCS-1 and (i) should the Pool Manager fail to pay invoices calculated at the aggregated level, or (ii), should Company interrupt Pooling Service for any reason pursuant to Part 3.23.1. of LCS-1, then upon default to the individual Customer invoice, the invoice shall be recalculated at the individual Customer level, without benefit of the aggregated tolerance, as provided in Part 3.23.4. of LCS-1.



Attachment: 2022-004 ATTH 01 Redline TXK TX Service Area Tariffs (3620 : 2022-004 ORD Reauthorizing Summit to charge natural gas rates)

**TEXARKANA, TEXAS SERVICE AREA**

~~First Revised~~Original Sheet No. 1-3A.27/28

Replacing: ~~Original~~ Sheet No. ~~1-3A.~~27~~/27~~

~~CenterPoint Energy Resources Corp.~~
~~d/b/a CenterPoint Energy Arkansas Gas~~Summit Utilities Arkansas, Inc.
(Name of Company)

Kind of Service: Natural Gas Class of Service: Large Commercial

PART I – Rate Schedule No. 3 Appendix

**Title: LARGE CUSTOMER FIRM SERVICE (LCS-1) APPENDIX** Effective: ~~September 1, 2017~~~~TBD~~(to be determined)

Customer's designation and appointment of Agent may be terminated or canceled by Customer, Agent, or Company but no such termination or cancellation shall be effective as to Company until the first day of the month, following the expiration of a five (5) day period after Company's receipt of written notice of such termination or cancellation from Customer or Agent. Notwithstanding the foregoing, this designation and appointment of Agent shall automatically terminate upon termination or cancellation of the referenced Agreement. This Agency Agreement will supersede any previously executed Agency Agreements.

If the foregoing is acceptable, please so indicate by having an authorized officer execute and return to the undersigned.

Very truly yours,

~~CENTERPOINT ENERGY RESOURCES CORP.~~Summit Utilities Arkansas, Inc.
~~d/b/a/ CenterPoint Energy Arkansas Gas~~

By:_____

ACCEPTED AND AGREED TO THIS
_____ DAY OF _____, 20___

CUSTOMER:

_____
Incorporated Cities of Texarkana, Nash, Redwater and Wake Village, Texas

Attachment: 2022-004 ATTH 01 Redline TXK TX Service Area Tariffs (3620 : 2022-004 ORD Reauthorizing Summit to charge natural gas rates)

**TEXARKANA, TEXAS SERVICE AREA**

~~First Revised~~Original Sheet No. 1-3A.28/28

Replacing: ~~Original~~ Sheet No. ~~1-3A.28/27~~

~~CenterPoint Energy Resources Corp.~~
~~d/b/a CenterPoint Energy Arkansas Gas~~Summit Utilities Arkansas, Inc.
(Name of Company)

Kind of Service: Natural Gas Class of Service: Large Commercial

PART I – Rate Schedule No. 3 Appendix

**Title: LARGE CUSTOMER FIRM SERVICE (LCS-1) APPENDIX** Effective: ~~September 1, 2017~~~~TBD~~(to be determined)

_____

By:_____
Name:_____
Title:_____

ACCEPTED AND AGREED TO THIS
_____ DAY OF _____, 20___

AGENT:
_____

By:_____
Name:_____
Title:_____



Attachment: 2022-004 ATTH 01 Redline TXK TX Service Area Tariffs (3620 : 2022-004 ORD Reauthorizing Summit to charge natural gas rates)

**TEXARKANA, TEXAS SERVICE AREA**

Original Sheet No. 1-4.1/3

Replacing: Sheet No.

~~CenterPoint Energy Resources Corp.~~
~~d/b/a CenterPoint Energy Arkansas Gas~~Summit Utilities Arkansas, Inc.
(Name of Company)

Kind of Service: Natural Gas Class of Service: All

PART I - Rate Schedule No. 4

**Title: UNMETERED GAS LIGHT FIRM SALES SERVICE (GL-1)** Effective: ~~January 11, 2008~~~~TBD~~(to be determined)

## 4. UNMETERED GAS LIGHT FIRM SALES SERVICE (GL-1)

### 4.1. AVAILABILITY

4.1.1. This rate schedule is available at points of adequate capacity and suitable pressure. This rate schedule is available to new or existing customers for unmetered gas, to be used solely for the continuous operation of natural gas lighting fixtures. Service under this rate schedule is offered at the Company's discretion, and only when metering the lighting fixtures' consumption is not economical.

4.1.2. This rate schedule is applicable to unmetered, continuously burning, natural gas lighting. The natural gas lighting fixture must be equipped with a natural gas or L.P. regulator approved by the Company, capable of regulating Company's main line pressure down to an appropriate pressure level. Where applicable, the natural gas lighting fixture must also be equipped with an orifice that will restrict gas flow to the appropriate cubic feet per hour input capacity rate, identified in this schedule. Customer is responsible for all natural gas lighting fixture modifications, maintenance, and installation. Company must inspect and approve the lighting fixture, any fixture modifications, and fixture installations, before natural gas service is made available.

4.1.3. Company is responsible for providing a main line tap, cut-off valve, and up to 75 feet of service line per natural gas lighting fixture. Customer will be responsible for the cost of service line installation beyond 75 feet. Company must inspect and approve the natural gas lighting fixture, any fixture modifications, and fixture installation, before natural gas service is made available.



Attachment: 2022-004 ATTH 01 Redline TXK TX Service Area Tariffs (3620 : 2022-004 ORD Reauthorizing Summit to charge natural gas rates)

**TEXARKANA, TEXAS SERVICE AREA**

~~First Revised~~Original Sheet No. 1-4.2/3

Replacing: ~~Original~~ Sheet No.

~~CenterPoint Energy Resources Corp.~~
~~d/b/a CenterPoint Energy Arkansas Gas~~Summit Utilities Arkansas, Inc.
(Name of Company)

Kind of Service: Natural Gas Class of Service: All

PART I - Rate Schedule No. 4

**Title: UNMETERED GAS LIGHT FIRM SALES SERVICE (GL-1)** Effective: ~~September 1, 2017~~~~TBD~~(to be determined)

4.1.4. The Ccf to be billed during a billing period shall be calculated using the following procedure: (A) Manufacturer's rated input for each gas light in cubic feet per hour; multiplied by (B) the number of lights in installation; multiplied by (C) 7.3.

4.2. RATE

4.2.1. The customer shall be charged in accordance with the currently effective residential or commercial rate schedule otherwise applicable to the customer served hereunder.

4.3. MINIMUM CHARGE

4.3.1. The minimum charge rate shall be computed in accordance with the currently effective residential or commercial rate schedule otherwise applicable to the customer served hereunder.

4.4. RIDERS

4.4.1. The applicability of riders shall be in accordance with the currently effective residential or commercial rate schedule otherwise applicable to the customer served hereunder, except for the WNA Rider, which shall not apply, as gas light usage is not affected by weather.

4.4.2. Service will be rendered under this rate schedule until service is discontinued to customer or until the schedule is superseded.

4.5. RULES AND REGULATIONS GOVERNING UTILITY SERVICE



Attachment: 2022-004 ATTH 01 Redline TXK TX Service Area Tariffs (3620 : 2022-004 ORD Reauthorizing Summit to charge natural gas rates)

**TEXARKANA, TEXAS SERVICE AREA**

~~First Revised~~Original Sheet No. 1-4.3/3

Replacing: ~~Original~~ Sheet No.

~~CenterPoint Energy Resources Corp.~~
~~d/b/a CenterPoint Energy Arkansas Gas~~Summit Utilities Arkansas, Inc.
(Name of Company)

Kind of Service: Natural Gas Class of Service: All

PART I - Rate Schedule No. 4

**Title: UNMETERED GAS LIGHT FIRM SALES SERVICE (GL-1)** Effective: ~~September 1, 2017~~~~TBD~~(to be determined)

4.5.1. The Company's Standard Rules and Regulations, as the same may from time to time be changed in accordance with the law, shall be applicable to service under this rate schedule.



Attachment: 2022-004 ATTH 01 Redline TXK TX Service Area Tariffs (3620 : 2022-004 ORD Reauthorizing Summit to charge natural gas rates)

**TEXARKANA, TEXAS SERVICE AREA**

~~First Revised~~Original Sheet No. 1-5.1/10

Replacing: ~~Original~~ Sheet No. ~~1-~~5.1/6

~~CenterPoint Energy Resources Corp.~~
~~d/b/a CenterPoint Energy Arkansas Gas~~Summit Utilities Arkansas, Inc.
(Name of Company)

Kind of Service: Natural Gas Class of Service: Small Commercial

PART I – Rate Schedule No. *5*

**Title: SMALL COMMERCIAL FIRM SALES SERVICE—OFF-PEAK (SCS-2)** Effective: ~~September 1, 2017~~(to be determined)~~TBD~~

**5. SMALL COMMERCIAL FIRM SALES SERVICE—OFF-PEAK (SCS-2)**

5.1. AVAILABILITY

5.1.1. This rate schedule is available at points of adequate capacity and suitable pressure on the Company's existing facilities. This rate schedule is available to any consumer engaging in business, professional, institutional, agricultural or other non-residential activity supplied at an individually metered point of delivery for all uses of gas. Natural gas supplied hereunder is for the individual use of the customer at the point of delivery and shall not be resold or shared with others. Standby Service is not available under this rate schedule.

5.1.2. Gas consumption under this rate schedule is limited to 365,000 Ccf in any 12 consecutive month period. In at least one of the two preceding calendar years, the customer must have consumed 80% of the September 1 through August 31 annual volume in the April through October billing periods and it's September 1 through August 31 annual consumption for that year must have exceeded 99 Ccf. In the case of new customers or customers who anticipate changing their usage pattern, this rate will be available if a reasonable projection of their volumes in the upcoming year indicates they will use 80% of their September 1 through August 31 annual volume in the April through October billing periods and that their September 1 through August 31 annual consumption will exceed 99 Ccf. If at any time, it is anticipated based on the Company's estimate, that the customer will consume in excess of 365,000 Ccf per year in the succeeding 12 consecutive month period, the customer shall become subject to the applicable large commercial firm service rate schedule.



Attachment: 2022-004 ATTH 01 Redline TXK TX Service Area Tariffs (3620 : 2022-004 ORD Reauthorizing Summit to charge natural gas rates)

**TEXARKANA, TEXAS SERVICE AREA**

~~First Revised~~Original Sheet No. 1-5.2/10

Replacing: ~~Original~~ Sheet No. ~~1-~~5.1/6

~~CenterPoint Energy Resources Corp.~~
~~d/b/a CenterPoint Energy Arkansas Gas~~Summit Utilities Arkansas, Inc.
(Name of Company)

Kind of Service: Natural Gas Class of Service: Small Commercial

PART I – Rate Schedule No. 5

**Title: SMALL COMMERCIAL FIRM SALES SERVICE—OFF-PEAK (SCS-2)** Effective: ~~September 1, 2017~~(to be determined)~~TBD~~

5.1.3. Company has historically allowed the volume usage of meters at business facilities under common ownership and subject to this rate schedule to be aggregated for the sole purpose of establishing eligibility for



Attachment: 2022-004 ATTH 01 Redline TXK TX Service Area Tariffs (3620 : 2022-004 ORD Reauthorizing Summit to charge natural gas rates)

**TEXARKANA, TEXAS SERVICE AREA**

~~First Revised~~Original Sheet No. 1-5.3/10

Replacing: ~~Original~~ Sheet No. ~~1-5.~~3~~/6~~

~~CenterPoint Energy Resources Corp.~~
~~d/b/a CenterPoint Energy Arkansas Gas~~Summit Utilities Arkansas, Inc.
(Name of Company)

Kind of Service: Natural Gas Class of Service: Small Commercial

PART I – Rate Schedule No. *5*

**Title: SMALL COMMERCIAL FIRM SALES SERVICE—OFF-PEAK (SCS-2)** Effective: ~~January 11, 2008~~~~TBD~~(to be determined)

transportation as referenced in Part 3.1.3. of Rate Schedule LCS-1. Customers historically qualifying for transportation under this aggregation provision shall remain subject to the rates and charges under this rate schedule in addition to any additional specific rates, charges, or adjustment riders peculiar to the Transportation Supply Option set out in Rate Schedule LCS-1, such as, but not limited to, administrative fees. Customers aggregating volume shall be subject to all provisions and policies governing TSO option customers as specified in LCS-1, except as provided for herein. Although no aggregation will be allowed for eligibility, the ability to aggregate for eligibility purposes at existing and new locations shall remain unchanged for transportation customers eligible under such aggregation provision prior to September 21, 2002. Future aggregation for the purpose of qualification, except as otherwise referenced herein, is prohibited. Each individual account of historically qualified customers shall be treated as a separate account and shall be subject to the same rates and charges under the originating SCS-2 or LCS rate schedule, and are additionally subject to any specific rates, charges or riders specific to the TSO.

For the purpose of establishing eligibility for the Transportation Supply Option ("TSO") defined in the LCS rate schedule, customers experiencing or anticipating an average daily demand of 10 MMBtu per day during the preceding or succeeding twelve months will be eligible for the TSO. Customers qualifying for transportation who choose the TSO shall be subject to rates and charges under the SCS-2 rate schedule, and are additionally subject to any additional specific rates, charges or riders specific to the TSO.



Attachment: 2022-004 ATTH 01 Redline TXK TX Service Area Tariffs (3620 : 2022-004 ORD Reauthorizing Summit to charge natural gas rates)

**TEXARKANA, TEXAS SERVICE AREA**

~~First Revised~~Original Sheet No. 1-5.4/10

Replacing: ~~Original~~ Sheet No. ~~1-5.~~4~~/6~~

~~CenterPoint Energy Resources Corp.~~
~~d/b/a CenterPoint Energy Arkansas Gas~~Summit Utilities Arkansas, Inc.
(Name of Company)

Kind of Service: Natural Gas Class of Service: Small Commercial

PART I – Rate Schedule No. 5

**Title: SMALL COMMERCIAL FIRM SALES SERVICE—OFF-PEAK (SCS-2)** Effective: ~~January 11, 2008~~~~TBD~~(to be determined)

5.1.4. Customers converting from transportation service to sales service will be required to contract for such sales services between the months of February through April preceding the expiration of the primary or any succeeding term of the Customer's existing contract. Customers seeking to contract for sales service during the required time frame will be allowed to convert to sales service provided that the Company is able to secure firm upstream transportation capacity and other upstream pipeline services sufficient to meet the Customer's needs. Any such conversion will be effective upon the expiration of the term of the Customer's existing contract, unless the Company and the Customer agree otherwise.

5.1.5. Seasonal Transportation. Customer facilities experiencing more than 80% of annual load during the flow months April through October, and who experience or anticipate an average daily demand of more than 10 MMBtu per day during any consecutive 30-day period of the preceding or succeeding April through October, are eligible to transport on a seasonal basis. Customers meeting the aforementioned criteria may elect the TSO option and choose a subsequent return to the SSO option only once during the calendar year. Customers electing the TSO option on a seasonal basis, pursuant to notice given prior to May 31st or thirty days prior to commencement of service, whichever is earlier, may receive transportation service for a continuous period of at least 30 days between April 1 and October 31. Customers electing the TSO option on a seasonal basis are subject to the TSO contract administration fee. Additionally, each participating location shall pay a $300 set-up fee upon initial election and upon any subsequent return to transportation service.



Attachment: 2022-004 ATTH 01 Redline TXK TX Service Area Tariffs (3620 : 2022-004 ORD Reauthorizing Summit to charge natural gas rates)

**TEXARKANA, TEXAS SERVICE AREA**

~~First Revised~~Original Sheet No. 1-5.5/10

Replacing: ~~Original~~ Sheet No. ~~1-5.~~5/~~6~~

~~CenterPoint Energy Resources Corp.~~
~~d/b/a CenterPoint Energy Arkansas Gas~~Summit Utilities Arkansas, Inc.
(Name of Company)

Kind of Service: Natural Gas Class of Service: Small Commercial

PART I – Rate Schedule No. *5*

**Title: SMALL COMMERCIAL FIRM SALES SERVICE—OFF-PEAK (SCS-2)**

Effective: ~~January 11, 2008~~~~TBD~~(to be determined)

5.2. RATES

5.2.1. Each customer receiving service under this rate schedule shall be charged the sum of (a) and (b):

(a) Distribution Rate for customers electing the SSO option:

| | |
|---|---|
| First 1,500 Ccf per Month at | $0.24421 per Ccf |
| Next 13,500 Ccf per Month at | $0.13440 per Ccf |
| Over 15,000 Ccf per month at | $0.05762 per Ccf |

Distribution Rate for customers electing the TSO option:

| | |
|---|---|
| First 150 MMBtu at | $2.40341 per MMBtu |
| Next 1,350 MMBtu at | $1.32275 per MMBtu |
| Over 1,500 MMBtu at | $0.56706 per MMBtu |

(b) Gas Supply Rate – The Gas Supply Rate will be calculated and adjusted periodically as defined in the Company's Gas Supply Rate Rider. Customers qualifying for service under this rate schedule will pay for their upstream demand related charges on a volumetric basis as provided for in the Company's Gas Supply Rate Rider.

5.2.2. Rates for customers historically qualifying for service under the Part 5.1.3. aggregation provision and customers qualifying for transportation under this rate schedule will be subject to thermal adjustment. Delivered volumes will be adjusted by the appropriate thermal content factor



Attachment: 2022-004 ATTH 01 Redline TXK TX Service Area Tariffs (3620 : 2022-004 ORD Reauthorizing Summit to charge natural gas rates)

**TEXARKANA, TEXAS SERVICE AREA**

~~First Revised~~Original Sheet No. 1-5.6/10

Replacing: ~~Original~~ Sheet No. ~~1-5.~~6~~/6~~

~~CenterPoint Energy Resources Corp.~~
~~d/b/a CenterPoint Energy Arkansas Gas~~Summit Utilities Arkansas, Inc.
(Name of Company)

Kind of Service: Natural Gas Class of Service: Small Commercial

PART I – Rate Schedule No. *5*

**Title: SMALL COMMERCIAL FIRM SALES SERVICE—OFF-PEAK (SCS-2)** Effective: ~~January 11, 2008~~~~TBD~~(to be determined)

obtained from the nearest available chromatograph or sampling location (Ccf / 10) x thermal content factor = MMBtu).

5.3. TELEMETERING

5.3.1. Telemetering is required for customers electing and qualifying for transportation service. Company shall install telemetry equipment of standard make and manufacture to determine hourly and daily flow at customer's point of delivery. Customer shall choose between analog telemetry and wireless telemetry, if suitable wireless service is available. Customer will pay Company for telemetry equipment under one of the following payment options as chosen by the customer:

( ) Option 1: Customer agrees to provide an analog phone line for each meter and pay for standard telemetry equipment and installation costs for each meter. Customer will be subject to meter reading fees for an inoperable phone line for each meter.

( ) Option 2: Customer will provide an analog phone line for each meter but elects to pay a monthly fee for standard telemetry equipment and installation costs for each meter. The fee will be $30 per month per meter for meters that do not require pressure instrumentation and $84 per month per meters that do require pressure instrumentation. The customer will be subject to meter reading fees for an inoperable phone line for each meter.

( ) Option 3: Customer elects wireless service through ~~CenterPoint Energy Arkansas Gas~~Summit Utilities Arkansas, Inc. for each meter and agrees to pay for standard telemetry equipment and installation costs for



Attachment: 2022-004 ATTH 01 Redline TXK TX Service Area Tariffs (3620 : 2022-004 ORD Reauthorizing Summit to charge natural gas rates)

**TEXARKANA, TEXAS SERVICE AREA**

~~First Revised~~Original Sheet No. 1-5.7/10

Replacing: ~~Original~~ Sheet No. ~~1-5.7/6~~

~~CenterPoint Energy Resources Corp.~~
~~d/b/a CenterPoint Energy Arkansas Gas~~Summit Utilities Arkansas, Inc.
(Name of Company)

Kind of Service: Natural Gas Class of Service: Small Commercial

PART I – Rate Schedule No. *5*

**Title: SMALL COMMERCIAL FIRM SALES SERVICE—OFF-PEAK (SCS-2)** Effective: ~~January 11, 2008~~~~TBD~~(to be determined)

each meter. The wireless service fee will be $10 per month per meter, and Customer will not be subject to meter reading fees.

( ) Option 4: Customer elects wireless service through ~~CenterPoint Energy Arkansas Gas~~Summit Utilities Arkansas, Inc. for each meter and elects to pay a monthly fee for standard telemetry equipment and installation costs for each meter. The fee will be $40 per month for meters that do not require pressure instrumentation and $94 per month per meter for meters that do require pressure instrumentation. The customer will not be subject to meter reading fees.

In the event customer has in place working telemetering facilities and equipment; and the customer receives system supply service; and Company determines it necessary to keep the telemeter(s) operational, Company will arrange and pay for the associated telecommunications cost while the customer receives sales service under this rate schedule.

5.3.2. If customer chooses analog telemetry, then customer shall be responsible for installing and maintaining telecommunication lines. Should customer fail to maintain or repair telecommunication lines required to communicate with telemetry equipment, Company shall have the right to bill customer all labor and expense required to manually read the meter, at whatever intervals the Company may deem necessary.
If customer chooses wireless telemetry, then customer shall pay Company $10 per month per meter for wireless telemetry service for the entire period such meter(s) is(are) served under this or any other transportation rate schedule.



Attachment: 2022-004 ATTH 01 Redline TXK TX Service Area Tariffs (3620 : 2022-004 ORD Reauthorizing Summit to charge natural gas rates)

**TEXARKANA, TEXAS SERVICE AREA**

~~First Revised~~Original Sheet No. 1-5.8/10

Replacing: ~~Original~~ Sheet No. ~~1-5.~~8~~/6~~

~~CenterPoint Energy Resources Corp.~~
~~d/b/a CenterPoint Energy Arkansas Gas~~Summit Utilities Arkansas, Inc.
(Name of Company)

Kind of Service: Natural Gas Class of Service: Small Commercial

PART I – Rate Schedule No. *5*

**Title: SMALL COMMERCIAL FIRM SALES SERVICE—OFF-PEAK (SCS-2)** Effective: ~~January 11, 2008~~~~TBD~~(to be determined)

5.4. RIDERS

5.4.1. In addition to the Gas Supply Rate Rider, the following riders are applicable to service under this rate schedule:



Attachment: 2022-004 ATTH 01 Redline TXK TX Service Area Tariffs (3620 : 2022-004 ORD Reauthorizing Summit to charge natural gas rates)

**TEXARKANA, TEXAS SERVICE AREA**

Original Sheet No. 1-5.9/10

Replacing: _____ Sheet No.

~~CenterPoint Energy Resources Corp.~~
~~d/b/a CenterPoint Energy Arkansas Gas~~Summit Utilities Arkansas, Inc.
(Name of Company)

Kind of Service: Natural Gas Class of Service: Small Commercial

PART I – Rate Schedule No. *5*

**Title: SMALL COMMERCIAL FIRM SALES SERVICE—OFF-PEAK (SCS-2)**

Effective: ~~January 11, 2008~~~~TBD~~(to be determined)

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| Rider Name | Description | Identification on Customer Bills |
|---|---|---|
| TA | Municipal Tax Adjustment | Municipal Franchise Adj |
| EECR | Energy Efficiency Cost Recovery Rider | EE Cost Rate |
| ~~FRPBDA~~ | ~~Formula Rate Plan Rider~~~~Interim Billing Determinant Rate Adjustment~~ | ~~Formula Rate Plan Adj~~~~Billing Determinant Rate Adj~~ |
| ~~EECR~~ | ~~Energy Efficiency Cost Recovery Rider~~ | ~~EE Cost Rate~~ |
| ~~FRP~~ | ~~Formula Rate Plan Rider~~ | ~~Formula Rate Plan Adj~~ |

5.4.2. Service will be rendered under this rate schedule until service is discontinued to customer, the customer no longer qualifies for service under the SCS-2 rate schedule, but qualifies for service under the Small Commercial Firm Service (SCS-1) rate schedule, the customer qualifies for service under the Large Commercial Firm Service rate schedule, or the schedule is superseded.



Attachment: 2022-004 ATTH 01 Redline TXK TX Service Area Tariffs (3620 : 2022-004 ORD Reauthorizing Summit to charge natural gas rates)

**TEXARKANA, TEXAS SERVICE AREA**

Original Sheet No. 1-5.10/10

Replacing: _____ Sheet No.

~~CenterPoint Energy Resources Corp.~~
~~d/b/a CenterPoint Energy Arkansas Gas~~Summit Utilities Arkansas, Inc.
(Name of Company)

Kind of Service: Natural Gas Class of Service: Small Commercial

PART I – Rate Schedule No. *5*

**Title: SMALL COMMERCIAL FIRM SALES SERVICE—OFF-PEAK (SCS-2)** Effective: ~~January 11, 2008~~~~TBD~~(to be determined)

5.5. RULES AND REGULATIONS GOVERNING UTILITY SERVICE

5.5.1. The Company's Standard Rules and Regulations, as the same may from time to time be changed in accordance with the law, shall be applicable to service under this rate schedule.



Attachment: 2022-004 ATTH 01 Redline TXK TX Service Area Tariffs (3620 : 2022-004 ORD Reauthorizing Summit to charge natural gas rates)

**TEXARKANA, TEXAS SERVICE AREA**

Original Sheet No. 1-6.1/7

Replacing: Sheet No.

~~CenterPoint Energy Resources Corp.~~
~~d/b/a CenterPoint Energy Arkansas Gas~~Summit Utilities Arkansas, Inc.
(Name of Company)

Kind of Service: Natural Gas Class of Service: Small Commercial

PART I – Rate Schedule No. *6*

**Title: SMALL COMMERCIAL FIRM SALES SERVICE—NGV (SCS-3)** Effective: ~~September 1, 2017~~~~TBD~~(to be determined)

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6. **SMALL COMMERCIAL FIRM SALES SERVICE—NGV (SCS-3)**

6.1. AVAILABILITY

6.1.1. This rate schedule is available at points of adequate capacity and suitable pressure on the Company's existing facilities. This rate schedule is available to any consumer engaging in business, professional, institutional, agricultural or other non-residential activity who purchases annual volumes less than 365,000 Ccf and who receives this natural gas from the Company through an individual meter, and whose sole usage of natural gas through this meter is to provide compressed natural gas for use as a vehicle fuel. Standby Service is not available under this rate schedule.

In cases where this compressed natural gas is resold to the public, the end price of the compressed natural gas sold or delivered by the customer to the vehicles receiving the compressed natural gas is not subject to the regulated pricing restrictions of this rate schedule.

6.1.2. Company has historically allowed the volume usage of meters at business facilities under common ownership and subject to this rate schedule to be aggregated for the sole purpose of establishing eligibility for transportation as referenced in Part 3.1.3. of Rate Schedule LCS-1. Customers historically qualifying for transportation under this aggregation provision shall remain subject to the rates and charges under this rate schedule in addition to any additional specific rates, charges, or adjustment riders peculiar to the Transportation Supply Option ("TSO") set out in Rate Schedule LCS-1, such as, but not limited to, administrative fees. Customers aggregating volume shall be subject to all provisions and policies governing TSO option customers as specified in LCS-1, except as provided for herein. Although no aggregation



Attachment: 2022-004 ATTH 01 Redline TXK TX Service Area Tariffs (3620 : 2022-004 ORD Reauthorizing Summit to charge natural gas rates)

**TEXARKANA, TEXAS SERVICE AREA**

Original Sheet No. 1-6.2/7

Replacing: Sheet No.

~~CenterPoint Energy Resources Corp.~~
~~d/b/a CenterPoint Energy Arkansas Gas~~Summit Utilities Arkansas, Inc.
(Name of Company)

Kind of Service: Natural Gas Class of Service: Small Commercial

PART I – Rate Schedule No. *6*

**Title: SMALL COMMERCIAL FIRM SALES SERVICE—NGV (SCS-3)** Effective: ~~September 1, 2017~~TBD(to be determined)

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will be allowed for eligibility, the ability to aggregate for eligibility purposes at existing and new locations shall remain unchanged for transportation customers eligible under such aggregation provision prior to September 21, 2002. Future aggregation for the purpose of qualification, except as otherwise referenced herein, is prohibited. Each individual account of historically qualified customers shall be treated as a separate account and shall be subject to the same rates and charges under the originating SCS-3 or LCS rate schedule, and are additionally subject to any specific rates, charges or riders specific to the TSO.

For the purpose of establishing eligibility for the TSO defined in the LCS rate schedule, customers experiencing or anticipating an average daily demand of 10 MMBtu per day during the preceding or succeeding twelve months will be eligible for the TSO. Customers qualifying for transportation who choose the TSO shall be subject to rates and charges under the SCS-3 rate schedule, and are additionally subject to any additional specific rates, charges or riders specific to the TSO.

6.1.3 Customers converting from transportation service to sales service will be required to contract for such sales services between the months of February through April preceding the expiration of the primary or any succeeding term of the Customer's existing contract. Customers seeking to contract for sales service during the required time frame will be allowed to convert to sales service provided that the Company is able to secure firm upstream transportation capacity and other upstream pipeline services sufficient to meet the Customer's needs. Any such conversion will be effective upon the



Attachment: 2022-004 ATTH 01 Redline TXK TX Service Area Tariffs (3620 : 2022-004 ORD Reauthorizing Summit to charge natural gas rates)

**TEXARKANA, TEXAS SERVICE AREA**

Original Sheet No. 1-6.3/7

Replacing: Sheet No.

~~CenterPoint Energy Resources Corp.~~
~~d/b/a CenterPoint Energy Arkansas Gas~~Summit Utilities Arkansas, Inc.
(Name of Company)

Kind of Service: Natural Gas Class of Service: Small Commercial

PART I – Rate Schedule No. *6*

**Title: SMALL COMMERCIAL FIRM SALES SERVICE—NGV (SCS-3)**

Effective: ~~September 1, 2017~~TBD(to be determined)

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expiration of the term of the Customer's existing contract, unless the Company and the Customer agree otherwise.

6.1.4. Seasonal Transportation. Customer facilities experiencing more than 80% of annual load during the flow months April through October, and who experience or anticipate an average daily demand of more than 10 MMBtu per day during any consecutive 30-day period of the preceding or succeeding April through October, are eligible to transport on a seasonal basis. Customers meeting the aforementioned criteria, may elect the TSO option and choose a subsequent return to the System Supply Option ("SSO") only once during the calendar year. Customers electing the TSO on a seasonal basis, pursuant to notice given prior to May 31st or thirty days prior to commencement of service, whichever is earlier, may receive transportation service for a continuous period of at least 30 days between April 1 and October 31. Customers electing the TSO option on a seasonal basis are subject to the TSO contract administration fee. Additionally, each participating location shall pay a $300 set-up fee upon initial election and upon any subsequent return to transportation service.

6.1.5. Term. This rate schedule shall have an extended term of the shorter of three (3) years from the date of Commission approval or the completion of the Company's next general rate filing, unless otherwise extended further by Order of the Commission.

6.2. RATES

6.2.1. Each customer receiving service under this rate schedule shall be charged the sum of (a), (b), and (c) as follows:



Attachment: 2022-004 ATTH 01 Redline TXK TX Service Area Tariffs (3620 : 2022-004 ORD Reauthorizing Summit to charge natural gas rates)

**TEXARKANA, TEXAS SERVICE AREA**

Original Sheet No. 1-6.4/7

Replacing: Sheet No.

~~CenterPoint Energy Resources Corp.~~
~~d/b/a CenterPoint Energy Arkansas Gas~~Summit Utilities Arkansas, Inc.
(Name of Company)

Kind of Service: Natural Gas Class of Service: Small Commercial

PART I – Rate Schedule No. *6*

**Title: SMALL COMMERCIAL FIRM SALES SERVICE—NGV (SCS-3)** Effective: ~~September 1, 2017~~~~TBD~~(to be determined)

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(a) Monthly Customer Charge - $15.63. The monthly customer charge shall be pro-rated in the months that the customer initiates and terminates gas service.

(b) Distribution Rate for customers electing the SSO option:

| | |
|---|---|
| First 1,500 Ccf at | $0.18242 |
| 1,501 – 15,000 Ccf at | $0.13797 |
| Over 15,000 Ccf at | $0.05915 |

Distribution Rate for customers electing the TSO option:

| | |
|---|---|
| First 150 MMBtu at | $1.79532 |
| 151 – 1,500 MMBtu at | $1.35787 |
| Over 1,500 MMBtu at | $0.58211 |

(c) Gas Supply Rate - The Gas Supply Rate will be calculated and adjusted periodically as defined in the Company's Gas Supply Rate Rider.

6.2.2. Rates for customers historically qualifying for service under the Part 8.1.2. aggregation provision and customers qualifying for transportation under this rate schedule will be subject to thermal adjustment. Delivered volumes will be adjusted by the appropriate thermal content factor obtained from the nearest available chromatograph or sampling location (Ccf / 10) x thermal content factor = MMBtu).

6.3. MINIMUM CHARGE



Attachment: 2022-004 ATTH 01 Redline TXK TX Service Area Tariffs (3620 : 2022-004 ORD Reauthorizing Summit to charge natural gas rates)

**TEXARKANA, TEXAS SERVICE AREA**

Original Sheet No. 1-6.5/7

Replacing: Sheet No.

~~CenterPoint Energy Resources Corp.~~
~~d/b/a CenterPoint Energy Arkansas Gas~~Summit Utilities Arkansas, Inc.
(Name of Company)

Kind of Service: Natural Gas Class of Service: Small Commercial

PART I – Rate Schedule No. *6*

**Title: SMALL COMMERCIAL FIRM SALES SERVICE—NGV (SCS-3)** Effective: ~~September 1, 2017~~~~TBD~~(to be determined)

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6.3.1. Monthly Customer Charge -- $15.63. The monthly customer charge shall be pro-rated in the months that the customer initiates and terminates gas service.

6.4. TELEMETERING

6.4.1. Telemetering is required for customers electing and qualifying for transportation service. Company shall install telemetry equipment of standard make and manufacture to determine hourly and daily flow at customer's point of delivery. Customer shall choose between analog telemetry and wireless telemetry, if suitable wireless service is available. Customer will pay Company for telemetry equipment under one of the following payment options as chosen by the customer:

( ) Option 1: Customer agrees to provide an analog phone line for each meter and pay for standard telemetry equipment and installation costs for each meter. Customer will be subject to meter reading fees for an inoperable phone line for each meter.

( ) Option 2: Customer will provide an analog phone line for each meter but elects to pay a monthly fee for standard telemetry equipment and installation costs for each meter. The fee will be $30 per month per meter for meters that do not require pressure instrumentation and $84 per month per meters that do require pressure instrumentation. The customer will be subject to meter reading fees for an inoperable phone line for each meter.

( ) Option 3: Customer elects wireless service through ~~CenterPoint Energy Arkansas Gas~~ Summit Utilities Arkansas, Inc. for each meter and agrees to pay for standard telemetry equipment and installation costs for each meter. The wireless service fee will be $10 per month per meter, and Customer will not be subject to meter reading fees.



Attachment: 2022-004 ATTH 01 Redline TXK TX Service Area Tariffs (3620 : 2022-004 ORD Reauthorizing Summit to charge natural gas rates)

**TEXARKANA, TEXAS SERVICE AREA**

Original Sheet No. 1-6.6/7

Replacing: Sheet No.

~~CenterPoint Energy Resources Corp.~~
~~d/b/a CenterPoint Energy Arkansas Gas~~Summit Utilities Arkansas, Inc.
(Name of Company)

Kind of Service: Natural Gas Class of Service: Small Commercial

PART I – Rate Schedule No. *6*

**Title: SMALL COMMERCIAL FIRM SALES SERVICE—NGV (SCS-3)** Effective: ~~September 1, 2017~~~~TBD~~(to be determined)

( ) Option 4: Customer elects wireless service through ~~CenterPoint Energy Arkansas Gas~~Summit Utilities Arkansas, Inc. for each meter and elects to pay a monthly fee for standard telemetry equipment and installation costs for each meter. The fee will be $40 per month for meters that do not require pressure instrumentation and $94 per month per meter for meters that do require pressure instrumentation. The customer will not be subject to meter reading fees.
In the event customer has in place working telemetering facilities and equipment; and the customer receives system supply service; and Company determines it necessary to keep the telemeter(s) operational, Company will arrange and pay for the associated telecommunications cost while the customer receives sales service under this rate schedule.

6.4.2. If customer chooses analog telemetry, then customer shall be responsible for installing and maintaining telecommunication lines. Should customer fail to maintain or repair telecommunication lines required to communicate with telemetry equipment, Company shall have the right to bill customer all labor and expense required to manually read the meter, at whatever intervals the Company may deem necessary.

If customer chooses wireless telemetry, then customer shall pay Company $10 per month per meter for wireless telemetry service for the entire period such meter(s) is(are) served under this or any other transportation rate schedule.

6.5. RIDERS

6.5.1. In addition to the Gas Supply Rate Rider, the following riders, as on file with the Commission and in effect from time to time, are applicable to service under this rate schedule:



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**TEXARKANA, TEXAS SERVICE AREA**

Original Sheet No. 1-6.7/7

Replacing: Sheet No.

~~CenterPoint Energy Resources Corp.~~
~~d/b/a CenterPoint Energy Arkansas Gas~~Summit Utilities Arkansas, Inc.
(Name of Company)

Kind of Service: Natural Gas Class of Service: Small Commercial

PART I – Rate Schedule No. *6*

**Title: SMALL COMMERCIAL FIRM SALES SERVICE—NGV (SCS-3)**

Effective: ~~September 1, 2017~~~~TBD~~(to be determined)

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| Rider Name | Description | Identification on Customer Bills |
|---|---|---|
| TA | Municipal Tax Adjustment | Municipal Franchise Adj |
| ~~BDA~~ | ~~Interim Billing Determinant Rate Adjustment~~ | ~~Billing Determinant Rate Adj~~ |
| EECR | Energy Efficiency Cost Recovery Rider | EE Cost Rate |
| ~~FRP~~ | ~~Formula Rate Plan Rider~~ | ~~Formula Rate Plan Adj~~ |

6.5.2. Service will be rendered under this rate schedule until service is discontinued to customer, the customer no longer qualifies for service under the SCS-3 rate schedule, but qualifies for service under the Small Commercial Firm Service (SCS-1) rate schedule, or the customer qualifies for service under the Large Commercial Firm Service rate schedule.

6.6. **RULES AND REGULATIONS GOVERNING UTILITY SERVICE**

The Company's Standard Rules and Regulations, as the same may from time to time be changed in accordance with the law, shall be applicable to service under this rate schedule.



Attachment: 2022-004 ATTH 01 Redline TXK TX Service Area Tariffs (3620 : 2022-004 ORD Reauthorizing Summit to charge natural gas rates)

**TEXARKANA, TEXAS SERVICE AREA**

Original Sheet No. 1-6.8/7

Replacing: Sheet No.

~~CenterPoint Energy Resources Corp.~~
~~d/b/a CenterPoint Energy Arkansas Gas~~Summit Utilities Arkansas, Inc.
(Name of Company)

Kind of Service: Natural Gas Class of Service: Small Commercial

PART I – Rate Schedule No. *6*

**Title: SMALL COMMERCIAL FIRM SALES SERVICE—NGV (SCS-3)**

Effective: ~~September 1, 2017~~TBD(to be determined)

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Incorporated Cities of Texarkana, Nash, Redwater and Wake Village, Texas

Attachment: 2022-004 ATTH 01 Redline TXK TX Service Area Tariffs (3620 : 2022-004 ORD Reauthorizing Summit to charge natural gas rates)

**TEXARKANA, TEXAS SERVICE AREA**

~~First Revised~~Original Sheet No. 2-1.1/10

Replacing: ~~Original~~ Sheet No. ~~2-1.1/1~~

~~CenterPoint Energy Resources Corp.~~
Summit Utilities Arkansas, Inc.~~d/b/a CenterPoint Energy Arkansas Gas~~
(Name of Company)

Kind of Service: Natural Gas Class of Service: All

PART II – Rider Schedule No. 1

**Title: GAS SUPPLY RATE (GSR)** Effective: ~~September 1, 2017~~~~TBD~~(to be determined)

## 1. GAS SUPPLY RATE (GSR)

### 1.1. GAS SUPPLY RATE (GSR) APPLICABILITY AND REQUIREMENTS

The charges for gas sales service contained in Company's total billing to sales customers shall include the cost of gas sold as identified in this Rider. For purposes of this Rider the cost of gas sold shall include the sum of all gas purchased for Company's customers, upstream transportation charges, storage charges, the cost of gas withdrawn from storage less the cost of gas injected into storage, any transaction-related fees, gains or losses and other transaction costs associated with the use of various financial instruments used by Company to stabilize prices.

### 1.2. DEFINITIONS

1.2.1. Cost of Gas Sold - For purposes of this clause the cost of gas sold during a month shall be the sum of all gas purchased for the customers, transportation and storage charges, the cost of gas withdrawn from storage less the cost of gas injected into storage, and any transaction-related fees, gains or losses and other transaction costs associated with the use of various financial instruments to stabilize gas prices.

1.2.2. Lost and Unaccounted for Gas (LUFG) – For purposes of this clause LUFG will be the portion of the Cost of Gas Sold that is not delivered to sales or transportation customers. LUFG is calculated as purchase volumes less sales volumes. More specifically it will contain Shrinkage, Company Used gas, and Remaining LUFG (RLUFG). Shrinkage is calculated by rate classification at the time of billing and represents a calculation of gas delivered but not measured to customers due to known departures from the Ideal Gas Laws. Company Used Gas is gas measured directly to Company facilities, and RLUFG is total LUFG less Shrinkage and Company Used Gas. Company shall not be allowed to recover LUFG in excess of 5%, computed on an annual basis.



Attachment: 2022-004 ATTH 01 Redline TXK TX Service Area Tariffs (3620 : 2022-004 ORD Reauthorizing Summit to charge natural gas rates)

**TEXARKANA, TEXAS SERVICE AREA**

Original Sheet No. 2-1.2/10

Replacing: Sheet No.

~~CenterPoint Energy Resources Corp.~~
Summit Utilities Arkansas, Inc.~~d/b/a CenterPoint Energy Arkansas Gas~~
(Name of Company)

Kind of Service: Natural Gas Class of Service: All

PART II – Rider Schedule No. 1

**Title: GAS SUPPLY RATE (GSR)** Effective: ~~September 1, 2017~~~~TBD~~(to be determined)

1.2.3. Fixed Transportation Charges - Charges incurred for transporting gas to Company's system that do not vary with the volume of gas being transported, including, for example, pipeline Firm Transportation (FT) and No Notice Transportation (NNT) demand and/or reservation fees.

1.2.4. Fixed Storage Charges - Charges incurred for storing gas that do not vary with the volume of gas injected into or withdrawn from storage, including, for example, Firm Storage Service (FSS) demand and/or reservation fees.

1.2.5. Fixed Gas Supply Charges - Charges incurred for the acquisition of gas supply that do not vary with the volume of gas purchased, including, for example, supply demand and/or reservation fees.

1.3. GSR FILINGS

1.3.1. Scheduled GSR Filings:
Company shall make two Scheduled GSR Filings each year: a Winter Season GSR and a Summer Season GSR. The Winter Season GSR shall be effective for billings rendered to customers during the months of November through the following March. The Summer Season GSR shall be effective for bills rendered to customers during the months of April through the following October.

The Winter Season GSR filing shall contain rates reflecting: (1) the then current estimate of gas cost revenue requirement for the period between the effective date of filing and the next Summer Season GSR; and, (2) all of the annual actual cost (true-up or secondary adjustment factor) adjustments and any refund factor adjustments relating to or arising during the immediately preceding 12 months ending August each year.



Attachment: 2022-004 ATTH 01 Redline TXK TX Service Area Tariffs (3620 : 2022-004 ORD Reauthorizing Summit to charge natural gas rates)

**TEXARKANA, TEXAS SERVICE AREA**

Original Sheet No. 2-1.3/10

Replacing: Sheet No.

~~CenterPoint Energy Resources Corp.~~
Summit Utilities Arkansas, Inc.~~d/b/a CenterPoint Energy Arkansas Gas~~
(Name of Company)

Kind of Service: Natural Gas Class of Service: All

PART II – Rider Schedule No. 1

**Title: GAS SUPPLY RATE (GSR)** Effective: ~~September 1, 2017~~~~TBD~~(to be determined)

The Summer Season GSR filing shall contain rates reflecting: (1) the then current estimate of gas cost revenue requirements for the period between the effective date of the Summer Season GSR and the effective date of its next Winter Season GSR; and, (2) maintaining all of the actual cost of gas adjustment (annual true-up or secondary adjustment) and any refund adjustments.

1.3.2. Unscheduled GSR Filings:
Should a projected under or over recovery balance arise during any seasonal GSR period which exceeds ten percent (10%) of the projected annual gas cost per the most recent scheduled GSR filing, then the Company may propose an Unscheduled GSR filing.

If an Unscheduled GSR Filing is made, that filing: (1) must contain rates reflecting the then current estimate of the gas cost revenue requirement for the period from the effective date of such filing to the next scheduled filing, and (2) must maintain all of the actual cost of gas adjustment (annual true-up or secondary adjustment factors) and any refund adjustment factors.

The Unscheduled GSR Factor shall remain in effect only until the next scheduled GSR Filing.

1.3.3. Scheduled and any Unscheduled GSR filings shall be filed with the Commission by the last business day of the month immediately preceding the month the proposed new GSR factor will be implemented.



Attachment: 2022-004 ATTH 01 Redline TXK TX Service Area Tariffs (3620 : 2022-004 ORD Reauthorizing Summit to charge natural gas rates)

**TEXARKANA, TEXAS SERVICE AREA**

Original Sheet No. 2-1.4/10

Replacing: Sheet No.

~~CenterPoint Energy Resources Corp.~~
Summit Utilities Arkansas, Inc.~~d/b/a CenterPoint Energy Arkansas Gas~~
(Name of Company)

Kind of Service: Natural Gas Class of Service: All

PART II – Rider Schedule No. 1

**Title: GAS SUPPLY RATE (GSR)** Effective: ~~September 1, 2017~~~~TBD~~(to be determined)

1.4. ALLOCATION OF COSTS

1.4.1. Calculation of Demand Cost Component:

Calculating demand costs - The demand gas cost revenue requirement component shall be the annual total of the gas costs that do not vary with the actual consumption, such as fixed transportation and storage costs, fixed gas supply charges, and fixed financial charges associated with financial instruments purchased to stabilize prices.

Calculating demand cost allocation- The demand cost component of each season's filing shall be calculated by multiplying the total annual projected demand costs by the appropriate allocation factors for those demand costs for the respective RS-1, and the non- TSO SCS customers (defined as the factor representing the peak day demand for the non-TSO SCS-1, non-TSO SCS-2, and non-TSO SCS-3 customers), and LCS customers.

1.4.2. Calculation of Commodity Cost Component:

Calculating commodity costs by season - The commodity gas cost revenue requirement component of each season's GSR shall be the sum of all gas cost purchased for sales customers other than demand costs or LUFG costs, such as variable transportation costs, gas supply commodity costs, and the transaction costs associated with the use of futures contracts and options and other prudently incurred costs associated with various financial instruments purchased by Company to stabilize gas supply rates. The commodity gas costs shall include the commodity cost of storage withdrawals and injections. Company will utilize any technique or method it deems reasonable for purposes of estimating the commodity cost component of each seasonal filing.



Attachment: 2022-004 ATTH 01 Redline TXK TX Service Area Tariffs (3620 : 2022-004 ORD Reauthorizing Summit to charge natural gas rates)

**TEXARKANA, TEXAS SERVICE AREA**

Original Sheet No. 2-1.5/10

Replacing: Sheet No.

~~CenterPoint Energy Resources Corp.~~
Summit Utilities Arkansas, Inc.~~d/b/a CenterPoint Energy Arkansas Gas~~
(Name of Company)

Kind of Service: Natural Gas Class of Service: All

PART II – Rider Schedule No. 1

**Title: GAS SUPPLY RATE (GSR)** Effective: ~~September 1, 2017~~~~TBD~~(to be determined)

Seasonal commodity cost allocation - the seasonal commodity costs assigned to RS-1 and non-TSO SCS and LCS customers will be determined by multiplying the Seasonal Commodity Cost by the ratio of estimated sales volumes for the respective classes in that season. For purposes of Commodity allocation and the establishment of Commodity rates, the SCS-1, SCS-2, and SCS-3 classes will be combined and considered as one class.

1.4.3. LUFG Allocation:
For purposes of LUFG allocation, and the establishment of LUFG rates, the SCS-1, SCS-2, and SCS-3 classes will be combined and considered as one class. For purposes of calculating the allocation percentages only, LUFG-in-Kind will be added to LUFG and will be known as True LUFG. True LUFG will be allocated to the respective rate classes based on the factors established below for each of the components of LUFG:

Shrinkage – for each rate class (including regular sales and TSO customers) shall be determined based on cost causation.

Company Used Gas – shall be determined by the direct measurement of the gas consumed by Company facilities, and allocated to each rate class (including regular sales and TSO customers) based on the ratio of the number of customers in each class and the total for such classes.

Remaining LUFG (RLUFG) – shall be defined as the difference between (a) total True LUFG; and (b) the sum of Shrinkage and Company Used Gas established above. It shall be allocated to the respective customer classes as follows:



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**TEXARKANA, TEXAS SERVICE AREA**

Original Sheet No. 2-1.6/10

Replacing: Sheet No.

~~CenterPoint Energy Resources Corp.~~
Summit Utilities Arkansas, Inc.~~d/b/a CenterPoint Energy Arkansas Gas~~
(Name of Company)

Kind of Service: Natural Gas Class of Service: All

PART II – Rider Schedule No. 1

**Title: GAS SUPPLY RATE (GSR)** Effective: ~~September 1, 2017~~~~TBD~~(to be determined)

55% based on the volumes for the most recent twelve-month-ending August period of the rate classes (including regular sales and TSO customers).

35% based on the demand components for the rate classes (including regular sales and TSO customers).

10% based on the annualized number of customers of the rate classes (including regular sales and TSO customers) as of the most recent twelve-month-ending August period.

The sum of the allocated LUFG volumes for the three LUFG components will be used to develop an allocation percentage by class to be applied to the LUFG cost.

1.5. RATE CALCULATION

RS-1 Customers - The GSR for Residential customers will be a per Ccf rate that is determined by summing the allocated costs in Parts 1.4.2. and 1.4.3. above and dividing that total by the projected seasonal volumes for the residential class and adding that result to the per Ccf rate determined by dividing the allocated annual costs in Part 1.4.1. by the estimated annual sales volumes.

SCS and LCS Customers - The commodity portion of the rate for non-TSO customers will be determined by respectively summing the allocated costs in Parts 1.4.2. and 1.4.3. above and dividing that total by the projected seasonal volumes for the respective classes. SCS-1, SCS-2, and SCS-3 customers will be combined and considered as one class for purposes of determining the commodity portion of the rate. While the calculation will be made in Ccf, it will be appropriately translated to MMBtu as needed.



Attachment: 2022-004 ATTH 01 Redline TXK TX Service Area Tariffs (3620 : 2022-004 ORD Reauthorizing Summit to charge natural gas rates)

**TEXARKANA, TEXAS SERVICE AREA**

Original Sheet No. 2-1.7/10

Replacing: Sheet No.

~~CenterPoint Energy Resources Corp.~~
Summit Utilities Arkansas, Inc.~~d/b/a CenterPoint Energy Arkansas Gas~~
(Name of Company)

Kind of Service: Natural Gas Class of Service: All

PART II – Rider Schedule No. 1

**Title: GAS SUPPLY RATE (GSR)** Effective: ~~September 1, 2017~~~~TBD~~(to be determined)

The demand portion of the rate for LCS non-TSO customers will be charged to the customers based on their assigned CD's in MMBtu. The rate will be determined by dividing the respective classes allocated costs in Part 1.4.1. above by their respective annualized CD's. Since the demand charges are part of an overall non-specific set of upstream contracts, the support for their allocations will be provided in the schedules supporting the filing.

Allocation and Demand Rate Calculation for SCS-1, SCS-2, and SCS-3 Customers – The costs allocated to the combined SCS-1, SCS-2, and SCS-3 customer classes will be based on the allocation of costs as described in paragraph 1.4.1. The demand portion of the rate for the non-TSO SCS-1 customers and the non-TSO SCS-2 customers (during the November-March period) will be determined by dividing the costs attributable to the SCS customer class reduced by the anticipated demand revenue paid by SCS-2 class in the summer period (April – October) and further reduced by the demand revenue paid by the SCS-3 class for the entire year (September – August), by the sum of the projected annualized SCS-1 volumes and the projected SCS-2 winter volumes (November-March). The demand portion of the rate for the non-TSO SCS-2 customer class in the summer period (April – October) will be $0.01984 per Ccf. The demand portion of the rate for the non-TSO SCS-3 customer class will be $0.04310 per Ccf for the entire period (November – October).



Attachment: 2022-004 ATTH 01 Redline TXK TX Service Area Tariffs (3620 : 2022-004 ORD Reauthorizing Summit to charge natural gas rates)

**TEXARKANA, TEXAS SERVICE AREA**

Original Sheet No. 2-1.8/10

Replacing: Sheet No.

~~CenterPoint Energy Resources Corp.~~
Summit Utilities Arkansas, Inc.~~d/b/a CenterPoint Energy Arkansas Gas~~
(Name of Company)

Kind of Service: Natural Gas Class of Service: All

PART II – Rider Schedule No. 1

**Title: GAS SUPPLY RATE (GSR)** Effective: ~~September 1, 2017~~~~TBD~~(to be determined)

1.6. SPECIAL PROVISION REGARDING TSO CUSTOMERS

LUFG costs - Customers under the TSO option may provide LUFG-in-Kind gas volumes. The LUFG-in-Kind (volumetric delivery requirement) for each customer's account will be determined based on the most recent twelve-month ended August period and expressed as a percentage of the gas delivered for the customer's account at the customer's point of consumption. The percentage will be determined by dividing the allocated volumes of total LUFG in the respective class (SCS or LCS) by the total estimated sales volumes in their respective class.

Assignment of Surcharges to TSO Customers - In the event an LCS-1, SCS-1, or SCS-3 customer changes its supply service election at the end of the contract term from the system supply option (SSO), the amount of the deferred gas cost account attributable to that customer shall be charged or distributed to that customer, whichever is applicable. The charging to or distribution of the deferred gas cost account attributable to that customer shall be removed or added to the deferred gas cost account of the applicable rate schedule.

1.7 DEFERRED PURCHASED GAS COST ACCOUNTS

Company shall establish and maintain a Deferred Gas Cost Account(s) in which shall be recorded any over or under recovery resulting from the operation of the GSR procedure. Such over or under recovery by class shall be determined monthly by comparison of the actual Cost of Gas Sold as defined above for each cost month to the gas cost revenue recovery for the same revenue month as the cost month. The accumulated balance of over or under recovered gas costs, plus the carrying charge described below, shall be used to determine the surcharge. The surcharge shall be computed annually by dividing each class' cumulative balance over recoveries or under recoveries as of the end of each August by the respective class' estimated volumes of sales for the projected twelve-month period. The surcharge shall be filed annually and will be included with the Scheduled Winter Season GSR Filing and



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**TEXARKANA, TEXAS SERVICE AREA**

Original Sheet No. 2-1.9/10

Replacing: Sheet No.

~~CenterPoint Energy Resources Corp.~~
Summit Utilities Arkansas, Inc.~~d/b/a CenterPoint Energy Arkansas Gas~~
(Name of Company)

Kind of Service: Natural Gas Class of Service: All

PART II – Rider Schedule No. 1

**Title: GAS SUPPLY RATE (GSR)** Effective: ~~September 1, 2017~~~~TBD~~(to be determined)

shall be rounded to the nearest $0.0001 per Ccf. The surcharge shall remain in effect until the earlier of: (1) superseded by a subsequent surcharge calculated according to this provision or, (2) the beginning of the second revenue month following the month in which the full recovery or refund is accomplished if such full recovery or refund is accomplished prior to the end of the established recovery period.

A carrying charge shall be included in the monthly under or over recovery balance resulting from the monthly comparison of the actual Cost of Gas Sold to the revenue recovery resulting from the application of the prescribed GSR, and a carrying charge shall be included in the monthly under or over recovery balance applicable to the surcharge. The monthly carrying charge shall be determined by multiplying the average of the beginning and ending month balance of under or over recovery for the cost month times the rate of interest applicable to customer deposits.

1.8. DEMAND ALLOCATION

It is recognized that over time as customer classifications change or demand levels change, the accuracy of the originally approved demand factors may deteriorate. Company can request a change in the allocation procedures with a minimum three month lead time prior to the filing date for the seasonal filings. Changes under this provision are limited to changes required to restore the accuracy of the originally approved demand factors and shall be not be used by either Company or the applicable regulator to implement changes in allocation methodologies that would normally require a general rate application.

1.9. REFUND PROVISION

If an increase in the cost of gas paid or payable to Company shall be reduced by the final order of a duly constituted regulatory body or the final decree of a court, if appealed thereto, and such increase shall have been reflected in Company's rate to the extent and in the manner specified in this GSR, Company shall report to the



Attachment: 2022-004 ATTH 01 Redline TXK TX Service Area Tariffs (3620 : 2022-004 ORD Reauthorizing Summit to charge natural gas rates)

**TEXARKANA, TEXAS SERVICE AREA**

Original Sheet No. 2-1.10/10

Replacing: Sheet No.

~~CenterPoint Energy Resources Corp.~~
Summit Utilities Arkansas, Inc.~~d/b/a CenterPoint Energy Arkansas Gas~~
(Name of Company)

Kind of Service: Natural Gas Class of Service: All

PART II – Rider Schedule No. 1

**Title: GAS SUPPLY RATE (GSR)** Effective: ~~September 1, 2017~~~~TBD~~(to be determined)

Commission the receipt of any refunds resulting from such final order or decree. Thereupon, Company shall submit for the Commission's approval a plan to make equitable disposition of such refund monies to the extent such monies represent increased charges paid by its customers as result of this GSR; provided, however, that if the amount to be refunded to customers hereunder with respect to a particular refund received does not amount to more than one-tenth cent per Ccf, then Company will apply that refund as a credit in its cost of gas computations hereunder for the month in which it receives the refund from its supplier. Nothing in this clause shall be construed to require refunds or a reduction of Company's rate as a result of such an order reducing the cost of gas where the original increase in the cost of gas has not been reflected in Company's billings for its sales to customers under this rate schedule.

1.10. APPLICABLE RATE SCHEDULES
Residential Firm Sales Service (RS-1)
Small Commercial Firm Sales Service (SCS-1)
Small Commercial Firm Sales Service – Off-Peak (SCS-2)
Small Commercial Firm Sales Service– NGV (SCS-3)
Large Commercial Firm Service (LCS-1)
Unmetered Gas Light Firm Sales Service (GL-1)



Attachment: 2022-004 ATTH 01 Redline TXK TX Service Area Tariffs (3620 : 2022-004 ORD Reauthorizing Summit to charge natural gas rates)

~~TEXARKANA, TEXAS SERVICE AREA~~

~~Original~~ ~~Sheet No. 2-2.1/1~~

~~Replacing:~~ ~~Sheet No.~~

~~CenterPoint Energy Resources Corp.~~
~~d/b/a CenterPoint Energy Arkansas Gas~~Summit Utilities Arkansas, Inc.
~~(Name of Company)~~

~~Kind of Service:~~ ~~Natural Gas~~ ~~Class of Service:~~ ~~All~~

~~PART II – Rider Schedule No. 2~~

~~**Title: FORMULA RATE PLAN RIDER (RIDER FRP)**~~ ~~Effective: September 1, 2017~~~~TBD~~(to be determined)

## ~~1. FORMULA RATE PLAN RIDER (RIDER FRP)~~

~~1.1. The Formula Rate Plan Rider (Rider FRP) shall be the amount charged~~ of $0.00. ~~to CenterPoint Energy's~~Summit Utilities Arkansas' ~~customers residing or located in the Incorporated Cities of Texarkana, Nash, Redwater and Wake Village, Texas~~Arkansas~~. under Arkansas tariff Rider Schedule Rider Schedule No. 9 Formula Rate Plan Rider (Rider FRP).~~

~~1.2. APPLICABLE RATE SCHEDULES~~
~~Residential Firm Sales Service (RS-1)~~
~~Small Commercial Firm Sales Service (SCS-1)~~
~~Small Commercial Firm Sales Service – Off-Peak (SCS-2)~~
~~Small Commercial Firm Sales Service – NGV (SCS-3)~~
~~Large Commercial Firm Service (LCS-1)~~
~~Unmetered Gas Light Firm Sales Service (GL-1)~~



Attachment: 2022-004 ATTH 01 Redline TXK TX Service Area Tariffs (3620 : 2022-004 ORD Reauthorizing Summit to charge natural gas rates)

**TEXARKANA, TEXAS SERVICE AREA**

Original Sheet No. 2-3.1/3

Replacing: Sheet No.

~~CenterPoint Energy Resources Corp.~~
~~d/b/a CenterPoint Energy Arkansas Gas~~Summit Utilities Arkansas, Inc.
(Name of Company)

Kind of Service: Natural Gas Class of Service: All

PART II – Rider Schedule No. 3

**Title: MUNICIPAL TAX ADJUSTMENT CLAUSE (TA)** Effective: ~~September 1, 2017~~(to be determined)

## 3. MUNICIPAL TAX ADJUSTMENT CLAUSE (TA)

3.1. The Company will pass on Municipal Taxes to Local Customers by adding to each monthly bill rendered a Local Customer as a separate line item identified as "Municipal Franchise Adj," an amount calculated on an equal-per-meter basis determined in accordance with the following:

3.1.1. As used herein, the term "City Tax," or "Municipal Tax," refers to any and all privilege, occupation, franchise meter, gross receipts or other tax or assessment of whatever kind and by whatever name (except ad valorem taxes) now and at any time hereafter levied on, the Company by any Municipality.

3.1.2. "Municipality" refers to the local taxing authority imposing the Municipal Tax, whether city, town, village, unincorporated association, district, county or other authority authorized to impose same under present or future law.

3.1.3. "Local Customers" refers to any and all residential and general service customers in Texas that are within the geographical boundaries or taxing authority of the Municipality; provided, that if a particular tax ordinance or other act imposing the Municipal Tax includes in its taxing impact any service locations that would otherwise not be considered a "Local Customer" hereunder, then such service will be included in the term Local Customer.

3.2. Notwithstanding the above, if a particular tax ordinance or other act imposing the Municipal Tax specifies a method of payment of collection other than on an equal-per-meter basis, then the method so specified shall be utilized provided



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**TEXARKANA, TEXAS SERVICE AREA**

Original Sheet No. 2-3.2/3

Replacing: Sheet No.

~~CenterPoint Energy Resources Corp.~~
~~d/b/a CenterPoint Energy Arkansas Gas~~Summit Utilities Arkansas, Inc.
(Name of Company)

Kind of Service: Natural Gas Class of Service: All

PART II – Rider Schedule No. 3

**Title: MUNICIPAL TAX ADJUSTMENT CLAUSE (TA)** Effective: ~~September 1, 2017~~(to be determined)

such method results in the collection of taxes from Local Customers equal to the



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**TEXARKANA, TEXAS SERVICE AREA**

~~First Revised~~Original Sheet No. 2-3.3/3

Replacing: ~~Original~~ Sheet No. ~~2-3.2/2~~

~~CenterPoint Energy Resources Corp.~~
~~d/b/a CenterPoint Energy Arkansas Gas~~Summit Utilities Arkansas, Inc.
(Name of Company)

Kind of Service: Natural Gas Class of Service: All

PART II – Rider Schedule No. 3

**Title: MUNICIPAL TAX ADJUSTMENT CLAUSE (TA)** Effective: ~~September 1, 2017~~(to be determined)

taxes levied on the Company.

3.3. The Company, upon receipt of a certified copy of the approved municipal ordinance will initiate the pass-on of any increase or decrease in taxes subject to this clause beginning with the billing cycle immediately following receipt of the ordinance, and upon the availability of customer billing data necessary to initiate or to revise the calculation of the pass-on.

3.4. If at any time there is a significant change in any of the above determining factors which will cause an unreasonable over or under collection of Municipal Taxes, the Company will adjust the amount collected so that such over or under collection will be minimized.

3.5. APPLICABLE RATE SCHEDULES:
Residential Firm Sales Service (RS-1)
Small Commercial Firm Sales Service (SCS-1)
Small Commercial Firm Sales Service—Off-Peak (SCS-2)
Small Commercial Firm Sales Service—NGV (SCS-3)
Large Commercial Firm Service (LCS-1)
Unmetered Gas Light Firm Sales Service (GL-1)



Attachment: 2022-004 ATTH 01 Redline TXK TX Service Area Tariffs (3620 : 2022-004 ORD Reauthorizing Summit to charge natural gas rates)

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## 4. WEATHER NORMALIZATION ADJUSTMENT (WNA)

4.1. For bills rendered from November 1 through April 30 each year, the applicable margin rates for gas service to customers served under the applicable rate schedules shall be adjusted by a Weather Normalization Adjustment (WNA) to reflect much of the impact of heating degree day variations from normal levels which were used to set rates under the applicable rate schedules.

4.2. In order to calculate the total weather adjustment for the applicable billing cycle, a weather deviation is computed and multiplied by the applicable margin rate. A per Ccf WNA adjustment is calculated by dividing the total weather adjustment by the average Ccf usage per customer for all customers in each billing cycle, using the formula described below. The per Ccf adjustment for each applicable rate schedule is applied to customer's usage for the billing cycle. The WNA shall be separately identified on customer bills.

4.3. CALCULATION OF WEATHER NORMALIZATION ADJUSTMENT

4.3.1. The WNA is calculated as follows:

$$WNA_i = \frac{R_i(DDF_i\ (NDD - ADD))}{AAU_i}$$

Where: i = Any particular rate classification to which the WNA is to be applied.

WNA = Weather Normalization Dollar Adjustment per Ccf

R = Applicable Margin Rate

DDF = Degree Day Factor associated with the applicable rate schedule:

| | |
|---|---|
| Residential Service (RS-1) | .1536 |
| Small Commercial Sales (SCS-1) (SSO) | .5921 |

NDD = Normal Degree Days during the billing cycle

ADD = Actual Degree Days during the billing cycle

AAU = Average Actual Usage per customer for each billing cycle

4.4. DEFINITIONS

4.4.1. Normal Degree-days: The heating degree-days, which are based on a 30-year average ending June 30, 2015 as are shown on Attachment 1.

4.4.2. Actual Degree Days: The actual heating degree days as published by Weather Services Corporation, or any other nationally recognized third-party weather service.

4.4.3. Applicable Margin Rate:

4.4.3.1. The Residential Service (RS-1). The RS-1 WNA marginal rate will use the marginal rate of the residential volumes that are in excess of 15 Ccf. The resulting WNA price will be applicable only to volumes in excess of 15 Ccf.

4.4.3.2. The Small Commercial Sales Service (SCS-1) System Supply Option ("SSO"). The SCS-1 WNA marginal rate will use a weighted average marginal rate of the November - April SCS-1 SSO volumes that are in excess of 78 Ccf. The mechanics wil1 be to use the monthly bill frequencies to determine the volume in the 79-1,500 Ccf range, the volume in the 1,501-15,000 Ccf

Attachment: 2022-004 ATTH 01 Redline TXK TX Service Area Tariffs (3620 : 2022-004 ORD Reauthorizing Summit to charge natural gas rates)

range, and the volume above the 15,000 Ccf range. The weighted average margin will be determined by applying the first block

margin rate to the 79-1,500 Ccf volumes, the second block margin rate to the volumes in the 1,501-15,000 range, and the third block margin rate to the volumes in the range above 15,000 Ccf, summing those totals and dividing the results by the total volumes in those ranges. The resulting WNA price will only apply to volumes in excess of 78 Ccf.

4.5. APPLICABLE RATE SCHEDULES
Residential Firm Sales Service (RS-1)
Small Commercial Firm Sales Service (SCS-1) System Supply Option (SSO)

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5. **ENERGY EFFICIENCY COST RECOVERY RIDER (EECR)**

5.1. The Energy Efficiency Cost Recovery Rider (EECR) shall be the amount charged to ~~CenterPoint Energy's~~Summit Utilities Arkansas' customers residing or located in Texarkana, Arkansas under Arkansas tariff Rider Schedule No. 5 Energy Efficiency Cost Recovery Rider (EECR).

5.2. APPLICABLE RATE SCHEDULES

Residential Firm Sales Service (RS-1)
Small Commercial Firm Sales Service (SCS-1)
Small Commercial Firm Sales Service—Off-Peak (SCS-2)
Small Commercial Firm Sales Service—NGV (SCS-3)
Large Commercial Firm Service (LCS-1)
Unmetered Gas Light Firm Sales Service (GL-1)

**TEXARKANA, TEXAS SERVICE AREA**

First RevisedOriginal Sheet No. 2-6.1/1

Replacing: Original Sheet No. 2-6.1/1

CenterPoint Energy Resources Corp.
d/b/a CenterPoint Energy Arkansas GasSummit Utilities Arkansas, Inc.
(Name of Company)

Kind of Service: Natural Gas Class of Service: All

PART II Rider Schedule No. 6

**Title: INTERIM BILLING DETERMINANT RATE ADJUSTMENT TARIFF (BDA)** Effective: September 1, 2017TBD(to be determined)

6. **INTERIM BILLING DETERMINANT RATE ADJUSTMENT TARIFF (BDA)**

6.1. The Interim Billing Determinant Rate Adjustment Tariff (BDA) shall be the amount charged of $0.00 to CenterPoint Energy's Summit Utilities Arkansas' customers residing or located in the Incorporated Cities of Texarkana, Nash, Redwater and Wake Village, Texas Arkansas. under Arkansas interim Rider Schedule No. 6 Trial Billing Determinant Adjustment Tariff (BDA).

6.2. APPLICABLE RATE SCHEDULES
Residential Firm Sales Service (RS-1)
Small Commercial Firm Sales Service (SCS-1)
Small Commercial Firm Sales Service – Off Peak (SCS-2)
Small Commercial Firm Sales Service – NGV (SCS-3)
Gas Light Firm Sales Service (GL-1)



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I. APPLICATIONS FOR OR DISCONTINUANCE OF SERVICE

(A) The Company shall require all customers to execute a deposit-service agreement upon application for gas service or upon the filing of a petition for relief under the United States Bankruptcy Code. Such agreements are not transferable. All customers accepting gas service from the Company shall be subject to the rules, regulations and rate schedules applicable.

(B) When gas service is inaugurated or transferred from one location to another, at a location where there is an existing meter installation, or upon the filing of a petition for relief under the United States Bankruptcy Code, the Company shall charge a non-refundable service initiation fee of $48.00. When gas service is inaugurated or transferred from one location to another, at a location where a meter must be installed, or upon the filing of a petition for relief under the United States Bankruptcy Code, the Company shall charge a non-refundable service initiation fee of $62.00

(C) When a customer requests the initiation or restoration of service which requires overtime work after normal daily working hours or on weekends and holidays, the customer will be advised of an additional charge which will be based on actual overtime costs involved. An overtime charge shall not apply to work required through no fault of the Customer.

(D) No customer may temporarily discontinue service and thereafter request restoration and continuation of service under his old service agreement but must execute a new agreement. If service is discontinued at the request of the customer and service is suspended during all or a portion of the non-heating season and thereafter restored at the same location for the same occupant, a reconnect charge will become due and payable when service is restored. This charge will be computed on the basis of the applicable customer charge for each month or fraction thereof that service is discontinued. Such charge shall be in addition to the regular service initiation fee

of $48.00 at a location where there is an existing meter installation or $62.00 at a location where a meter must be installed or reconnection fee of $37.00. Any

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commercial or industrial customer who discontinues service for any period of time must be considered a new customer for State and Federal regulatory policy purposes when application is made for restoration of service.

(E) The company will not accept orders to discontinue service other than from the person in whose name the account is billed.

(F) The Company may turn on service after normal daily working hours, or on weekends and holidays, in emergency situations requiring immediate initiation of service. When this service is offered, the customer will be assessed an additional charge of $27.00. An after-hours charge shall not apply to work required through no fault of the customer.

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## II. CUSTOMERS FACILITIES AND EQUIPMENT

(A) Gas should be used only in appliances designed for use with natural gas, in compliance with all applicable manufacturing specifications. Vent pipes must be used on water heaters, cook stoves, enclosed type space heaters, or other appliances designed to be vented.

(B) The customer shall provide a system of piping within his premises for connection to gas appliances. Customer's piping system will be installed and maintained in compliance with all federal, state and local laws, codes and regulations. Customer shall provide an above-ground delivery point in a suitable location, unless otherwise specified by the Company. For SCS and LCS customers, vehicle access for meter testing purposes must be provided. The normal gauge pressure**,** at which gas will be supplied through the Company's meter to the customer's piping, will be as defined in XVI(A).

(C) The Company under previously existing regulations has provided service through one master meter to private distribution lines for multiple federal, municipal, or private housing projects and mobile home parks, and has in some cases provided individual meters for such facilities. Bills will be rendered on an individual basis to the individual metered customers, but the customer(s) owning the private distribution line or being served by the private distribution line will be responsible for payment of any differences between gas delivered through the master meter and gas delivered through the sum total of individual meters. All such construction within the above mentioned projects and mobile home parks must meet the requirements of all federal, state and local piping laws before the Company will connect the customer.

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III. REFUSAL TO SERVE CUSTOMERS

(A) The Company may decline to serve a customer or prospective customer until he has complied with the state and municipal regulations governing the service applied for and the reasonable rules and regulations of the utility.

(B) Until adequate facilities can be provided, the Company may decline to serve an applicant for service or to change materially the service of any customer, if, in its judgement, it does not have adequate facilities to render the service applied for or if the desired service is of a character that is likely to affect unfavorably the service to other customers.

(C) The Company may refuse to serve a customer if, in its best judgment, the customer's installation or equipment is regarded as hazardous or of such character that satisfactory service cannot be given.

(D) The Company may refuse to serve individual mobile homes and house trailers if the trailer does not have a firm foundation which will not permit it to rock or move thereby cracking or parting the connecting pipe or facilities. None of the weight of the trailer may be carried on the wheels or springs. All piping and appliance installations in trailers must be made in compliance with applicable laws, codes, and ordinances governing such installations.

(E) The Company may decline to serve any applicant who is indebted to the Company for gas utility service; provided, however, that in the event the indebtedness of the applicant for service is in dispute, applicant shall be served upon complying with the deposit requirement, and, in addition thereto, making a special deposit in an amount equal to the net balance in dispute. Upon settlement of a disputed account, the balance, if any, due the applicant shall be promptly repaid, together with interest thereon from the date of the deposit until repaid at the rate prescribed by law or order of the Commission.

(F) The Company shall also have the right to refuse service or to discontinue the supply of gas to a customer at a location until payment shall be made of delinquent bills for gas utility service for the customer at other premises.

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IV. DISCONTINUANCE OF SERVICE

Subject to Commission rules suspending disconnection during an extreme weather emergency (7.460):

(A) The Company reserves the right to shut off the gas at any time and to remove its property from the premises for any of the following reasons: (a) for tests or repairs; (b) for non-payment of bills for gas utility service when due, after required notice has been given; (c) for incorrect representation of facts in application for service, after required notice has been given; (d) for failure to make or increase the cash deposit when required by the Company, after required notice has been given; (e) for reselling gas in violation of the Company's Standard Rules and Regulations, after required notice has been given; (f) for placing or permitting the placing of any by-pass around any meter or service line; or for tampering; or permitting tampering with same; (g) for permitting pipes, or appliances owned or used by the customer to leak or otherwise permit the escape or waste of gas, after required notice has been given; (h) for failure to comply with the Rules and Regulations of the Company, after required notice has been given; (i) failure to pay the applicable connect charge, after required notice has been given; (j) on order of municipal authorities having jurisdiction; or (k) when checks received from customer for amounts past due or for the required deposit are repeatedly not honored when presented to the bank for payment, then service may be discontinued without advance notice.

(B) The Company shall not discontinue service to any customer for violation of its rules or regulations nor for non-payment of bills, without first having diligently tried to induce the customer to comply with its rules and regulations, or to pay amounts due the Company. Service may be discontinued after five (5) days' written notice shall have been given to the customer by the Company in the manner provided for in Paragraph IV (d). Prior notice of disconnection shall not be required for fraudulent, negligent, or unlawful use of the commodity or service detected, or where a dangerous condition is found to exist on a customer's premises.

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(C) The customer shall have the privilege of paying any delinquent account at any time prior to the actual disconnection or turning off of service; provided, however, that payment at Company's office within four hours of the time of actual disconnection or turning off of service shall not affect the right to disconnect or turn off service for non-payment. Whenever the Company dispatches an employee to the premises of any customer for the purpose of discontinuing service for non-payment, and such payment arrangements are made that do not result in actually disconnecting or turning off of service, a fee of $16.00 shall be added to and collected as a part of such delinquent account to cover, in part, the cost to the Company of dispatching such employee to the customer's premises. A $15.00 charge may also be added to an account and collected to recover cost for reprocessing any check that has been returned to the Company by the bank by reason of insufficient funds on deposit. Whenever service has actually been disconnected on account of the failure of the customer to pay such delinquent account, or for any other reason without fault of the utility if the customer desires the service to be reconnected, the Company shall require the customer to pay a reconnection charge of $37.00.

(D) Notice of delinquency shall be construed to be given to the customer when a copy of such notice is left with such customer, or left at the premises where service is required, or posted in the United States mail addressed to the customer's last known post office address except as specified in (h) and (i) below.

(E) The Company shall not be liable for any damage to persons or property resulting from the discontinuance of gas service after having given the required notice. Arrangement satisfactory to the Company for the continuance of service on account of serious illness or other causes shall be made by the customer prior to the expiration of the notice period.

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(F) When, at the customer's request, the Company changes the location at which service is rendered the gas consumed at the new and old locations, for the purposes of billing, shall be combined. The change of the location to which service is rendered shall not be deemed to affect the rights of the Company with regard to the application of deposit or discontinuance of service for non-payment of the account.

(G) The fact that the Company has a cash deposit from a customer shall not in any manner affect the right of the Company to discontinue service to that customer for the non-payment of amounts past due regardless of the fact that the deposit is in excess of the amount past due.

(H) Termination of service to Elderly Persons, Handicapped Persons, and Persons with Serious Illnesses

(1) Definitions

(a) "Elderly." An "elderly" person is any residential customer aged 65 or older whose total gross income is less than or equal to the median income for Texas families categorized as "65 years and over" in Table 19A or successor tables reported in Consumer Income: Money Income and Poverty Status in 1975 of Families and Persons in the United States and the South Region, By Divisions and States (Spring 1976 Survey of Income and Education by the Bureau of Census of the United States Department of Commerce**,** as most recently published.

(b) "Handicapped." A handicapped person is any residential customer:

(i) who has any permanent severe physical or mental impairment which substantially limits his ability to pay for utility service; and

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(ii) who is certified as being physically or mentally disabled by a physician, licensed psychologist, by the United States Veterans Administration, the Social Security Administration, the appropriate governmental agency, or a local regional mental health center.

(c) "Serious illness" includes serious injury not amounting to a handicap.

(2) Special Provision for the Elderly and Handicapped

Each utility shall file with the Commission, for its approval, procedures the utility will follow to insure the protection of elderly and handicapped customers. In addition, each utility shall keep records of all delinquent accounts of elderly or handicapped customers and the disposition of these accounts. Protection procedures shall include:

(a) Identification of eligible households.

(b) Personal contact by telephone or in person by utility personnel to arrange installment of deferred payment of any delinquency.

(c) Notification of right to third-party notice before termination of service.

(d) Assistance to customers wishing to make arrangements with state or local social service agencies for payment for service.

The procedures may require elderly and handicapped persons to disclose information and furnish documents in connection with the status claimed on

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an annual basis. If a customer provides false information to the utility in order to claim an exemption under this Rule, it shall be grounds for termination. Customers establishing eligibility to claim an exemption as elderly or handicapped shall be presumed to retain this status for one (1) year after the date eligibility is established. Eligibility related to income level and ability to pay for utility service shall be reestablished annually.

(3) Delay of Termination on Grounds of Serious Illness

(a) A utility shall postpone termination of service to a residential customer, or reconnect previously terminated service**,** for a reasonable time up to thirty (30) days if the customer presents a certificate from a physician stating it is likely that termination of service will either aggravate a serious illness or give rise to a substantial risk of death or a grave impairment of the health of the customer, of a member of the customer's family, or of another permanent resident of the premises where service is rendered. The certificate shall identify the medical emergency, specify the effect of termination of service, and specify the time during which termination of service will aggravate the illness. The utility may**,** at its expense, obtain an additional medical report or certificate from a physician of its choice and may rely on that opinion and in reliance on that opinion terminate service five days after mailing an additional notice of termination to the customer. Failure of customer without good cause to attend the company-scheduled medical appointment shall be sufficient reason for termination of service by the utility.

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A customer, his physician, or a nurse, nurse practitioner, physician's assistant, or a public or private agency providing physical or mental health care services may notify the utility of a serious illness in person, by telephone, or by letter. The customer shall have seven (7) days from the date of notification to present the certificate. Notice by telephone shall be subject to verification by the utility.

(b) The thirty-day postponement may be extended one time by renewal by notice as above and renewal of the certificate by a physician as above.

(c) Continuation or reconnection of service under this rule shall not in any way relieve the customer of liability incurred for utility services.

(4) Delay of Termination for Elderly and Handicapped Persons

(a) Residential utility service shall not be terminated and, if previously terminated shall be reconnected, during the months of November through March for elderly and handicapped customers of the utility, provided that service may be terminated if such customers fail to pay at least one-half of the amount billed for service either as they fall due or pursuant to delayed payment agreement. Any balance due for service during these months shall be made in the months of April through October in installments agreed upon by the customer and the utility. If, during the months of April through October**,** a customer fails to pay the deferred balance due for service from November to March, the utility shall not be obligated to refrain from terminating or to reconnect service during the next November through March time period**.** Residential gas air condition service to such customers shall not be terminated on a day when the National

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Weather Service forecasts between 5:00 a.m. and 8:00 a.m**.** a maximum temperature for that day of 95 degrees Fahrenheit, or higher.

(b) At least 72 hours prior to the proposed termination of residential service to an elderly or handicapped person, a utility shall personally contact the customer, a person living in this household, or any other person or agency designated by the elderly or handicapped person to receive notice in person or by telephone during the utility's normal, working hours or between 9:00 a.m. and 4:00 p.m. on Saturdays and holidays that termination of service is imminent and that steps can be taken to avoid termination. This notice shall include an explanation of the procedures available under this or other applicable rules. If none of these parties is contacted on the first attempt, a second attempt shall be made and may take place between 6:00 a.m. and 10:00 P.M.

(c) Continuation or reconnection of service under this rule shall not in any way relieve the customer of liability incurred for utility services.

(I) Notice of Termination to Tenants

(1) For the purposes of this rule, "landlord" means the owner, agent, manager, or lessor of premises intended primarily for residential use for which he receives lease or rent payments which include amounts for utility service**.**

(2) Each utility shall file with the Commission procedures for identifying accounts where service is rendered at an address different from the mailing address of the bill. Such procedures may include requiring landlords to identifying themselves as such and to identify their tenants by name, address, and account number. Absent such identification, the utility shall

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not be required to treat a customer as a tenant unless it has actual knowledge or information that reliably indicates that the person to whom service is rendered is a tenant.

(3) The utility shall not disconnect service to such an account for nonpayment of the bill until the following actions have been taken:

(a) When a termination notice has been sent to the landlord, if no response is received by the utility within seven (7) days, notice shall also be sent to the affected tenants or shall be posted in conspicuous locations such as near mail boxes, building entrances and exits, and other areas of common usage.

(b) If a landlord fails to pay for service to a tenant a utility shall not terminate service to the tenant until at least thirty (30) days have elapsed from the date of the delinquency, and, after being notified of the delinquency the tenant has not paid for service provided after the date of notification or made arrangements with the utility to do so.

(c) Where feasible the utility shall offer the tenant the opportunity to apply for service in his own name. If such service is not feasible or if the tenant declines to apply for such service**,** the utility may terminate service. If the tenant chooses to take service in his own name**,** termination shall thereafter be governed by other appropriate provisions of this rule.

(d) Where premises are master-metered and a tenant and the utility are unable to agree upon payments to be made by the tenant for service, the utility shall petition the Commission for an immediate informal resolution or formal hearing to resolve the dispute.

(4) A utility shall not attempt to recover from a tenant or condition service to a tenant on the payment of any amounts owed by the landlord to the utility.

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## V. CUSTOMER DEPOSITS

(A) The Company may require, with each service application from any customer or any prospective customer, a cash deposit to guarantee payment of bill. This required deposit shall not exceed an amount equivalent to two estimated average bills when payment is due after the service is rendered. The Company shall pay interest on the deposit at the rate prescribed by law or order of the Commission. When service is discontinued by the Company for any reason other than for repairs, the Company may apply such deposit to the payment of all charges authorized under these Rules and Regulations. Interest will not accrue on deposits when they become Inactive. The Company shall pay interest on deposits annually in January of each year and upon return of the deposit to the customer.

(B) Interest shall not accrue on any cash deposit after the date the Company has made a bona fide effort to return such deposit to the depositor. The Company shall keep in its records evidence of its efforts to return such deposit.

(C) A new or additional deposit may be required upon reasonable written notice of the need of such a requirement in any case where a deposit has been refunded or is found to be inadequate as above provided for, or as provided by the applicable provisions of the Commission's Rules, as they may be in effect from time to time. The service of any customer who fails to comply with these requirements may be disconnected upon five (5) days' written notice.

(D) All charges authorized under these Rules and Regulations shall be due and payable on the same terms and conditions as charges made for gas service and the same procedure for discontinuance of service for such charges may be applied against refunds, if any, due on the customer's deposits.

(E) Upon the filing of a petition for relief under the United States Bankruptcy Code, the customer will be required to provide a cash deposit in an amount not to exceed two times the maximum estimated bill for the service location.

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VI. BILLING

(A) Gas supplies will be charged for from the time of turn on until the Company discontinues the supply. Failure on the part of the customer to properly notify the Company when their responsibility for the payment for gas at a premises ceases, shall not relieve the customer from the obligation of paying all bills accruing up to the time proper notification is received by the Company. The customer shall pay for all gas passing through the meter, whether the same be used or wasted through leaks in pipes, apparatus, or otherwise and shall be bound by the true reading of the meter, provided it is in good repair and working order.

(B) Bills rendered for service for less than the standard monthly billing period shall be calculated as follows:

(1) Where meter reading indicates no consumption and the period involved is less than fifteen (15) days, no charge will be made. If the period involved is fifteen (15) days or more**,** applicable monthly minimum will be charged**.**

(2) Where meter reading indicates any consumption, regular rate schedules will apply, regardless of period involved. Meter will be read to the nearest hundred cubic feet and bills computed on this basis.

(3) Where customer changes location within the same distribution plant, the consumption at both locations will be combined for the monthly billing.

(C) All customers of Company which are either, (1) sixty (60) years of age or older and depend upon a pension or Social Security check as their primary source of income, or (2) are dependent solely upon a disability income, regardless of age, are eligible to participate in the Company's FLEX-DATE Payment Plan. Such Plan will extend the due date for payment to the earlier of: (1) twenty-five (25) days after the current month's bill date, or (2) three (3) work days before the next month's bill date. Only

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the extended due date provided by FLEX-DATE will appear on eligible customers' bills. In addition, the Company will waive any otherwise applicable late penalty.

Customers shall become Plan participants either upon telephone or form notification to Company, and their participation will be effective for each month of each calendar year thereafter.

(D) Monthly statements will be delivered to the location at which gas is supplied, by an employee of the Company, or posted in the United States mail, unless the customer has directed the Company in writing to send statements to another address. The terms “Delivered" or "Rendered" shall not be construed as an obligation on the part of the Company to deliver or render statements to the customer in person, or to other occupants of the premises**.** Duplicate copies of statements will be furnished upon request, and failure to receive statements for any reason whatsoever, will not entitle customer to further time to pay account, or to a continuation of gas supply if account is over due.

(E) Customers whose facilities are located on pipeline taps which are not centrally odorized will receive monthly statements based on the customer’s reading of the meter. If the meter is not read by the customer, bills will be estimated. The Company will read these meters at least every six (6) months and the difference between the customer readings or the estimated consumption will be billed or credited to the customer's account.

(F) A residential apartment shall be defined as a room or group of rooms which contain a sink and/or cooking facilities and shall be considered a separate apartment for metering and billing purposes. House trailers shall also be considered separate apartments for metering and billing purposes.

(G) Individual residential customer premises shall be metered and billed separately even if under common ownership, and combined metering or billing shall not be permitted. Commercial and industrial premises shall be considered separate when

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not on the same tract or contiguous tracts of land, or when each is a complete unit not physically integrated with, or essentially a part of, the other or others, and each renders a complete service or produces a finished product. Tracts of land separated by public streets, roads or alleys shall be considered non-contiguous tracts.

(H) The commercial rate schedule of the Company will be applied to the gas used in two or more individual flats or apartments in a dwelling which was originally constructed as, or which has been converted into, a multiple-family building and where the owner has not elected to separately meter the gas used in each individual flat or apartment. Rooming houses without cooking facilities, tourist homes for transients and hotels will be metered and billed as single unit on the commercial rate.

(I) The Company may make a charge of $5.00 for any special meter reading which it is called upon to make other than on the regular reading date. Where interim meter readings are furnished the owner of premises the Company accepts no responsibility as to the distribution of the monthly bill as between tenants.

(J) Claims for error in statements rendered should be made by the customer as soon as discovered; if the claim is found to be meritorious, the Company will make proper adjustment on the Customer's subsequent bills, or make refund to the customer within a reasonable time.

(K) The Company shall make a test of the accuracy of registration of a meter upon request of a customer. Except as otherwise provided in these rate schedules, if such test shows the meter to be slow or within the tolerance limit as to accuracy of registration, the customer may be required to pay a charge of ten dollars ($10.00) for each test so made. If the test shows the meter to be fast and in excess of the tolerance limit of accuracy, such test shall be made at the expense of the Company and an adjustment shall be made with the customer. If no such test has been performed within the previous four years for the same customer at the same location, the test is to be performed without charge.

(L) In case a meter ceases to register, the quantity consumed will be estimated from the amount consumed during the corresponding period for the previous year, giving due consideration to weather and other pertinent factors**,** or by such other method that will be equitable.

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VII. EXTENSION OF FACILITIES

(A) SERVICE LINES AND CONNECTIONS

(1) The Company will make, own and maintain all necessary connections with its street mains. Under normal construction conditions, the Company will install up to 100 feet of service line (up to one inch in diameter and capable of a delivery pressure of up to 60 psig) at no cost to the customer. In the event a service line exceeding the diameter and pressure requirements set forth above is needed, or in the event of abnormal construction conditions, such as solid rock, road crossings that require a bore, the need to bore under landscaping, etc., or in regard to the installation of excess flow valves, any additional costs incurred by the Company will be charged to the customer. The Company may waive these charges when it determines that it is economically justifiable to do so. The Company will own, maintain and specify the route of the piping. Access must be granted on customer's property for replacement or repairs of these facilities. The Company may at its option install a service cock and box. The meter location will be determined by the Company. The Company will also set and own the meter and regulator, but all other piping, connections, and appliances for the purpose of utilizing gas shall be furnished and installed by the customer at the customer’s risk and expense. Customer will pay the cost of any relocation of the Company’s facilities that the Company may perform at customer’s request.

(B) MAIN EXTENSIONS

(1) Extensions from the Company's distribution lines, will be made under the following conditions and circumstances:

(a) Subject to the availability of capital funds, the Company shall construct main extensions from its existing facilities to serve new customers where the cost of the Company's capital investment is

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economically feasible. Determination of whether a proposed extension is economically feasible shall be made through the use of

an economic model that will take into consideration the following factors:

(1) construction cost estimate;
(2) non-gas revenue;
(3) depreciation;
(4) incremental operating costs; and,
(5) any other factors relevant to economic feasibility of the project.

(b) If it is determined that the Company's return on investment (ROI) on the proposed main extension will equal or exceed the Company's cost of funding capital projects, the extension will be made at no cost to the customer. If it is determined that the Company's ROI will be less than the Company's cost of funding capital projects, the customer shall be required to pay an amount sufficient to ensure that the Company is able to earn an ROI equal to its cost of funding capital projects. On such an advance, the Company may enter into an agreement with the customer to refund the customer contribution. Refunds will be based only on changes in the factors considered in the economic model under which the investment was originally made. The Company shall establish, when capital funds are available, such new distribution service where the Company will be reasonably assured of a sufficient number of customers and an annual revenue to justify the capital expenditure. The Company may, however, refuse to extend facilities in the event system design and/or operational considerations so dictate.

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(c) When the Company is requested to extend its distribution facilities to an area with existing potential users where no contributory capital is available, the Company has the option to provide the necessary capital in the amount equal to the necessary customer contribution to be recovered by a fixed daily surcharge rate applied to each customer account within the boundaries of the project for up to five

years* or until the customer contribution is recovered by the Company, whichever comes first. Under this option, the Company will construct and finance the facilities and recover the customer contribution, in addition to an appropriate interest (or finance charge) assigned to the capital required to fund the customer contribution, through the surcharge rate. If the customer contribution is not recovered during the pay-back period, the remaining balance of the customer contribution (including interest or finance charge) will be added to and included in the Company's overall rate base from that point forward. To insure sufficient customer commitment to each project, each customer will be required to sign an Extension Surcharge Agreement and may be required to make a reasonable customer deposit prior to commencement of construction. Surcharge areas are defined as those areas served by the facilities to be constructed. After the initial installation of facilities to serve the surcharge area, all subsequent connections which utilize mains from the original surcharge area installation will be subject to the same surcharge rate for the remaining period of the surcharge agreement.

*Special conditions may warrant extending this period based on economic conditions.

(d) When new extensions from the surcharge area are requested, the person(s) requesting an extension from these facilities will be required to make whatever customer contribution might otherwise

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be required for the extension under Part VII (B)(1)(b) and, in addition, will be subject to the surcharge rate for the remaining surcharge period.

(e) When a subsequent area requests service utilizing the facilities of an existing surcharge area, the following regulations will apply:

(1) When a subsequent surcharge area is established after the installation of an existing surcharge area and the subsequent surcharge area's surcharge rate would be in excess of the surcharge rate applicable to the established surcharge area, the subsequent surcharge area will bear only the cost of their new facilities.

(2) When a subsequent surcharge area is established after the installation of an existing surcharge area and the subsequent surcharge rate is less than the surcharge rates applicable to the established surcharge area, the subsequent surcharge area will bear a portion of the remaining unpaid customer contribution of the established surcharge area in addition to its own surcharge allocation as follows:

(2)(a) The cost of the mainline established for the existing surcharge area shall be shared by the subsequent surcharge area up to an amount equal to the existing area surcharge rate if their computed surcharge is lower than the surcharge for the existing area. This shall be achieved by assigning an unamortized portion of the mainline investment which was required for the existing surcharge area to the subsequent surcharge

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area in order to fairly equate the surcharges. The amount of investment cost assigned to the subsequent surcharge area will then be credited to the unamortized amount payable by the existing surcharge area customers.

(2) The Company will not be required to enlarge its system of mains to meet the demand for gas of a prospective customer or to provide for an appreciable increase in the demands of a present customer, unless in the judgment of the Company, a reasonable rate of return is assured as a result of the expenditure required.

(3) When the Company extends its main to serve new customers, the Company will extend its main, in a manner which, in its judgment, will be most advantageous for rendering service.

(4) Where the customer requires that his meter be placed in a particular location, the customer will be required to pay any additional cost that may result from compliance with the customer's request.

(5) A standard Rural Gas Contract must be executed by each customer requesting a pipeline tap. The Company will not make or serve a tap on any federally certificated transmission line, unless, in the judgment of the Company, a reasonable rate of return can be earned as a result of the expenditure required to construct the tap and serve the customer, without unreasonable consequences to other customers. In addition, the Company will not make or serve a tap on any other transmission line, field gathering pipeline, or lines to wells which in the Company's opinion, presently contain or may in the foreseeable future contain undehydrated gas, liquid hydrocarbons, sour gas, or gas that is otherwise not merchantable. The Company may discontinue service whenever it believes reliable service cannot continue to be provided for any reason, including, but not limited to, water content of the gas furnished. In the event service is suspended or terminated because the Company cannot or believes it cannot continue to provide safe and reliable service, the

Company will be under no obligation to compensate the affected customer(s) for such loss of service.

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# EXTENSION SURCHARGE AGREEMENT

The undersigned promises to pay to Summit Utilities Arkansas, Inc.~~CenterPoint Energy Resources Corp., d/b/a CenterPoint Energy Arkansas Gas ("Company")~~, a surcharge on his/her/their/its monthly gas bill in consideration of the Company's extension of its facilities into the surcharge area in which the undersigned resides. The surcharge amount will be $_____ per month. The surcharge will be applied to all monthly billings to the undersigned for a ____ year period or until the Company recovers the required customer contribution for the surcharge area, whichever comes first. The surcharge amount will appear as a separate line item on the undersigned's bill.

The terms of this Extension Surcharge Agreement shall be subject to the provisions of the Company's rates and policies.

_____

_____

Accepted this _____ day of _____, 20__.

Summit Utilities Arkansas, Inc.~~CENTERPOINT ENERGY RESOURCES CORP. d/b/a CenterPoint Energy Arkansas Gas~~

By _____

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VIII. GENERAL

The customer shall use the gas delivered by the Company for his purposes only. The customer shall not, under any circumstances, resell or share with others any gas delivered by the Company. No changes**,** extensions, or replacement of service `lines shall be made without the written consent of the Company. No extension whatsoever of customer owned piping shall be made for the purpose of supplying gas to adjacent property**,** or other person or concerns residing or operating on the premises of the customer.

The foregoing natural gas resale prohibition shall not apply to distributors selling compressed natural gas as a motor vehicle fuel.

The authorized agent of the Company shall have the right and permission to enter upon the premises of the customer to inspect or test lines, and appliances, to read, change or remove the meter, to turn on and shut off the gas, or to perform other related functions. This right shall not be construed as placing any responsibility on the Company to inspect and test the lines or equipment of the customer.

No structures shall be erected over the Company's gas lines. In the event any such structure is erected, the customer will be provided the option of either removing the structure or paying the Company the cost of relocating the gas line, including the cost of obtaining alternative easements, if required.

The place of delivery of all gas purchased shall be at the outside wall of the first structure being served if the Company has installed or replaced the service line to that point. In all other cases, the place of delivery of all gas purchased shall be at the point of connection to the customer's service line from which point all gas delivered shall become the property of the customer, who shall thereafter be responsible for its passage through the meter and for all damage caused by said gas.

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The Company shall have no responsibility for any act or omission, and shall have no liability from any cause, downstream of delivery. In case the supply of gas should fail, whether from natural causes, bursting of pipes or accident in any way, the Company shall

not be liable for damages, whether direct, special, continuing, exemplary, presumptive, incidental, indirect or consequential, including without limitation, loss of profits, loss of revenue, or loss of production capacity by reason of such failure. The Company shall not be liable in damages for any act or event that is beyond the Company's control and which could not be reasonably anticipated and prevented through the use of reasonable measures, including, but not limited to acts of God, strikes, lockouts or other industrial disturbances, acts of the public enemy, arrests, wars, blockades, insurrections, riots and epidemics, landslides, lightning, earthquakes, fires, storms, floods and washouts, priority limitation or restraining orders of any governmental authority and civil disturbances, explosions, breakage, accidents, tests, maintenance or repair to machinery, equipment, lines of pipe or other facilities; inability to obtain, or unavoidable delay in obtaining, material, equipment, rights-of-way or permits; and any other causes whether of the kind herein enumerated or otherwise.

Meters and pipes are likely to freeze in cold weather, and it shall be the duty of each customer to protect the pipes and the meter or meters from the action of the elements.

These Rules and Regulations are made a part and condition of all rate schedules of the Company and all customers served under such schedules shall be subject to these Rules and Regulations.

These Rules and Regulations are in addition to Rules and Regulations now established by the Regulatory Body having jurisdiction over these matters.

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## IX. STATE AND MUNICIPAL TAXES

Whenever the State or a municipality imposes upon the Company any sales privilege, occupation, meter, or other special tax, except ad valorem taxes, the Company shall pass the tax on to customers within the jurisdiction of the taxing authority in accordance with provisions set forth in such tax law or ordinance.

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X. LEVELIZED PAYMENT PLAN

A. Residential customers and small commercial customers having less than 500 MMBtu annual usage may have the option of participating in the "Levelized Payment Plan" (LPP) for billing purposes as opposed to the normal billing procedure.

B. Operation of the Levelized Payment Plan

Under the LPP a customer's bill will be computed by averaging to the nearest dollar, the amount derived by applying the current applicable rate schedule, cost-of-gas adjustment, and applicable tax factor to each of the most recent twelve months historical volumes. The average bill amount thus derived will be the monthly payment amount for each of the succeeding six months.

Actual billings will continue to be based upon the applicable rates and meter readings obtained to determine consumption. The amount due under the LPP will be identified as a separate item on the customer's bill so the customer will know the amount to pay. The actual bill amount will also be reflected on the bill as a memo item for the customer's information.

The cumulative difference between actual billings and the levelized billings under the LPP will be carried in a deferred balance that will accumulate both debit and credit differences.

The monthly payment amount will be automatically reviewed and adjusted six months after the anniversary date. This adjustment will be made to assure that the difference between actual payments and average payments under the LPP will be minimal. The new LPP payment amount will be computed by averaging the sum of the most recent six months actual billings and a projected amount for the next six months. The projected amount will be derived by applying the current applicable

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rate schedule, cost-of-gas adjustment, and applicable tax factor to each of the most recent year's historical volumes for the corresponding months. This amount will be

rounded to the nearest dollar and will be the monthly LPP payment amount for the next six months.

On the initial and subsequent anniversary dates a new levelized payment amount is calculated by averaging to the nearest dollar, the amount of the deferred balance and the amount derived by applying the current applicable rate schedule, cost-of-gas adjustment, and applicable tax factor to each of the most recent twelve months historical volumes. This new LPP amount will then be in effect until the time of the next six-months review. On each subsequent anniversary date a new levelized payment amount will be calculated in this manner.

In such instances where sufficient billing history is not available, a twelve-month billing history will be estimated by the local office. The estimated history will be based on actual billings for those months in which actual billing data is available and estimated based on the service address or a similar location for those months in which no such actual billing is available.

Participation in the LPP will have no effect on the Company's approved rate schedules or other billing charges used to calculate the customer's actual monthly billing.

C. Customer Qualification for "Levelized Payment Plan"

No additional customers shall be added to the LPP. The Company will, however, maintain the LPP for those customers participating in the LPP.

Customer may discontinue LPP at any time by notifying the Company. If a customer requests termination, if an account is final billed, or if the customer is suspended by the Company as a result of past due amounts on an account, any outstanding balance owed to

the Company at the time, including any differences between billings under the LPP and billings which would have been rendered under normal billing procedures shall be immediately due and payable. Likewise, any credit due customer shall be applied to the next bill or refunded, as appropriate.

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XI. EXTENDED ABSENCE PAYMENT PLAN

(A) The following options are available to residential customers to avoid suspension of service during any extended absence over one (1) month:

(1) Bills due during the customer's absence may be paid in advance. The amount of the payment will be based on the prior year's corresponding usage based on current rates. Any over or under payment by the customer will be applied to the customer's next bill when he returns. A delayed payment agreement will be available for underpayments.

(2) The customer will be given the opportunity to enroll in the Company's automatic bank draft program. The monthly bill will be paid automatically through the customer's checking or savings account.

(a) This option may be utilized by the customer in conjunction with the Company's Average Monthly Billing (AMB), which establishes the monthly bill amount for customer's budgeting purposes during the absence.

(3) The customer can arrange to have bills coming due mailed to an alternate address, or to a third party during the absence.

(a) Third-party notification does not imply the third party will be responsible for the bill. Normal suspension of service rules will apply in the event bills are not paid.

(B) The customer must notify the Company in order to take advantage of any of these extended absence payment plans.

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XII. AVERAGE MONTHLY BILLING

(A) Residential customers have the option of adopting the "Average Monthly Billing" plan ("AMB") for billing purposes as opposed to the normal billing procedure.

(B) OPERATION OF THE "AVERAGE MONTHLY BILLING"

(1) Each month, under the AMB a customer's bill will be computed by averaging to the nearest dollar, the amount billed to the customer's account during the last 12 months, plus or minus one-twelfth of the deferred budget balance. The average bill amount thus derived will be the payment amount for the month.

(2) Actual billings will continue to be based upon the appropriate rate schedules, riders, tax factors, and meter readings used to determine consumption. The AMB amount will be identified as a separate item on the customer's bill so the customer will know the amount to pay. The actual bill amount will also be shown on the bill as a memo item for the customer's information.

(3) The cumulative difference between actual billings and the AMB billings will be carried in a deferred budget balance that will accumulate both debits and credits and will adjust monthly.

(4) The monthly payment amount will be automatically reviewed and adjusted each month.

(5) In such instances where sufficient billing history is not available, a twelve-month billing history may be estimated.

(6) Participation in the AMB will have no effect on the Company's approved rate schedules or other billing charges used to calculate the customer's actual monthly billing.

(C) CUSTOMER QUALIFICATION FOR "AVERAGE MONTHLY BILLING" PLAN

(1) The AMB shall be made available to residential customers. The AMB is optional and will be available only on customer request, after an appropriate application for the AMB is completed, submitted and approved by the Company.

(2) At the time a customer chooses to participate in the AMB, his account must be current. This means that the current billings must not be past due and no unpaid balance exists.

(3) The customer may discontinue the AMB at any time by notifying the Company. The AMB will be discontinued if the customer requests a disconnect, if the customer is delinquent 30 or more days, if an account is final billed, or if the customer is turned off for non-payment as a result of past due amounts. Any outstanding balance owed to the Company at the time, including the deferred balance, will be due immediately. A delayed payment plan may be available to qualifying customers. Likewise, any credit due customer shall be applied to the next bill or refunded, as appropriate.

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## XIII. PROVISIONS FOR LANDLORDS AND TENANTS

### (A) LANDLORD/TENANT ACCOUNT IDENTIFICATION

(1) The following procedure is used by the Company to identify landlord/tenant accounts:

(a) New service applicants are questioned during the initial application to determine if a landlord/tenant relationship exists.

(b) If Company personnel determine a landlord/tenant relationship exists, then the account will be coded accordingly.

(1) The landlord may be contacted to confirm tenant information.

(c) Company personnel may review landlord/tenant accounts periodically to verify landlord/tenant status.

(d) The Company will not be liable for any damage to persons or property resulting from the failure to properly identify a landlord/tenant account.

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XIV. MINIMUM HEATING VALUE FOR GAS

(A) The average heating value for gas delivered to customers shall not be less than 975 Btu per cubic foot at 14.73 psia and 60° Fahrenheit.

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XV. BASE OR ABSOLUTE GAS PRESSURE

(A) The established absolute pressure base for all deliveries shall be 14.73 psia.

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XVI. NORMAL GAUGE PRESSURE FOR GAS

(A) The normal gauge pressure for all deliveries shall be .33 pounds gauge pressure per square inch above 14.4 assumed atmospheric pressure.

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XVII. LEAVE ON AGREEMENT

(A) Pursuant to owner/manager's request and upon completion and approval of a Leave on Agreement as provided on sheet numbers 36 through 39 herein, the Company agrees to continue to sell and deliver natural gas service to owner/manager's rental units identified in the Agreement and the owner/manager agrees to pay Company for all gas service and charges provided for in the Agreement, subject to the terms and conditions of the Agreement.

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**LEAVE ON AGREEMENT FOR NATURAL GAS SERVICE**

This contract and agreement (hereinafter called the "Agreement") is made and entered into this _____ day of _____, 20____, by and between Summit Utilities Arkansas Inc.~~CenterPoint Energy Resources Corp., d/b/a CenterPoint Energy Arkansas Gas~~, (hereinafter called "Company") its successors and assigns, and _____, (hereinafter called "Customer").

Customer represents that it is the owner/manager of the residential or commercial property identified on Attachment A hereto (said property being hereinafter referred to as the "rental property"), and that the terms and provisions of this Agreement are intended to cover and pertain to said rental property, consisting of a total of _____ rental unit(s).

Article I

Customer hereby requests that Company continue to sell and deliver natural gas service to each of the rental units identified above during any period of time subsequent to the closing of an account for service to a tenant or occupant of any of such rental units, or to the discontinuance or termination of service to any such rental units for any reason whatsoever except the nonpayment of utility bills by either the tenant or customer, and prior to the opening of an account for service to a new tenant or occupant of such rental unit. Customer agrees to be responsible for payment of all charges for gas service provided to any and all rental units covered by this Agreement during the aforesaid period of time.

Article II

A. Company agrees to waive the connection charge on all units identified on Attachment A, provided the gas service is transferred directly to the Customer without interruption. It is understood and agreed to by the Customer that the normal connection fee as approved by the appropriate regulatory authority will apply on units where a service interruption has occurred.

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B. Customer agrees to pay Company for all gas service and charges provided for in this Agreement in accordance with all rates, tariffs, schedules and charges which have been approved by the prevailing regulatory authority. Both parties understand that the charges provided and set forth in

this Agreement may, from time to time, be revised pursuant to order of prevailing regulatory authorities. The parties agree that in the event any charge provided and set forth in this Agreement is so revised, the provisions of this Agreement will automatically be revised in accordance therewith without further action by either party.

Article III

A. This Agreement shall continue in full force and effect as to all rental units identified herein until terminated by either party by written notice mailed or delivered to the other party at least thirty (30) days prior to the date on which termination of this Agreement is desired.

B. In the event the Customer desires additional rental units to be covered by this Agreement or to delete rental units covered by this Agreement from such coverage, Customer agrees to provide notice of such changes to Company in writing. It is agreed that changes in the coverage of this Agreement requested by Customer shall become effective no more than one (1) business day after Customer's written request for such changes is received by Company.

Article IV

It is understood and agreed that this Agreement and the gas service to be provided by Company hereunder shall be subject to all applicable rules of the prevailing regulatory authorities, and the Company's rates and policies as presently on file with those authorities, as the same may be changed in accordance with the law.

Article V

This Agreement supersedes any previous Leave On Agreements entered into between Company and Customer with respect to the rental property or units identified herein.

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Article VI

This Agreement shall bind and benefit the successors and assigns of Company and may be assigned by Customer upon written consent of Company.

| | |
|---|---|
| _____ Summit Utilities Arkansas, Inc.~~CENTERPOINT ENERGY RESOURCES CORP., d/b/a/ CenterPoint Energy Arkansas Gas~~ | |
| By:_____ | By:_____ |
| Mailing Address for Notices Required Herein: | Mailing Address for Notices Required Herein: |
| _____ | _____ |
| _____ | _____ |
| _____ | _____ |

ATTACHMENT A

Summit Utilities Arkansas, Inc.~~CENTERPOINT ENERGY RESOURCES CORP. D/B/A CENTERPOINT ENERGY ARKANSAS GAS~~

LEAVE ON AGREEMENT PROPERTY LISTING

Customer _____ Date_____

| UNIT NUMBER | PROPERTY DESCRIPTION | ADDRESS | CITY/TOWN | STATE |
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XVIII. ORDER OF CURTAILMENT (OC)

(A) In order to take steps necessary for the protection of the reliable and adequate service that present supplies, capacities and facilities will permit, the Company will adhere to the following curtailment program:

(1) Deliveries of gas will be curtailed to whatever extent and for whatever periods Company may find necessary from time to time in the operation of its system for the primary benefit of human needs customers.

(2) In case of curtailments for whatever reason, the following order of priorities will be observed insofar as practicable, with the first noted category having the highest priority, and so on:

Priority 1.1 Residential; all commercial requirements of less than 500 Ccf per peak day.

Priority 1.2 All other commercial requirements (including schools, hospitals, and similar institutions unless they have provided an affidavit of waiver as set forth in Affidavit B of the LCS-1 Appendix), plant protection, small industrial and essential agricultural users with total requirements of up to 3,000 Ccf per day, and other uses the curtailment of which the Secretary of Energy or FERC determines would endanger life, health, or maintenance of physical property.

Priority 2.1* All other firm requirements for essential agricultural uses as defined in Section 401 of the Natural Gas Policy Act of 1978 which cannot use an alternate fuel within the meaning of applicable rules and regulations promulgated by the FERC under Section 401(b) of that Act.

Priority 2.2* Firm requirements for essential commercial process and feedstock uses as defined in Section 402 of the Natural Gas Policy Act of 1978 which cannot use an alternate fuel.

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Priority 2.3* Firm requirements for other feedstock and process needs.

Priority 3 Firm requirements for commercial needs not covered elsewhere.

Priority 4 Firm requirements for commercial needs for boiler fuel use of more than 3,000 Ccf per day but not more than 15,000 Ccf per day.

Priority 5 Firm requirements for commercial needs for boiler fuel use of more than 15,000 Ccf per day but not more than 30,000 Ccf per day.

Priority 6 Firm requirements for commercial needs for boiler fuel use of more than 30,000 Ccf per day.

Priority 7 Commercial transportation requirements for customers contracting directly with an upstream pipeline where gas supply deliveries have been interrupted or curtailed by the pipeline.

* **When it is necessary to curtail loads in each of these priorities, the large requirements that normally use more than 3,000 Mcf per day will be curtailed before the smaller loads.**

(3) Each higher priority of use will be fully protected from curtailment until all lower priorities have been ordered curtailed 100 percent; that is, no curtailments of Priority 5 uses will be ordered until all Priority 6 uses have been ordered curtailed, and so forth.

(4) If system deliverability permits only partial delivery of gas to a given category of use, curtailment will occur, on the basis of a pro rata sharing based on historical deliveries to customers for that category. On days when curtailment is required, total deliveries to individual customers may not exceed contract volumes.

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(5) Before service commences, when the character of gas usage materially changes, and from time to time upon request, each customer shall furnish Company with all information reasonably required by Company with regard to gas usage at the facility served to assist Company in its determination of the proportionate parts, if any, of that usage falling in different priority categories. In determining the appropriate priority category for gas sold, no distinction will be made between gas sold to direct customers and to resale customers.

(6) Company will implement this curtailment plan throughout each of Company's systems to the extent possible consistent with the practical operation of the system, giving due regard to such factors as system capacity and where curtailable customers are located in relation to where the gas is needed.

Any customer who fails to comply with any curtailment directive issued by the Company in response to this order shall be subject to total curtailment of gas during the remainder of the curtailment period. The Company shall have the right to enter the premises of the customer to ascertain the degree of compliance with the curtailment order and to take such other steps as may be necessary to enforce the provisions of this curtailment order.

(7) An emergency exemption from curtailment will be provided for all firm electric utility customers to the extent required to avoid the curtailment of firm electric load upon an attestation by a utility to Company that: (1) the utility faces an emergency situation wherein it will be required to shed firm electric load necessary to serve human needs customers unless an exemption from curtailment is granted in an amount which will avoid the curtailment of firm electric load necessary to serve human needs customers; (2) the utility has no alternate fuel capability; (3) the utility has exhausted all purchased power opportunities; (4) the utility has utilized all alternative sources of power; and (5) the utility will accept reduced deliveries during the emergency exemption from curtailment. Electric utilities served at more than one location are permitted to divert their entitlements between plants so long as they stay within their

Attachment: 2022-004 ATTH 01 Redline TXK TX Service Area Tariffs (3620 : 2022-004 ORD Reauthorizing Summit to charge natural gas rates)

total entitlements, where Company determines that this can be done consistently with prudent operation of its system.

(8) Any firm customer claiming an emergency need for supplemental deliveries during curtailment to forestall irreparable injury to life or property shall furnish Company with full details of the nature, cause, unavoidability and estimated duration of the emergency. This information is to be given by telephone followed by immediate written notice to Company signed by an officer or responsible employee under oath. Upon receipt of the initial notice Company will make such investigation as is reasonably possible under the circumstances and if gas is available, Company will deliver such supplemental volumes as Company determines the situation to require. The customer must promptly take all reasonable steps to eliminate the cause of the emergency and accept reduced deliveries after the emergency to offset the supplemental deliveries.

(9) Company shall be relieved of all liabilities, penalties, charges, payments, price adjustments, alternate fuel subsidizations and claims of whatever kind, contractual and otherwise, resulting from or arising out of Company's failure to deliver all, or any portion of, the volumes of gas desired by any particular customer or customers to the extent that such failure results from Company's implementation of this curtailment plan in accordance with its provisions and applicable regulatory orders, notwithstanding inconsistent provisions in contracts, jurisdictional and non-jurisdictional, heretofore entered into.

(10) Until the reserves available to Company's system are substantially augmented, Company will husband its existing gas supply by regulating its receipts from connected sources so as to receive gas at rates reasonably calculated to permit the maximum utilization of the reserves for the benefit of Company's human needs customers over the longest possible periods of time.

(11) All surplus gas deliveries are to be discontinued completely before contract service to the above listed priorities is curtailed.

(12) To the extent Company has gas available, Company will deliver volumes of natural gas to firm customers:

(a) to respond to emergency situations (including environmental emergencies) during period of curtailment where additional supplies are required to forestall irreparable injury to life or to property; and

(b) to provide for minimum plant protection when the plant is shut down.

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# ORDINANCE NO. 2017 - 083

**AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF TEXARKANA, TEXAS, ORDERING THE RATES TO BE CHARGED BY CENTERPOINT ENERGY RESOURCES CORPORATION, D/B/A CENTERPOINT ENERGY ARKANSAS GAS, FOR NATURAL GAS AND NATURAL GAS SERVICE TO RESIDENTIAL AND COMMERCIAL CUSTOMERS WITHIN THE CITY OF TEXARKANA, TEXAS; INCLUDING A REPEALER CLAUSE AND A SEVERABILITY CLAUSE; AND ESTABLISHING AN EFFECTIVE DATE.**

**WHEREAS,** On July 27, 2017, CenterPoint Energy Resources Corporation, d/b/a CenterPoint Energy Arkla (CENTERPOINT), filed a Statement of Intent with the City Secretary to increase rates in the City of Texarkana, Texas; and

**WHEREAS,** On September 2, 2016, the Arkansas Public Service Commission published Order Number 8 (Docket No. 15-098-U) approving CENTERPOINT rates for its Arkansas service areas; and

**WHEREAS,** the CENTERPOINT filing meets the filing requirements as set by Texas Utility Code §104.102; and

**WHEREAS,** the rate schedules have been considered by the City Council, and it is the opinion of the City Council that the rate schedules and service charges proposed for residential and commercial gas service by CENTERPOINT in the City of Texarkana, Texas, are just and reasonable, and should be approved.

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

**SECTION 1:** That CENTERPOINT is hereby ordered to issue and file with the City Clerk of the City of Texarkana, Texas, tariff sheets containing residential and commercial rate schedules identical to those rate schedules attached hereto as **Exhibit "A"**, and that such rate schedules are hereby adopted, established, and authorized as proper, reasonable, and lawful rates for such natural gas service.

**SECTION 2:** That the rates, set out on the rate schedules filed pursuant to Section 1 hereof, are to be observed by CENTERPOINT, its successors and assigns until changed as provided by the Gas Utility Regulatory Act, Texas Utility Code Chapter 101 *et seq.*

**SECTION 3:** That this Order, determining the level of rates to be charged and applied by CENTERPOINT, shall be served upon CENTERPOINT by United States Mail.

Attachment: 2022-004 ATTH 02 2017 Tariff & EXH 'A' (3620 : 2022-004 ORD Reauthorizing Summit to charge natural gas rates)

**SECTION 4:** That the tariff sheets approved by this Ordinance shall become effective with bills rendered on or after September 1, 2017.

**SECTION 5:** That all applications and motions to intervene in this matter however designated, are hereby denied.

**SECTION 6:** That all Ordinances and parts of Ordinances in conflict herewith are hereby repealed.

**SECTION 7:** That this Ordinance shall be in full force and effect on and after its date of passage by the City Council.

**SECTION 8:** That if any portion of the rates or service charges established herein shall be declared invalid for any reason, the invalidity hereof shall in no manner affect the validity and enforcement of the remainder of such rates for service charges.

**PASSED AND APPROVED** in Regular Council Session on this the **28th day of August, 2017**.

ATTEST:

JENNIFER EVANS, CITY SECRETARY

BOB BRUGGEMAN, MAYOR

6:41 p.m.

Attachment: 2022-004 ATTH 02 2017 Tariff & EXH 'A' (3620 : 2022-004 ORD Reauthorizing Summit to charge natural gas rates)

2017-083 Exhibit "A"
(1 of 2)

**CenterPoint Energy Resources Corporation Statement of Intent to Increase Rates**

| Class of Service | Code | Customers | Object | Current Rates | | | | Proposed Rates | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | Volume | Per Unit | Charge | | Volume | Per Unit | Charge |
| Residential | RS-1 | 9,394 | Monthly Customer Charge | | | | $ 9.75 | | | | $ 10.75 |
| | | | Natural Gas | | First 50 Ccf | $ 0.34655 | | | First 15 Ccf | $ 0.45335 | |
| | | | | | Over 50 Ccf | $ 0.16664 | | | Over 15 Ccf | $ 0.36576 | |
| | | | Minimum Charge | | | | $ 9.75 | | | | $ 10.75 |
| | | | Riders: | Gas Supply Rate | | | | Gas Supply Rate | | | |
| | | | | Main Replacement Program (adjusted monthly) | | | | --removed-- | | | |
| | | | | Municipal Tax Adjustment | | | | Municipal Tax Adjustment | | | |
| | | | | Weather Normalization Adjustment | | | | Weather Normalization Adjustment (applicable only on volumes in excess of 15 Ccf) | | | |
| | | | | Trial Billing Determinant Rate Adjustment | | | | Interim Billing Determinant Rate Adjustment | | | |
| | | | | Energy Efficiency Cost Recovery Rider | | | | Energy Efficiency Cost Recovery Rider | | | |
| | | | | | | | | Formula Rate Plan Rider (adjusted annually, beginning the first business day of October, 2017) | | | |
| | | | | | | | | Average monthly increase for residential customer | | | $ 7.27 |
| Small Commercial (Limited to 365,000 Ccf in any 12 consecutive month period) | SCS-1 | 1,469 | Monthly Customer Charge | | | | $ 13.00 | | | | $ 14.67 |
| | | | Natural Gas | Natural Gas - System Supply Option (SSO) | First 1,500 Ccf | $ 0.15177 | | | | $ 0.17133 | |
| | | | | | 1,501 - 15,000 Ccf | $ 0.11479 | | | | $ 0.12959 | |
| | | | | | Over 15,000 Ccf | $ 0.04921 | | | | $ 0.05555 | |
| | | | | Natural Gas - Transportation Supply Option (TSO) *Customers experiencing or anticipating an average daily demand of 25 MMBtu per day* | First 150 MMBtu | $ 1.49368 | | Natural Gas - Transportation Supply Option (TSO) *Customers experiencing or anticipating an average daily demand of 10 MMBtu per day* | | $ 1.68620 | |
| | | | | | 151-1,500 MMBtu | $ 1.12973 | | | | $ 1.27534 | |
| | | | | | Over 1,500 MMBtu | $ 0.48431 | | | | $ 0.54673 | |
| | | | Minimum Charge | | | | $ 13.00 | | | | $ 14.67 |
| | | | Riders: | Gas Supply Rate | | | | Gas Supply Rate | | | |
| | | | | Main Replacement Program (adjusted monthly) | | | | --removed-- | | | |
| | | | | Municipal Tax Adjustment | | | | Municipal Tax Adjustment | | | |
| | | | | Weather Normalization Adjustment | | | | Weather Normalization Adjustment (applicable only on volumes in excess of 78 Ccf) | | | |
| | | | | Trial Billing Determinant Rate Adjustment | | | | Interim Billing Determinant Rate Adjustment | | | |
| | | | | Energy Efficiency Cost Recovery Rider | | | | Energy Efficiency Cost Recovery Rider | | | |
| | | | | | | | | Formula Rate Plan Rider (adjusted annually, beginning the first business day of October, 2017) | | | |
| | | | Set-up TSO (Each Time) | Customer may switch between SSO and TSO seasonally provided they experience more than 80% of annual load during APR through OCT and who experience or anticipate an average daily demand of more than 25 MMBtu per day during any consecutive 30-day period of the preceding or succeeding APR through OCT. | | | $ 300.00 | Customer may switch between SSO and TSO seasonally provided they experience more than 80% of annual load during APR through OCT and who experience or anticipate an average daily demand of more than 10 MMBtu per day during any consecutive 30-day period of the preceding or succeeding APR through OCT. | | | $ 300.00 |
| | | | Telemetering | In the event customer has in place working telemetering facilities and equipment; and the customer receives system supply service; and Company determines it necessary to keep the telemeter(s) operational, Company will arrange and pay for associated telecommunications cost while the customer receives sales service under the rate schedule. Customers electing seasonal transportation service pursuant to Part 21.6. shall be responsible for the full installed cost of telemetry equipment of standard make and manufacture to determine hourly and daily flow at customer's point of delivery. | | | | Telemetering is required for customers electing and qualifying for transportation service. Company shall install telemetry equipment of standard make and manufacture to determine hourly and daily flow at customer's point of delivery. Customer shall choose between analog telemetry and wireless telemetry, if suitable wireless service is available. Customer will pay Company for telemetry equipment under one of the following options as chosen by the Customer: | | | |
| | | | | | | | | Option 1: Customer agrees to provide an analog phone line for each meter and pay for standard telemetry equipment and installation costs for each meter. Customer will be subject to meter reading fees for an inoperable phone line for each meter. | | | |
| | | | | | | | | Option 2: Customer will provide an analog phone line for each meter but elects to pay a monthly fee for standard telemetry equipment and installation costs for each meter. The Customer will be subject to meter reading fees for an inoperable phone line for each meter. | | | |
| | | | | | | | | Non-pressure instrumentation per month per meter | | | $ 30.00 |
| | | | | | | | | Pressure instrumentation per month per meter | | | $ 84.00 |
| | | | | | | | | Option 3: Customer elects wireless service through CenterPoint for each meter and agrees to pay for standard telemetry equipment and installation costs for each meter. Customer will not be subject to meter reading fee. | | | |
| | | | | | | | | Wireless service fee per month per meter | | | $ 10.00 |
| | | | | | | | | Option 4: Customer elects wireless service through CenterPoint for each meter and elects to pay a monthly fee for the standard telemetry equipment and installation costs for each meter. The customer will not be subject to meter reading fees. | | | |
| | | | | | | | | Non-pressure instrumentation per month per meter | | | $ 40.00 |
| | | | | | | | | Pressure instrumentation per month per meter | | | $ 94.00 |
| | | | | Customer shall be responsible for installing and maintaining telecommunications lines. Should customer fail to maintain or repair telecommunications lines required to communicate with telemetry equipment, Company shall have the right to bill customer all labor and expense required to manually read the meter, at whatever intervals the Company may deem necessary. | | | | If customer chooses analog telemetry, then customer shall be responsible for installing and maintaining telecommunications lines. Should customer fail to maintain or repair telecommunications lines required to communicate with telemetry equipment, Company shall have the right to bill customer all labor and expense required to manually read the meter, at whatever intervals the Company may deem necessary. | | | |
| | | | | | | | | If customer chooses wireless telemetry, then customer shall pay Company a monthly fee per meter for wireless telemetry service for the entire period such meter(s) is (are) served under this or any other transportation rate schedule. | | | $ 10.00 |
| Large Commercial Firm Service | LCS-1 | 3 | Monthly Distribution Customer Charge | | | | $ 290.00 | | | | $ 290.00 |
| | | | Natural Gas | Distribution Demand Charge per MMBtu of Capacity Demand (CD) | Up to 400 MMBtu | $ 6.17300 | | | Up to 400 MMBtu | $ 8.01586 | |
| | | | | | Over 400 MMBtu | $ 0.95380 | | | Over 400 MMBtu | $ 1.23854 | |
| | | | | Distribution Rate - All MMBtu consumed | | $ 0.02560 | | | | | |
| | | | TSO Contract Administration Fee | Per month | | | $ 350.00 | | | | $ 332.61 |
| | | | Minimum Charge | Sum of: Distribution Customer Charge + | | $ 290.00 | | | | $ 290.00 | |
| | | | | Distribution Demand Charge per MMBtu of Capacity Demand (CD) + | Up to 400 MMBtu | $ 6.17300 | | | Up to 400 MMBtu | $ 8.01586 | |
| | | | | | Over 400 MMBtu | $ 0.95380 | | | Over 400 MMBtu | $ 1.23854 | |
| | | | | TSO Contract Administration Fee | | $ 350.00 | | | | $ 332.61 | |
| | | | Riders: | Gas Supply Rate | | | | Gas Supply Rate | | | |
| | | | | Main Replacement Program (adjusted monthly) | | | | --removed-- | | | |
| | | | | Municipal Tax Adjustment | | | | Municipal Tax Adjustment | | | |
| | | | | Energy Efficiency Cost Recovery Rider | | | | Energy Efficiency Cost Recovery Rider | | | |
| | | | | | | | | Formula Rate Plan Rider (adjusted annually, beginning the first business day of October, 2017) | | | |
| | | | Set-up TSO (Each Time) | Customer may switch between SSO and TSO seasonally provided they experience more than 80% of annual load during APR through OCT and who experience or anticipate an average daily demand of more than 25 MMBtu per day during any consecutive 30-day period of the preceding or succeeding APR through OCT. | | | $ 300.00 | Customer may switch between SSO and TSO seasonally provided they experience more than 80% of annual load during APR through OCT and who experience or anticipate an average daily demand of more than 10 MMBtu per day during any consecutive 30-day period of the preceding or succeeding APR through OCT. | | | $ 300.00 |
| | | | Telemetering | Telemetering is required under the TSO described in Part 3.1.3 of this rate schedule, including customers qualifying under Part 3.1.2 of the aggregation provision of this rate schedule. If Company does not have telemetry at customer's point of delivery, upon execution of the Agreement, Company shall install telemetry equipment of stand make and manufacture to determine hourly and daily flow of gas at customer's point of delivery. Customer will reimburse Company for the full, installed cost of such telemetry | | | | Telemetering is required for all customers who receive service pursuant to this rate schedule, including customers qualifying under Part 3.1.2 of the aggregation provision of this rate schedule. If Company does not have telemetry at customer's point of delivery, upon execution of the Agreement, Company shall install telemetry equipment of stand make and manufacture to determine hourly and daily flow of gas at customer's point of delivery. Customer shall choose between analog telemetry and wireless telemetry, if suitable wireless service is available. Customer will pay Company for telemetry equipment under one of the following payment options as chosen by the customer: | | | |
| | | | | | | | | Option 1: Customer agrees to provide an analog phone line for each meter and pay for standard telemetry equipment and installation costs for each meter. Customer will be subject to meter reading fees for an inoperable phone line for each meter. | | | |
| | | | | | | | | Option 2: Customer will provide an analog phone line for each meter but elects to pay a monthly fee for standard telemetry equipment and installation costs for each meter. The Customer will be subject to meter reading fees for an inoperable phone line for each meter. | | | |
| | | | | | | | | Non-pressure instrumentation per month per meter | | | $ 30.00 |
| | | | | | | | | Pressure instrumentation per month per meter | | | $ 84.00 |
| | | | | | | | | Option 3: Customer elects wireless service through CenterPoint for each meter and agrees to pay for standard telemetry equipment and installation costs for each meter. Customer will not be subject to meter reading fee. | | | |
| | | | | | | | | Wireless service fee per month per meter | | | $ 10.00 |
| | | | | | | | | Option 4: Customer elects wireless service through CenterPoint for each meter and elects to pay a monthly fee for the standard telemetry equipment and installation costs for each meter. The customer will not be subject to meter reading fees. | | | |
| | | | | | | | | Non-pressure instrumentation per month per meter | | | $ 40.00 |
| | | | | | | | | Pressure instrumentation per month per meter | | | $ 94.00 |
| | | | | Customer shall be responsible for installing and maintaining telecommunications lines. Should customer fail to maintain or repair telecommunications lines required to communicate with telemetry equipment, Company shall have the right to bill customer all labor and expense required to manually read the meter, at whatever intervals the Company may deem necessary. | | | | If customer chooses analog telemetry, then customer shall be responsible for installing and maintaining telecommunications lines. Should customer fail to maintain or repair telecommunications lines required to communicate with telemetry equipment, Company shall have the right to bill customer all labor and expense required to manually read the meter, at whatever intervals the Company may deem necessary. | | | |
| | | | | | | | | If customer chooses wireless telemetry, then customer shall pay Company a monthly fee per meter for wireless telemetry service for the entire period such meter(s) is (are) served under this or any other transportation rate schedule. | | | $ 10.00 |
| Unmetered Gas Light Firm Sales Service | GL-1 | Not Reported | | The service is available where there is adequate capacity and suitable pressure. Customer is responsible for all installation and modifications subject to Company inspection. Ccf to be billed based on manufacturer's rated input for each gas light multiplied by the number of lights. The rate charged and riders shall be in accordance with the currently effective residential or commercial rate schedule otherwise applicable to the customer served. Except the Weather Normalization Adjustment rider shall not apply. | | | | No change | | | |
| Small Commercial Firm Sales Service -- Off-Peak | SCS-2 | Not Reported | Natural Gas | Natural Gas - System Supply Option (SSO) | First 1,500 Ccf | $ 0.20857 | | | | $ 0.24421 | |
| | | | | | Next 13,500 Ccf | $ 0.11479 | | | | $ 0.13440 | |
| | | | | | Over 15,000 Ccf | $ 0.04921 | | | | $ 0.05762 | |
| | | | | Natural Gas - Transportation Supply Option (TSO) *Customers experiencing or anticipating an average daily demand of 25 MMBtu per day* | First 150 MMBtu | $ 2.05269 | | Natural Gas - Transportation Supply Option (TSO) *Customers experiencing or anticipating an average daily demand of 10 MMBtu per day* | | $ 2.40341 | |
| | | | | | Next 1,350 MMBtu | $ 1.12973 | | | | $ 1.32275 | |
| | | | | | Over 1,500 MMBtu | $ 0.48431 | | | | $ 0.56706 | |
| | | | All other Small Commercial Firm Sales -- Off-Peak SCS-2 prices and services same as Small Commercial Firm Sales Service SCS-1 | | | | | | | | |

Attachment: 2022-004 ATTH 02 2017 Tariff & EXH 'A' (3620 : 2022-004 ORD Reauthorizing Summit to charge natural gas rates)

2017-083 Exhibit "A"
(2 of 2)

**CenterPoint Energy Resources Corporation Statement of Intent to Increase Rates**

| Class of Service | Code | Customers | Object | Current Rates Volume | Current Rates Per Unit | Current Rates Charge | Proposed Rates | Proposed Rates Volume | Proposed Rates Per Unit | Proposed Rates Charge |
|---|---|---|---|---|---|---|---|---|---|---|
| Small Commercial Firm Sales Service – NGV | SCS-3 | Not Reported | Natural Gas | | | | This rate schedule is available at points of adequate capacity and suitable pressure on the Company's existing facilities. This rate schedule is available to any consumer engaging in business, professional, institutional, agricultural or other non-residential activity who purchases annual volumes less than 365,000 Ccf and who receives this natural gas from the Company through an individual meter, and whose sole usage of natural gas through this meter is to provide compressed natural gas for use as a vehicle fuel. Standby Service is not available under this rate schedule. | | | |
| | | | | | | | Company has historically allowed the volume usage of meters at business facilities under common ownership and subject to this rate schedule to be aggregated for the sole purpose of establishing eligibility for transportation as referenced in Part 3.1.3. of the Rate Schedule LCS-1. Customers historically qualifying for transportation under this aggregation provision shall remain subject to the rates and charges under this rate schedule in addition to any additional specific rates, charges, or adjustment riders peculiar to the TSO set out in Rate Schedule LCS-1, such as, but not limited to, administrative fees. Customers aggregating volume shall be subject to all provisions and policies governing TSO option customers as specified in LCS-1, except as provided for herein. Although no aggregation will be allowed for eligibility, the ability to aggregate for eligibility purposes at existing and new locations shall remain unchanged for transportation customers eligible under such aggregation provision prior to 21 SEP 02. Future aggregation for the purpose of qualification, except as otherwise referenced herein is prohibited. Each individual account of historically qualified customers shall be treated as a separate account and shall be subject to the same rates and charges under the originating SCS-3 or LCS rate schedule, and are additionally subject to any specific rates, charges or riders specific to the TSO. | | | |
| | | | | | | | Customer may switch between SSO and TSO seasonally provided they experience more than 80% of annual load during APR through OCT and who experience or anticipate an average daily demand of more than 10 MMBtu per day during any consecutive 30-day period of the preceding or succeeding APR through OCT. | | | $ 300.00 |
| | | | | | | | This rate schedule shall have an extended term of the shorter of three (3) years from the date of Commission approval or the completion of the Company's next general rate filing, unless otherwise extended further by Order of the Commission. | | | |
| | | | Monthly Customer Charge | | | | | | | $ 15.63 |
| | | | Natural Gas | | | | Natural Gas - System Supply Option (SSO) | First 1,500 Ccf | $ 0.18242 | |
| | | | | | | | | 1,501 - 15,000 Ccf | $ 0.13797 | |
| | | | | | | | | Over 15,000 Ccf | $ 0.05915 | |
| | | | | | | | Natural Gas - Transportation Supply Option (TSO) | First 150 MMBtu | $ 1.79532 | |
| | | | | | | | *Customers experiencing or anticipating an average daily demand of 10 MMBtu per day* | 151-1,500 MMBtu | $ 1.35787 | |
| | | | | | | | | Over 1,500 MMBtu | $ 0.58211 | |
| | | | Minimum Charge | | | | | | | $ 15.63 |
| | | | Riders: | | | | Gas Supply Rate | | | |
| | | | | | | | Municipal Tax Adjustment | | | |
| | | | | | | | Interim Billing Determinant Rate Adjustment | | | |
| | | | | | | | Energy Efficiency Cost Recovery Rider | | | |
| | | | | | | | Formula Rate Plan Rider (adjusted annually, beginning the first business day of October, 2017) | | | |
| | | | Set-up TSO (Each Time) | Customer may switch between SSO and TSO seasonally provided they experience more than 80% of annual load during APR through OCT and who experience or anticipate an average daily demand of more than 25 MMBtu per day during any consecutive 30-day period of the preceding or succeeding APR through OCT. | | $ 300.00 | Customer may switch between SSO and TSO seasonally provided they experience more than 80% of annual load during APR through OCT and who experience or anticipate an average daily demand of more than 10 MMBtu per day during any consecutive 30-day period of the preceding or succeeding APR through OCT. | | | $ 300.00 |
| | | | Telemetering | | | | Telemetering is required for customers electing and qualifying for transportation service. Company shall install telemetry equipment of standard make and manufacture to determine hourly and daily flow at customer's point of delivery. Customer shall choose between analog telemetry and wireless telemetry, if suitable wireless service is available. Customer will pay Company for telemetry equipment under one of the following payment options as chosen by the customer: | | | |
| | | | | | | | Option 1: Customer agrees to provide an analog phone line for each meter and pay for standard telemetry equipment and installation costs for each meter. Customer will be subject to meter reading fees for an inoperable phone line for each meter. | | | |
| | | | | | | | Option 2: Customer will provide an analog phone line for each meter but elects to pay a monthly fee for standard telemetry equipment and installation costs for each meter. The Customer will be subject to meter reading fees for an inoperable phone line for each meter. | | | |
| | | | | | | | Non-pressure instrumentation per month per meter | | | $ 30.00 |
| | | | | | | | Pressure instrumentation per month per meter | | | $ 84.00 |
| | | | | | | | Option 3: Customer elects wireless service through CenterPoint for each meter and agrees to pay for standard telemetry equipment and installation costs for each meter. Customer will not be subject to meter reading fee. | | | |
| | | | | | | | Wireless service fee per month per meter | | | $ 10.00 |
| | | | | | | | Option 4: Customer elects wireless service through CenterPoint for each meter and elects to pay a monthly fee for the standard telemetry equipment and installation costs for each meter. The customer will not be subject to meter reading fees. | | | |
| | | | | | | | Non-pressure instrumentation per month per meter | | | $ 40.00 |
| | | | | | | | Pressure instrumentation per month per meter | | | $ 94.00 |
| | | | | | | | If customer chooses analog telemetry, then customer shall be responsible for installing and maintaining telecommunications lines. Should customer fail to maintain or repair telecommunications lines required to communicate with telemetry equipment, Company shall have the right to bill customer all labor and expense required to manually read the meter, at whatever intervals the Company may deem necessary. | | | |
| | | | | | | | If customer chooses wireless telemetry, then customer shall pay Company a monthly fee per meter for wireless telemetry service for the entire period such meter(s) is (are) served under this or any other transportation rate schedule. | | | $ 10.00 |
| The effect of the Company's proposed new rate schedules and tariff changes is to increase CenterPoint Arkla's net annual non-gas revenues in the City (approximately) | | | | | | | | | | $ 886,391 |
| The changes represent a total increase to the Company's revenues in the City of approximately: | | | | | | | | | | 10.1% |

Attachment: 2022-004 ATTH 02 2017 Tariff & EXH 'A' (3620 : 2022-004 ORD Reauthorizing Summit to charge natural gas rates)

# City of Texarkana, Texas

| Developing Perspectives and Goals Pending Approval by the City Council: | |
|---|---|
| **Perspectives** | **Goals** |
| Serve the Community | ☐ Promote an Environmentally Sensitive & Livable Community<br>☐ Provide a Safe Community<br>☑ Deliver Quality Services<br>☐ Foster a Healthy Community |
| Run the Operations | ☐ Enhance Community Preparedness & Responsiveness<br>☐ Maximize Partnership Opportunities<br>☐ Provide Courteous & Responsive Customer Service<br>☐ Model a Positive City Image<br>☑ Deliver Efficient Services<br>☐ Cultivate Community Involvement & Access |
| Manage the Resources | ☐ Maintain Fiscal Strength<br>☐ Maximize Utilization & Resources<br>☐ Invest in Infrastructure & Transportation |
| Develop Personnel | ☐ Develop a Skilled & Diverse Workforce<br>☐ Create a Positive & Rewarding Work Culture |
| **Perspectives and Goals Additional Comments:** | |

| Resource Impact: | |
|---|---|
| Staff time required if item is approved: | No Additional |
| **Other Potential Impacts:** | |

| Public Information Plan: | | | |
|---|---|---|---|
| ☐ | Newspaper Notice (Required by Statute) | ☐ | Public Hearing (Required by Statute) |
| ☐ | Public Forum/Input Session | ☐ | Press Release |
| ☐ | E-News Distribution | ☐ | Website Notice |
| ☐ | Social Media (Twitter, Facebook, etc.) | ☐ | Special Mailing |
| ☐ | Flyers Posted | ☐ | Banners Posted |
| ☐ | Survey | ☐ | Automated Phone Call |
| ☐ | None Required | ☐ | |
| Other: | | | |

Attachment: 2022-004 Goals & Perspectives (3620 : 2022-004 ORD Reauthorizing Summit to charge natural gas rates)

Attachment: 2022-004 ORD Reauthorizing Summit to charge for natural gas signed (3620 : 2022-004 ORD Reauthorizing Summit to charge

# ORDINANCE NO. 2022-004

**AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF TEXARKANA, TEXAS, AMENDING ORDINANCE NO. 2017-083, SUBSTITUTING SUMMIT UTILITIES ARKANSAS, INC., ASSIGNEE OF CENTERPOINT ENERGY RESOURCES CORP., AS THE NATURAL GAS PROVIDER AND FRANCHISE HOLDER FOR THE CITY OF TEXARKANA, TEXAS; REAUTHORIZING IDENTICAL RESIDENTIAL AND COMMERCIAL RATE SCHEDULES AUTHORIZED IN ORDINANCE NO. 2017-083 WITH EXCEPTIONS; ORDERING THE RATES TO BE CHARGED BY SUMMIT UTILITIES ARKANSAS, INC., FOR NATURAL GAS AND NATURAL GAS SERVICE TO RESIDENTIAL AND COMMERCIAL CUSTOMERS WITHIN THE CITY OF TEXARKANA, TEXAS; PROVIDING FOR REPEALER, SUPERSEDING, AND SEVERABILITY CLAUSES; AND ESTABLISHING AN EFFECTIVE DATE.**

**WHEREAS,** on August 28, 2017, by Ordinance No. 2017-083, the City Council approved rate schedules and service charges proposed for residential and commercial gas service by CenterPoint Energy Resources Corp., d/b/a Centerpoint Energy Arkansas Gas (CERC), and ordered CERC to file with the City Clerk tariff sheets containing residential and commercial rate schedules identical to those rate schedules included with said ordinance; and

**WHEREAS,** on June 11, 2021, CERC and Summit Utilities Arkansas, Inc. (SUA) filed with the Arkansas Public Service Commission a Joint Application for approval of a proposed transaction whereby CERC would sell, and SUA, as the ultimate owner and operator, would acquire certain of CERC's public utility natural gas assets, comprised of an operating unit or system, which provide service to customers in Arkansas, as well as certain areas located in Bowie County, Texas, including Texarkana, Texas; and

**WHEREAS,** on December 6, 2021, the Arkansas Public Service Commission, Docket No. 21-060-U, Order No. 11, found, ordered, and directed, among other things, that SUA has the experience and expertise to operate a public utility in compliance with Arkansas laws and regulations and provide quality customer service to CERC's Arkansas customers, granted a Certificate of Public Convenience and Necessity pursuant to Arkansas law to operate as a natural gas utility to provide natural gas services in Arkansas effective upon the closing of the transaction with CERC, and cancelled the Certificate of Public Convenience and Necessity of CERC to operate as a natural gas utility to provide natural gas services in Arkansas effective upon the closing of the transaction with SUA; and

**WHEREAS,** on December 13, 2021, SUA filed with the Arkansas Public Service Commission, in compliance with Docket No. 21-060-U, Order No. 11, a revised tariff consistent with the Order; and pertinent to the City of Texarkana, Texas, the revised Arkansas tariff eliminated or terminated two riders, the Trial Billing Determinant Adjustment Tariff (BDA) and Formula Rate Plan Rider (FRP), which had been directly referenced and incorporated in the City's tariff approved by the City Council by Ordinance No. 2017-083; and

**WHEREAS,** on January 18, 2022, SUA provided the City of Texarkana, Texas, with an "Assignment and Assumption of Franchises" effective January 10, 2022, executed by CERC as Assignor and SUA as Assignee, with CERC assigning and transferring to SUA all of CERC's right, title, and benefits as of the effective date to the natural gas franchise granted by Ordinance No. 335-84 of the City Council approved on November 12, 1984, as amended by Ordinance No. 188-87 approved on September 14, 1987, and Ordinance No. 241-05 approved on October 10, 2005 (collectively, "the City's Natural Gas Franchise Ordinances"), granting the right to enter upon the public ways to install, operate and maintain a distribution system along, across, over and under the public ways for the privilege of transporting, distributing and selling gas to consumers and the public generally within the corporate limits of the City of Texarkana, Texas; and

**WHEREAS,** the City of Texarkana, Texas, by Ordinance No. 2022-003, duly enacted on the Third and Final Reading on February 14, 2022, approved the assignment and transfer to SUA, as Assignee of CERC, of the City's Natural Gas Franchise Ordinances (that is, the non-exclusive franchise privilege to SUA) for natural gas and natural gas service to residential and commercial customers within the City of Texarkana, Texas; and

**WHEREAS,** SUA proposes no increase in the City's rates, but rather a continuation of the same tariff approved by the City Council in Ordinance No. 2017-083 except for deleting the defunct BDA and FRP riders given the elimination of said riders from the Arkansas tariff structure; and

**WHEREAS,** the City Council found and determined, in Ordinance No. 2017-083, that the rate schedules and service charges proposed for residential and commercial gas service were just, proper, reasonable, and lawful rates for such natural gas service, and that finding and determination has not changed notwithstanding the elimination of the defunct BDA and FRP riders given the elimination or termination of said riders from the Arkansas tariff structure; and

**WHEREAS,** by this Ordinance, the City Council amends Ordinance No. 2017-083 to substitute SUA in place of CERC as the natural gas provider and, except for deletion of the BDA and FRP riders, reauthorizes the residential and commercial rate schedules identical to those rate schedules authorized in Ordinance No. 2017-083.

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

**SECTION 1**. Upon SUA filing with the City Secretary a fully-executed written acceptance of Ordinance No. 2022-003 as set out in Exhibit "A" to that ordinance (that is, accepting the assignment and transfer of the City's public utility franchise and agreeing to abide by the terms of the City's Natural Gas Franchise Ordinances), Ordinance No. 2017-083 is amended as follows:

a. SUA is substituted in place of CERC as the natural gas provider and franchise holder for the City of Texarkana, Texas;

b. The residential and commercial rate schedules authorized in Ordinance No. 2017-083 are reauthorized, with the exception of the BDA and FRP riders which are now defunct given the elimination or termination of said riders from the Arkansas tariff structure; and

Attachment: 2022-004 ORD Reauthorizing Summit to charge for natural gas signed (3620 : 2022-004 ORD Reauthorizing Summit to charge

c. SUA is hereby ordered to issue and file with the City Secretary of the City of Texarkana, Texas, tariff sheets in the form that SUA has proposed and submitted to the City, attached hereto as Exhibit "A", substituting SUA in place of CERC, deleting the BDA and FRP riders, containing the applicable effective date, and containing in all other respects residential and commercial rate schedules identical to those rate schedules authorized in Ordinance No. 2017-083.

**SECTION 2**. The rates and rate schedules ordered in Section 1 of this Ordinance and as set out in Exhibit "A" to be filed with the City are hereby adopted, established, and authorized as proper, reasonable, and lawful rates for such natural gas service; and such rates and rate schedules are to be observed by SUA, its successors and assigns, until changed as provided by the Gas Utility Regulatory Act, Texas Utility Code Chapter 101, *et seq.*

**SECTION 3**. This Order, determining the level of rates to be charged and applied by SUA, shall be served upon SUA by United States Mail.

**SECTION 4**. The tariff sheets approved by this Ordinance shall become effective retroactive with bills rendered on or after January 10, 2022.

**SECTION 5**. Although the form of the Exhibit "A" tariff that SUA has proposed and submitted to the City references other Texas municipalities in the footer of each page, nothing in this Ordinance should be construed as the City Council exercising any jurisdiction or authority on behalf of said municipalities in approving tariffs, rates, or rate schedules for those municipalities; no such jurisdiction nor authority has been extended to the City, and such should not be inferred.

**SECTION 6**. All applications and motions to intervene in this matter, if any, however designated, are hereby denied.

**SECTION 7**. Except as otherwise provided below, all ordinances or parts of ordinances in conflict herewith are specifically repealed to the extent of such conflict; provided, however, that nothing in this ordinance shall be construed to repeal, modify, or interpret (i) Ordinance No. 2017-083 except as amended by Section 1 of this ordinance, and (ii) Ordinance No. 2022-003 or the City's Natural Gas Franchise Ordinances, which shall also supersede and control over this ordinance in the event any part of this ordinance shall be declared to be in conflict or noncompliant with either Ordinance No. 2022-003 or the City's Natural Gas Franchise Ordinances. Notwithstanding any other section of this ordinance, the City Council, having been made aware of SUA's tariff and rate structure for the State of Arkansas which includes a new three-year customer credit rider, does not by this ordinance find or affirm that the absence or lack of a commensurate credit inuring to the benefit of the City of Texarkana, Texas, in the rates and rate schedules as set out in Exhibit "A" complies with Ordinance No. 335-84.

**SECTION 8**. If any portion of the rates or service charges established herein shall be declared invalid for any reason, the invalidity hereof shall in no manner affect the validity and enforcement of the remainder of such rates for service charges.

Attachment: 2022-004 ORD Reauthorizing Summit to charge for natural gas signed (3620 : 2022-004 ORD Reauthorizing Summit to charge

**SECTION 9:** This Ordinance shall be in full force and effect from and after its passage and approval.

**PASSED AND APPROVED** in Regular Council Session on this the **14th day of February, 2022.**

**ATTEST:**

Jennifer Evans, City Secretary

Bob Bruggeman, Mayor

6:24p.m.

Attachment: 2022-004 ORD Reauthorizing Summit to charge for natural gas signed (3620 : 2022-004 ORD Reauthorizing Summit to charge

**City of Texarkana, Texas**

Version:

# Briefing Sheet

**Update Date:** 12/7/2021 1:51 PM

| | | | |
|---|---|---|---|
| **Lead Department:** | Planning & Zoning Commission | **Action Officer:** | Laura Puckett, Administrative Coordinator |
| **Subject:** | Ordinance No. 2021-107 rezoning an approximate 1.89-acre tract of land (being Tract 139) in the J. W. Johnson HRS, A-308, located at the southwest corner of Jameson Street and Texarkana Avenue from Single Family-2 to Single Family-3. Anthony Lockhart and Latremont McCutchin, owners and John Lane, Agent. | | |

**Briefing:** 1/10/2022 **Public Hearing:** 1/10/2022 **Council Vote:** 1/10/2022

**Item Schedule**

Schedule 1: Brief twice - vote once (six weeks)

**Updates/History of Briefing:**

NOT APPLICABLE

**Executive Summary and Background Information:**

This is a request by Anthony Lockhart and Latremont McCutchin, owners and John Lane, agent, to rezone an approximate 1.89-acre tract of land (being Tract 139) in the J. W. Johnson HRS, A-308, located at the southwest corner of Jameson Street and Texarkana Avenue from Single Family-2 to Single Family-3. The property is currently vacant land. The proposed use is a double wide HUD code manufactured home.

The adjacent zoning is Single Family-2 to the north, south, east, and west. The adjacent land use is vacant land to the north, west and east and a residence the south.

The Future Land Use Map has designated this property as “Industrial”.

The City’s Zoning Ordinance was amended to comply with the state law in 2002, requiring that all manufactured housing be HUD code building standard. This amendment also stipulated that all HUD code manufactured homes inside the city limits be placed in the Single Family-3 zoning district along with the approval of a Specific Use Permit.

There are manufactured homes located in the immediate area. HUD code double wide manufactured housing looks like some of the existing frame pier and beam houses in the area. This type housing could also be a revitalization housing alternative to traditional site-built homes. Therefore, staff recommends for approval of this request.

The applicant should also be aware that if this zoning change is approved, all other applicable city code/ordinance requirements must be met including but not limited to building codes, setbacks, subdivision, fire, parking, drainage, water and sewer prior to the issuance of building permits.

All notification and application requirements have been met to consider this request.

**Potential Options:**

Approve or deny

**Fiscal Implications:**

NOT APPLICABLE

**Staff Recommendation:**

Staff Recommends for approval of this request.

**Advisory Board/Committee Review:**

Planning and Zoning Commission

**Board/Committee Recommendation:**

The Planning and Zoning Commission unanimously voted to recommend for approval.

**Advisory Board/Committee Meeting Date and Minutes:**

November 1, 2021

**Attachments**

a. 2021-107 ORD Rezoning sw corner of Jameson St and Texarkana Ave (DOCX)
b. 2021-107 EXH 'A' (Legal Description) (PDF)
c. 2021-107 ATTH 01 (Maps) (PDF)
d. 2021-107 Goals & Perspectives (PDF)
e. 2021-107 ORD rez. SW corner Jameson and Texarkana signed (PDF)

**Staff Coordination**

| | | | | |
|---|---|---|---|---|
| Building Code Administration | Mashell Daniel | Review | Completed | 12/07/2021 1:29 PM |
| City Manager | David Orr | Review | Completed | 12/07/2021 3:27 PM |
| City Council | Jennifer Evans | Meeting | Completed | 12/13/2021 6:00 PM |

**Meeting History**

12/13/21 City Council MOVED FORWARD Next: 01/10/22

Z-21-22

# ORDINANCE NO. 2021-107

**AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF TEXARKANA, TEXAS, AMENDING THE ZONING ORDINANCE OF THE CITY OF TEXARKANA, TEXAS, BY REZONING A 1.89-ACRE TRACT OF LAND (BEING TRACT 139), IN THE J. W. JOHNSON HRS, A-308, LOCATED AT THE SOUTHWEST CORNER OF JAMESON STREET AND TEXARKANA AVENUE, IN THE CITY OF TEXARKANA, BOWIE COUNTY, TEXAS FROM SINGLE FAMILY-2 TO SINGLE FAMILY-3; CONTAINING A REPEALER CLAUSE; CONTAINING A SEVERABILITY CLAUSE; AND ESTABLISHING AN EFFECTIVE DATE.**

**WHEREAS**, an application has been filed requesting an amendment to the Zoning Ordinance of the City of Texarkana, Texas, to rezone an approximate **1.89-acre tract of land (being Tract 139) in the J.W. Johnson HRS, A-308, located at the southwest corner of Jameson Street and Texarkana Avenue,** in the City of Texarkana, Bowie County, Texas, from **Single Family-2 to Single Family-3**; and

**WHEREAS**, the Planning and Zoning Commission of the City of Texarkana, Texas, and the City Council of the City of Texarkana, Texas, in compliance with the laws of the State of Texas with reference to the granting of zoning classifications and changes, have given the requisite notices by publication and otherwise, and have afforded and held full and fair hearings to all property owners generally and to all persons interested and situated in the affected area and in the vicinity thereof; and

**WHEREAS**, after consideration of said application, the Planning and Zoning Commission of the City of Texarkana, Texas, **voted unanimously five (5) to zero (0) to recommend the application for rezoning from Single Family-2 to Single Family-3, on an approximate 1.89-acre tract of land (being Tract 139) in the J.W. Johnson HRS, A-308, located at the southwest corner of Jameson Street and Texarkana Avenue** to the City Council of Texarkana, Texas; and

**WHEREAS**, after consideration of said application and the recommendation of the Planning and Zoning Commission, the City Council of the City of Texarkana, Texas, does hereby find that rezoning the property from **Single Family-2 to Single Family-3** is in the best interest of the public health, safety, morals and general welfare of the City.

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

**SECTION 1:** That the Zoning Ordinance of the City of Texarkana, Texas, Ordinance No. 127-70, passed and approved on September 14, 1970, be and is hereby further amended to rezone an approximate 1.89-acre tract of land (being Tract 139) in the J.W. Johnson HRS, A-308, located at the southwest corner of Jameson Street and Texarkana Avenue in the City of Texarkana, Bowie County, Texas, from **Single Family-2 to Single Family-3.**

Attachment: 2021-107 ORD Rezoning sw corner of Jameson St and Texarkana Ave (3605 : 2021-107 ORD rezoning from SF2 to SF3 SW corner

**SECTION 2:** It is further provided that in case a section, clause, sentence or part of this ordinance shall be deemed or adjudged by a court of competent jurisdiction to be invalid, then such invalidity shall not affect, impair, or invalidate the remainder of this ordinance.

**SECTION 3:** All ordinances or parts of ordinances in conflict herewith are specifically repealed to the extent of such conflict.

**SECTION 4:** That this ordinance shall be in full force and effect from and after its passage and approval.

**PASSED AND APPROVED** in Regular Council Session on this the **10th day of January, 2022.**

ATTEST:

_____ _____

JENNIFER EVANS, CITY SECRETARY BOB BRUGGEMAN, MAYOR

Attachment: 2021-107 ORD Rezoning sw corner of Jameson St and Texarkana Ave (3605 : 2021-107 ORD rezoning from SF2 to SF3 SW corner

2020-8 ... Total Pages: 4

**NOTICE OF CONFIDENTIALITY RIGHTS: IF YOU ARE A NATURAL PERSON, YOU MAY REMOVE OR STRIKE ANY OR ALL OF THE FOLLOWING INFORMATION FROM ANY INSTRUMENT THAT TRANSFERS AN INTEREST IN REAL PROPERTY BEFORE IT IS FILED FOR RECORD IN THE PUBLIC RECORDS: YOUR SOCIAL SECURITY NUMBER OR YOUR DRIVER'S LICENSE NUMBER.**

20245049D

# GENERAL WARRANTY DEED

THE STATE OF TEXAS §
§ KNOW ALL MEN BY THESE PRESENTS:
COUNTY OF BOWIE §

THAT THE UNDERSIGNED, **GREATER NEW HOPE BAPTIST CHURCH, an unincorporated association**, formerly known as NEW HOPE BAPTIST CHURCH with an address of 1101 Phenie St., Texarkana, TX 75501, hereinafter referred to as "Grantor," whether one or more, for and in consideration of the sum of TEN DOLLARS ($10.00) cash, and other good and valuable consideration in hand paid by the Grantee, herein named, the receipt and sufficiency of which is hereby fully acknowledged and confessed, has GRANTED, SOLD, and CONVEYED, and by these presents does hereby GRANT, SELL, and CONVEY unto **ANTHONY LOCKHART and LATREMONT D. MCCUTCHIN**, with an address of 12811 Cooper Cliff Ave. #A Austin, TX 78727, herein referred to as "Grantee," whether one or more, the real property described as follows:

All that certain tract or parcel of land situated in Bowie County, Texas, a part of the J.W. JOHNSON HEADRIGHT SURVEY, A-308, and being Lot 1 of the partition of a 5 acre tract between George Smith, Ed Harper and Henry Harper, recorded in Volume 79, Page 191, Deed Records of Bowie County, Texas, and being more particularly described as follows:

BEGINNING at the SW corner of Lot 1, same being the SE corner of Lot 2 and in the NBL of Lot 3 of the above mentioned partition of 5 acre tract, said point of beginning being an existing fence corner;

THENCE N 27° 00' W, with an existing fence line and its projection, 433.0 feet to a point in the NBL of said 5 acre tract, same being the NBL of J.W. Johnson HRS, Bowie County, Texas, said point also being in a street designated as Jamison Street;

THENCE E with said NBL of 5 acre tract and Johnson HRS, 269.358 feet to the NE corner of said 5 acre tract, same being in the intersection of said Jamison St. and a street designated as Texarkana Ave;

THENCE S 27° 00' E, with the EBL of said 5 acre tract, 270.213 feet to a point;

THENCE S 63° 00' W, 174.0 feet to a point;

THENCE S 27° 00' E, 40.5 feet to a point;

THENCE S 63° 00' W, 66.0 feet to the POINT OF BEGINNING and containing 1.887 acres of land, more or less.



Attachment: 2021-107 EXH 'A' (Legal Description) (3605 : 2021-107 ORD rezoning from SF2 to SF3 SW corner Jameson & Texarkana Ave)

SAVE AND EXCEPT 0.2050 acres (8928.55 sq. ft.) of land, more or less, conveyed to the State of Texas by deed dated May 17, 1991, filed for record on June 24, 1991, in Volume 1629, Page 204, Real Property Records of Bowie County, Texas.

**Reservations from Conveyance:**

None

**Exceptions to Conveyance and Warranty:**

Liens described as part of the Consideration and any other liens described in this deed as being either assumed or subject to which title is taken; validly existing easements, rights-of-way, and prescriptive rights, whether of record or not; all presently recorded and validly existing restrictions, reservations, covenants, conditions, oil and gas leases, mineral interests, and water interests outstanding in persons other than Grantor, and other instruments, other than conveyances of the surface fee estate, that affect the Property; validly existing rights of adjoining owners in any walls and fences situated on a common boundary; any discrepancies, conflicts, or shortages in area or boundary lines; any encroachments or overlapping of improvements; and taxes for 2020, which Grantee assumes and agrees to pay, but not subsequent assessments for that and prior years due to change in land usage, ownership, or both, the payment of which Grantor assumes.

TO HAVE AND TO HOLD the above described premises, together with all the rights and appurtenances lawfully accompanying it, by the Grantee, Grantee's heirs, executors, administrators, successors, and/or assigns forever; and Grantor does hereby bind Grantor, Grantor's heirs, executors, administrators, successors, and/or assigns to WARRANT AND FOREVER DEFEND all the said premises unto the said Grantee, Grantee's heirs, executors, administrators, successors, and/or assigns, against every person whomsoever claiming or to claim the same or any part thereof.

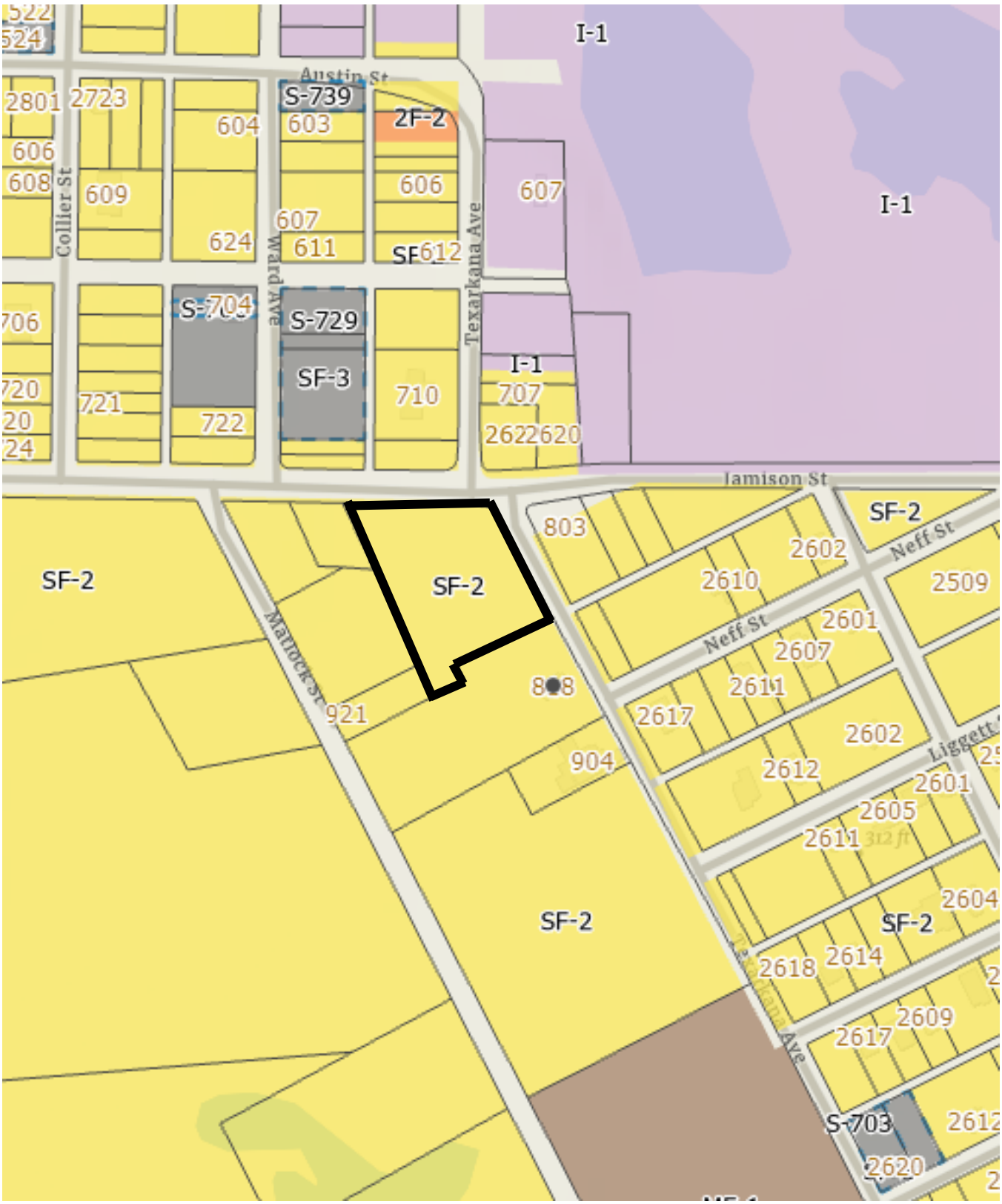
Current ad valorem taxes on said property having been prorated, the payment thereof is assumed by Grantee.

*[Remainder of this page left intentionally blank.]*



Attachment: 2021-107 EXH 'A' (Legal Description) (3605 : 2021-107 ORD rezoning from SF2 to SF3 SW corner Jameson & Texarkana Ave)

# SW Corner of Jameson and Texarkana Ave.




Attachment: 2021-107 ATTH 01 (Maps) (3605 : 2021-107 ORD rezoning from SF2 to SF3 SW corner Jameson & Texarkana Ave)

# SW Corner of Jameson and Texarkana Ave.




Attachment: 2021-107 ATTH 01 (Maps) (3605 : 2021-107 ORD rezoning from SF2 to SF3 SW corner Jameson & Texarkana Ave)

**Developing Perspectives and Goals Pending Approval by the City Council:**

| Perspectives | Goals |
|---|---|
| Serve the Community | ☐ Promote an Environmentally Sensitive & Livable Community<br>☐ Provide a Safe Community<br>☑ Deliver Quality Services<br>☐ Foster a Healthy Community |
| Run the Operations | ☐ Enhance Community Preparedness & Responsiveness<br>☐ Maximize Partnership Opportunities<br>☑ Provide Courteous & Responsive Customer Service<br>☐ Model a Positive City Image<br>☑ Deliver Efficient Services<br>☐ Cultivate Community Involvement & Access |
| Manage the Resources | ☐ Maintain Fiscal Strength<br>☐ Maximize Utilization & Resources<br>☐ Invest in Infrastructure & Transportation |
| Develop Personnel | ☐ Develop a Skilled & Diverse Workforce<br>☐ Create a Positive & Rewarding Work Culture |

**Perspectives and Goals Additional Comments:**

NONE

**Resource Impact:**

| | |
|---|---|
| Staff time required if item is approved: | No Additional |

**Other Potential Impacts:**

NONE APPLICABLE

**Public Information Plan:**

| | | | |
|---|---|---|---|
| ☐ | Newspaper Notice (Required by Statute) | ☐ | Public Hearing (Required by Statute) |
| ☐ | Public Forum/Input Session | ☐ | Press Release |
| ☐ | E-News Distribution | ☐ | Website Notice |
| ☐ | Social Media (Twitter, Facebook, etc.) | ☐ | Special Mailing |
| ☐ | Flyers Posted | ☐ | Banners Posted |
| ☐ | Survey | ☐ | Automated Phone Call |
| ☑ | None Required | ☐ | |

Other:

Attachment: 2021-107 Goals & Perspectives (3605 : 2021-107 ORD rezoning from SF2 to SF3 SW corner Jameson & Texarkana Ave)

Z-21-22

# ORDINANCE NO. 2021-107

**AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF TEXARKANA, TEXAS, AMENDING THE ZONING ORDINANCE OF THE CITY OF TEXARKANA, TEXAS, BY REZONING A 1.89-ACRE TRACT OF LAND (BEING TRACT 139), IN THE J. W. JOHNSON HRS, A-308, LOCATED AT THE SOUTHWEST CORNER OF JAMESON STREET AND TEXARKANA AVENUE, IN THE CITY OF TEXARKANA, BOWIE COUNTY, TEXAS FROM SINGLE FAMILY-2 TO SINGLE FAMILY-3; CONTAINING A REPEALER CLAUSE; CONTAINING A SEVERABILITY CLAUSE; AND ESTABLISHING AN EFFECTIVE DATE.**

**WHEREAS**, an application has been filed requesting an amendment to the Zoning Ordinance of the City of Texarkana, Texas, to rezone an approximate **1.89-acre tract of land (being Tract 139) in the J.W. Johnson HRS, A-308, located at the southwest corner of Jameson Street and Texarkana Avenue,** in the City of Texarkana, Bowie County, Texas, from **Single Family-2 to Single Family-3**; and

**WHEREAS**, the Planning and Zoning Commission of the City of Texarkana, Texas, and the City Council of the City of Texarkana, Texas, in compliance with the laws of the State of Texas with reference to the granting of zoning classifications and changes, have given the requisite notices by publication and otherwise, and have afforded and held full and fair hearings to all property owners generally and to all persons interested and situated in the affected area and in the vicinity thereof; and

**WHEREAS**, after consideration of said application, the Planning and Zoning Commission of the City of Texarkana, Texas, **voted unanimously five (5) to zero (0) to recommend the application for rezoning from Single Family-2 to Single Family-3, on an approximate 1.89-acre tract of land (being Tract 139) in the J.W. Johnson HRS, A-308, located at the southwest corner of Jameson Street and Texarkana Avenue** to the City Council of Texarkana, Texas; and

**WHEREAS**, after consideration of said application and the recommendation of the Planning and Zoning Commission, the City Council of the City of Texarkana, Texas, does hereby find that rezoning the property from **Single Family-2 to Single Family-3** is in the best interest of the public health, safety, morals and general welfare of the City.

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

**SECTION 1:** That the Zoning Ordinance of the City of Texarkana, Texas, Ordinance No. 127-70, passed and approved on September 14, 1970, be and is hereby further amended to rezone an approximate 1.89-acre tract of land (being Tract 139) in the J.W. Johnson HRS, A-308, located at the southwest corner of Jameson Street and Texarkana Avenue in the City of Texarkana, Bowie County, Texas, from **Single Family-2 to Single Family-3.**

Attachment: 2021-107 ORD rez. SW corner Jameson and Texarkana signed (3605 : 2021-107 ORD rezoning from SF2 to SF3 SW corner

**SECTION 2:** It is further provided that in case a section, clause, sentence or part of this ordinance shall be deemed or adjudged by a court of competent jurisdiction to be invalid, then such invalidity shall not affect, impair, or invalidate the remainder of this ordinance.

**SECTION 3:** All ordinances or parts of ordinances in conflict herewith are specifically repealed to the extent of such conflict.

**SECTION 4:** That this ordinance shall be in full force and effect from and after its passage and approval.

**PASSED AND APPROVED** in Regular Council Session on this the **10th day of January, 2022.**

ATTEST:

JENNIFER EVANS, CITY SECRETARY

BOB BRUGGEMAN, MAYOR

6:28p.m.

Attachment: 2021-107 ORD rez. SW corner Jameson and Texarkana signed (3605 : 2021-107 ORD rezoning from SF2 to SF3 SW corner

**City of Texarkana, Texas**

Version:

# Briefing Sheet

**Update Date:** 12/9/2021 9:13 AM

**Lead Department:** Planning & Zoning Commission **Action Officer:** Laura Puckett, Administrative Coordinator

**Subject:** Ordinance No. 2021-108 granting a Specific Use Permit to allow the location of a double-wide HUD code manufactured home as a residence on a 1.89-acre tract of land (being Tract 139) in the J.W. Johnson HRS, A-308, located at the southwest corner of Jameson Street and Texarkana Avenue. Anthony Lockhart and Latremont McCutchin, owners, and John Lane agent.

**Briefing:** 1/10/2022 **Public Hearing:** 1/10/2022 **Council Vote:** 1/10/2022

**Item Schedule**

Schedule 1: Brief twice - vote once (six weeks)

**Updates/History of Briefing:**

NOT APPLICABLE

**Executive Summary and Background Information:**

This is a request by Anthony Lockhart and Latremont McCutchin, owners, and John Lane, agent, for a Specific Use Permit to allow the location of a double wide HUD code manufactured home as a residence on a 1.89-acre tract of land (being Tract 139) in the J.W. Johnson HRS, A-308, located at the southwest corner of Jameson Street and Texarkana Avenue. The property is currently vacant land.

The adjacent zoning is Single Family-2 to the north, south, east, and west. The adjacent land use is vacant land to the north, west, and east, and a residence to the south.

The Future Land Use Map has designated this property as “Industrial”.

The City’s Zoning Ordinance was amended to comply with the state law in 2002, requiring that all manufactured housing be HUD code building standard. This amendment also stipulated that all HUD code manufactured homes inside the city limits be placed in the Single Family-3 zoning district along with the approval of a Specific Use Permit.

Staff recommends for approval of this request with the following stipulations:

1. That one 2020 or newer double wide HUD code manufactured home be allowed on this property.
2. That the double wide HUD code manufactured home be tied down/skirted/underpinned.
3. That the double wide HUD code manufactured home be used for dwelling purposes only, human occupancy only.
4. That the Specific Use Permit be in effect for a period of three (3) years, beginning at the date of this Ordinance. It is the owner’s responsibility to renew this permit.
5. That if the HUD code manufactured home is not placed on the property within the three (3) year period, the Specific Use Permit will automatically be revoked.

6. That all driveways, parking, building codes/setbacks, engineered foundation, platting and flood plain requirements must be in accordance with the City of Texarkana, Texas codes.

All notification and application requirements have been met to consider this request.

**Potential Options:**

Approve or deny

**Fiscal Implications:**

NOT APPLICABLE

**Staff Recommendation:**

Staff recommends for approval of this request with stipulations.

**Advisory Board/Committee Review:**

Planning and Zoning Commission

**Board/Committee Recommendation:**

The Planning and Zoning Commission unanimously recommended for approval with stipulations.

**Advisory Board/Committee Meeting Date and Minutes:**

November 1, 2021

**Attachments**

a. 2021-108 ORD SUP sw corner Jameson and Texarkana Ave (DOCX)
b. 2021-108 EXH 'A' (Legal Description) (PDF)
c. 2021-108 ATTH 01 (Maps) (PDF)
d. 2021-108 ATTH 02 (Photos and Floor Plan) (PDF)
e. 2021-108 Goals & Perspectives (PDF)
f. 2021-108 ORD SUP HUD home Jameson and Texarkana signed (PDF)

**Staff Coordination**

| | | | | |
|---|---|---|---|---|
| Building Code Administration | | Mashell Daniel | Reviewer | Completed 12/07/2021 1:30 PM |
| City Manager | David Orr | Review | Completed | 12/07/2021 3:26 PM |
| City Council | Jennifer Evans | Meeting | Completed | 12/13/2021 6:00 PM |

**Meeting History**

12/13/21 City Council MOVED FORWARD Next: 01/10/22

S-747

# ORDINANCE NO. 2021-108

**AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF TEXARKANA, TEXAS, AMENDING THE ZONING MAP SHOWING THE LOCATION, BOUNDARY AND USE OF CERTAIN PROPERTY BY THE GRANTING OF SPECIFIC USE PERMIT NO. S-747 TO ALLOW THE LOCATION OF A DOUBLE-WIDE HUD CODE MANUFACTURED HOME ON A 1.89-ACRE TRACT OF LAND (BEING TRACT 139) IN THE J.W. JOHNSON HRS, A-308, LOCATED AT THE SOUTHWEST CORNER OF JAMESON STREET AND TEXARKANA AVENUE, IN THE CITY OF TEXARKANA, BOWIE COUNTY, TEXAS; CONTAINING A REPEALER CLAUSE; CONTAINING A SEVERABILITY CLAUSE; AND ESTABLISHING AN EFFECTIVE DATE.**

**WHEREAS**, an application has been filed with the City of Texarkana, Texas, requesting an amendment to the Zoning Ordinance to grant a **Specific Use Permit** to allow the location of a double-wide HUD Code manufactured home on an approximate **1.89-acre tract of land (being Tract 139) in the J.W. Johnson HRS, A-308, located at the southwest corner of Jameson Street and Texarkana Avenue**, in the City of Texarkana, Bowie County, Texas; and

**WHEREAS**, the Planning and Zoning Commission of the City of Texarkana, Texas, and the City Council of the City of Texarkana, Texas, in compliance with the laws of the State of Texas with reference to the granting of zoning classifications and changes, have given the requisite notices by publication and otherwise, and have afforded and held full and fair hearings to all property owners generally and to all persons interested and situated in the affected area and in the vicinity thereof; and

**WHEREAS**, after consideration of said application, the Planning and Zoning Commission of the City of Texarkana, Texas, voted **unanimously five (5) to zero (0) to recommend** to the City Council of Texarkana, Texas, that a **Specific Use Permit be granted to allow the location of a double-wide HUD Code manufactured home** on said property; and

**WHEREAS**, after consideration of said application and the recommendation of the Planning and Zoning Commission, the City Council of the City of Texarkana, Texas, does hereby find that granting the **Specific Use Permit** is in the best interest of the public health, safety, morals and general welfare of the City.

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

**SECTION 1:** That the Zoning Ordinance of the City of Texarkana, Texas, Ordinance No. 127-70, passed and approved on September 14, 1970, be further amended to grant **Specific Use Permit Numbered S-747** for the location of a double-wide HUD Code manufactured home on an 1.89-acre tract of land (being Tract 139) in the J.W. Johnson HRS, A-308, located at the southwest corner of Jameson Street and Texarkana Avenue, in the City of Texarkana, Bowie County, Texas.

Attachment: 2021-108 ORD SUP sw corner Jameson and Texarkana Ave (3606 : 2021-108 ORD SUP HUD code Mnfctrd home SW Corner of

**SECTION 2:** That the following stipulations are hereby imposed and made a part of this ordinance:

1. That one 2020 or newer double-wide HUD code manufactured home be allowed on this property.
2. That the double-wide HUD code manufactured home be tied down/skirted/underpinned.
3. That the double-wide HUD code manufactured home be used for dwelling purposes only, human occupancy only.
4. That the Specific Use Permit be in effect for a period of three (3) years, beginning at the date of this ordinance. It is the owner's responsibility to renew this permit.
5. That if the HUD code manufactured home is not placed on the property within the three (3) year period, the Specific Use Permit will automatically be revoked.
6. That all driveways, parking, building codes/setbacks, engineered foundation, platting and flood plain requirements must be in accordance with the City of Texarkana, Texas codes.

**SECTION 3:** All ordinances or parts of ordinances in conflict herewith are specifically repealed to the extent of such conflict.

**SECTION 4:** It is further provided that in case a section, clause, sentence or part of this ordinance shall be deemed or adjudged by a court of competent jurisdiction to be invalid, then such invalidity shall not affect, impair, or invalidate the remainder of this ordinance.

**SECTION 5:** That this ordinance shall be in full force and effect from and after its passage and approval.

**PASSED AND APPROVED** in Regular Council Session on this the **10th day of January, 2022.**

ATTEST:

_____ _____

JENNIFER EVANS, CITY SECRETARY BOB BRUGGEMAN, MAYOR

Attachment: 2021-108 ORD SUP sw corner Jameson and Texarkana Ave (3606 : 2021-108 ORD SUP HUD code Mnfctrd home SW Corner of

2021-108 EXH 'A'

2020-8 ... Total Pages: 4

**NOTICE OF CONFIDENTIALITY RIGHTS: IF YOU ARE A NATURAL PERSON, YOU MAY REMOVE OR STRIKE ANY OR ALL OF THE FOLLOWING INFORMATION FROM ANY INSTRUMENT THAT TRANSFERS AN INTEREST IN REAL PROPERTY BEFORE IT IS FILED FOR RECORD IN THE PUBLIC RECORDS: YOUR SOCIAL SECURITY NUMBER OR YOUR DRIVER'S LICENSE NUMBER.**

20245049D

# GENERAL WARRANTY DEED

THE STATE OF TEXAS §
§ KNOW ALL MEN BY THESE PRESENTS:
COUNTY OF BOWIE §

THAT THE UNDERSIGNED, **GREATER NEW HOPE BAPTIST CHURCH, an unincorporated association**, formerly known as NEW HOPE BAPTIST CHURCH with an address of 1101 Phenie St., Texarkana, TX 75501, hereinafter referred to as "Grantor," whether one or more, for and in consideration of the sum of TEN DOLLARS ($10.00) cash, and other good and valuable consideration in hand paid by the Grantee, herein named, the receipt and sufficiency of which is hereby fully acknowledged and confessed, has GRANTED, SOLD, and CONVEYED, and by these presents does hereby GRANT, SELL, and CONVEY unto **ANTHONY LOCKHART and LATREMONT D. MCCUTCHIN**, with an address of 12811 Cooper Cliff Ave. #A Austin, TX 78727, herein referred to as "Grantee," whether one or more, the real property described as follows:

All that certain tract or parcel of land situated in Bowie County, Texas, a part of the J.W. JOHNSON HEADRIGHT SURVEY, A-308, and being Lot 1 of the partition of a 5 acre tract between George Smith, Ed Harper and Henry Harper, recorded in Volume 79, Page 191, Deed Records of Bowie County, Texas, and being more particularly described as follows:

BEGINNING at the SW corner of Lot 1, same being the SE corner of Lot 2 and in the NBL of Lot 3 of the above mentioned partition of 5 acre tract, said point of beginning being an existing fence corner;

THENCE N 27° 00' W, with an existing fence line and its projection, 433.0 feet to a point in the NBL of said 5 acre tract, same being the NBL of J.W. Johnson HRS, Bowie County, Texas, said point also being in a street designated as Jamison Street;

THENCE E with said NBL of 5 acre tract and Johnson HRS, 269.358 feet to the NE corner of said 5 acre tract, same being in the intersection of said Jamison St. and a street designated as Texarkana Ave;

THENCE S 27° 00' E, with the EBL of said 5 acre tract, 270.213 feet to a point;

THENCE S 63° 00' W, 174.0 feet to a point;

THENCE S 27° 00' E, 40.5 feet to a point;

THENCE S 63° 00' W, 66.0 feet to the POINT OF BEGINNING and containing 1.887 acres of land, more or less.



Attachment: 2021-108 EXH 'A' (Legal Description) (3606 : 2021-108 ORD SUP HUD code Mnfctrd home SW Corner of Jameson & Texarkana Ave)

SAVE AND EXCEPT 0.2050 acres (8928.55 sq. ft.) of land, more or less, conveyed to the State of Texas by deed dated May 17, 1991, filed for record on June 24, 1991, in Volume 1629, Page 204, Real Property Records of Bowie County, Texas.

**Reservations from Conveyance:**

None

**Exceptions to Conveyance and Warranty:**

Liens described as part of the Consideration and any other liens described in this deed as being either assumed or subject to which title is taken; validly existing easements, rights-of-way, and prescriptive rights, whether of record or not; all presently recorded and validly existing restrictions, reservations, covenants, conditions, oil and gas leases, mineral interests, and water interests outstanding in persons other than Grantor, and other instruments, other than conveyances of the surface fee estate, that affect the Property; validly existing rights of adjoining owners in any walls and fences situated on a common boundary; any discrepancies, conflicts, or shortages in area or boundary lines; any encroachments or overlapping of improvements; and taxes for 2020, which Grantee assumes and agrees to pay, but not subsequent assessments for that and prior years due to change in land usage, ownership, or both, the payment of which Grantor assumes.

TO HAVE AND TO HOLD the above described premises, together with all the rights and appurtenances lawfully accompanying it, by the Grantee, Grantee's heirs, executors, administrators, successors, and/or assigns forever; and Grantor does hereby bind Grantor, Grantor's heirs, executors, administrators, successors, and/or assigns to WARRANT AND FOREVER DEFEND all the said premises unto the said Grantee, Grantee's heirs, executors, administrators, successors, and/or assigns, against every person whomsoever claiming or to claim the same or any part thereof.

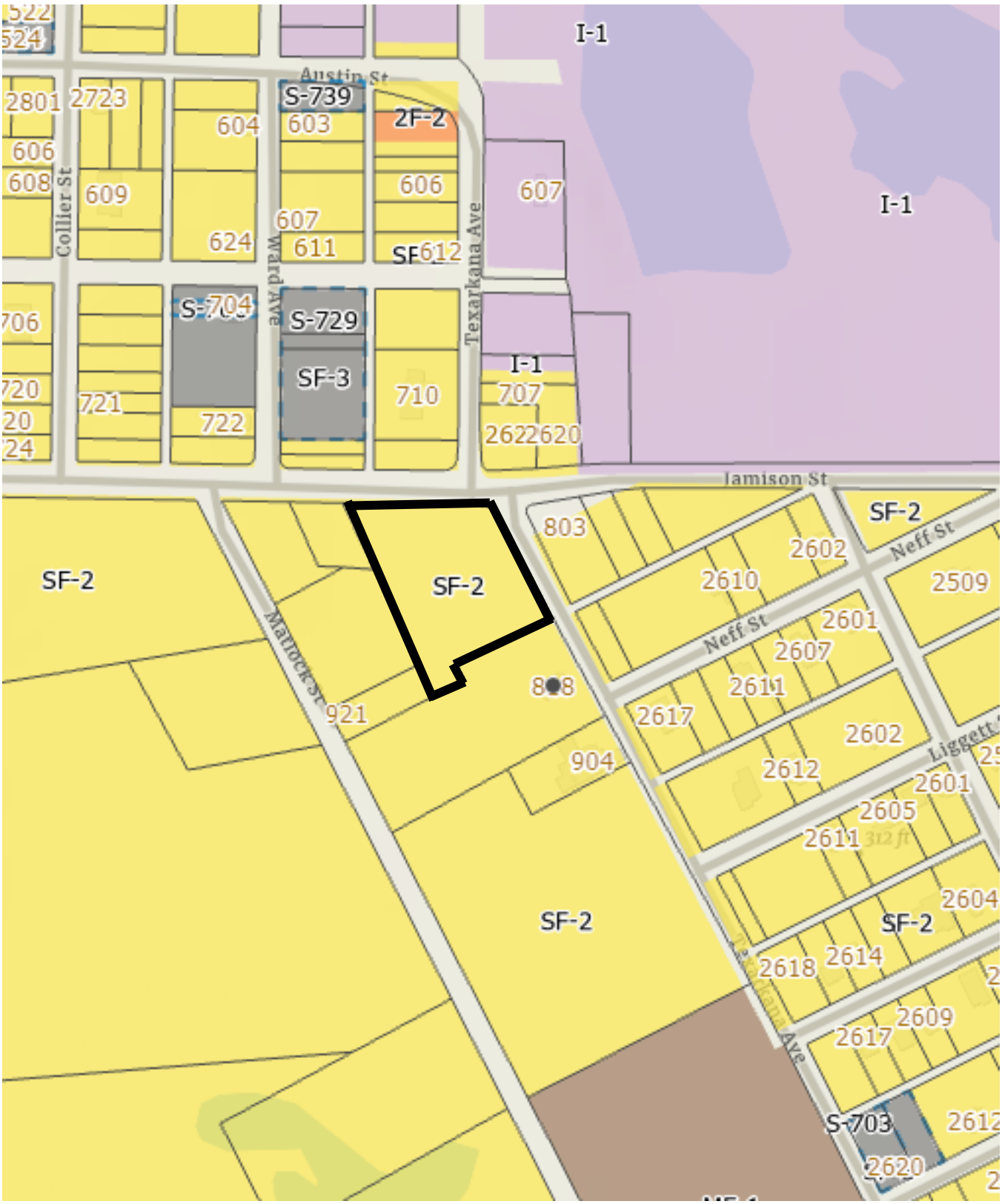
Current ad valorem taxes on said property having been prorated, the payment thereof is assumed by Grantee.

*[Remainder of this page left intentionally blank.]*



Attachment: 2021-108 EXH 'A' (Legal Description) (3606 : 2021-108 ORD SUP HUD code Mnfctrd home SW Corner of Jameson & Texarkana Ave)

# SW Corner of Jameson and Texarkana Ave.




Attachment: 2021-108 ATTH 01 (Maps) [Revision 1] (3606 : 2021-108 ORD SUP HUD code Mnfctrd home SW Corner of Jameson & Texarkana

# SW Corner of Jameson and Texarkana Ave.




Attachment: 2021-108 ATTH 01 (Maps) [Revision 1] (3606 : 2021-108 ORD SUP HUD code Mnfctrd home SW Corner of Jameson & Texarkana

Clayton homes

# THE LITTLEFIEL

**SFW021920TX**
**3 beds • 2 bat**
**2,078 sq.**










**(903) 838-5994**
Monday - Friday: 9am - 6:00pm
Saturday: 9am - 5pm Sunday: Closed

**CLAYTON HOMES-TEXARKAN**
**4402 SOUTH LAKE DRIVE, HWY**
**TEXARKANA, TX 755**

Our home building facilities invest in continuous product and process improvements. Plans, dimensions, features, materials, specifications, and availability are subject to change without notice or obligation. Renderings and floor plans are representative likenesses of our homes and many differ from actual homes. We invite you to tour a Ho Center near you and inspect the highest value in quality housing available or call (865) 688-6110 to speak with a Home Consultant. ©2021, CMH. All rights reserved.

Attachment: 2021-108 ATTH 02 (Photos and Floor Plan) [Revision 1] (3606 : 2021-108 ORD SUP HUD code Mnfctrd home SW Corner of Jameson & Texarkana Ave)

**Developing Perspectives and Goals Pending Approval by the City Council:**

| Perspectives | Goals |
|---|---|
| Serve the Community | ☐ Promote an Environmentally Sensitive & Livable Community<br>☐ Provide a Safe Community<br>☑ Deliver Quality Services<br>☐ Foster a Healthy Community |
| Run the Operations | ☐ Enhance Community Preparedness & Responsiveness<br>☐ Maximize Partnership Opportunities<br>☑ Provide Courteous & Responsive Customer Service<br>☐ Model a Positive City Image<br>☑ Deliver Efficient Services<br>☐ Cultivate Community Involvement & Access |
| Manage the Resources | ☐ Maintain Fiscal Strength<br>☐ Maximize Utilization & Resources<br>☐ Invest in Infrastructure & Transportation |
| Develop Personnel | ☐ Develop a Skilled & Diverse Workforce<br>☐ Create a Positive & Rewarding Work Culture |

**Perspectives and Goals Additional Comments:**

NONE

**Resource Impact:**

| | |
|---|---|
| Staff time required if item is approved: | No Additional |

**Other Potential Impacts:**

NONE APPLICABLE

**Public Information Plan:**

| | | | |
|---|---|---|---|
| ☐ | Newspaper Notice (Required by Statute) | ☐ | Public Hearing (Required by Statute) |
| ☐ | Public Forum/Input Session | ☐ | Press Release |
| ☐ | E-News Distribution | ☐ | Website Notice |
| ☐ | Social Media (Twitter, Facebook, etc.) | ☐ | Special Mailing |
| ☐ | Flyers Posted | ☐ | Banners Posted |
| ☐ | Survey | ☐ | Automated Phone Call |
| ☑ | None Required | ☐ | |

Other:

Attachment: 2021-108 Goals & Perspectives (3606 : 2021-108 ORD SUP HUD code Mnfctrd home SW Corner of Jameson & Texarkana Ave)

S-747

# ORDINANCE NO. 2021-108

**AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF TEXARKANA, TEXAS, AMENDING THE ZONING MAP SHOWING THE LOCATION, BOUNDARY AND USE OF CERTAIN PROPERTY BY THE GRANTING OF SPECIFIC USE PERMIT NO. S-747 TO ALLOW THE LOCATION OF A DOUBLE-WIDE HUD CODE MANUFACTURED HOME ON A 1.89-ACRE TRACT OF LAND (BEING TRACT 139) IN THE J.W. JOHNSON HRS, A-308, LOCATED AT THE SOUTHWEST CORNER OF JAMESON STREET AND TEXARKANA AVENUE, IN THE CITY OF TEXARKANA, BOWIE COUNTY, TEXAS; CONTAINING A REPEALER CLAUSE; CONTAINING A SEVERABILITY CLAUSE; AND ESTABLISHING AN EFFECTIVE DATE.**

**WHEREAS**, an application has been filed with the City of Texarkana, Texas, requesting an amendment to the Zoning Ordinance to grant a **Specific Use Permit** to allow the location of a double-wide HUD Code manufactured home on an approximate **1.89-acre tract of land (being Tract 139) in the J.W. Johnson HRS, A-308, located at the southwest corner of Jameson Street and Texarkana Avenue**, in the City of Texarkana, Bowie County, Texas; and

**WHEREAS**, the Planning and Zoning Commission of the City of Texarkana, Texas, and the City Council of the City of Texarkana, Texas, in compliance with the laws of the State of Texas with reference to the granting of zoning classifications and changes, have given the requisite notices by publication and otherwise, and have afforded and held full and fair hearings to all property owners generally and to all persons interested and situated in the affected area and in the vicinity thereof; and

**WHEREAS**, after consideration of said application, the Planning and Zoning Commission of the City of Texarkana, Texas, voted **unanimously five (5) to zero (0) to recommend** to the City Council of Texarkana, Texas, that a **Specific Use Permit be granted to allow the location of a double-wide HUD Code manufactured home** on said property; and

**WHEREAS**, after consideration of said application and the recommendation of the Planning and Zoning Commission, the City Council of the City of Texarkana, Texas, does hereby find that granting the **Specific Use Permit** is in the best interest of the public health, safety, morals and general welfare of the City.

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

**SECTION 1:** That the Zoning Ordinance of the City of Texarkana, Texas, Ordinance No. 127-70, passed and approved on September 14, 1970, be further amended to grant **Specific Use Permit Numbered S-747** for the location of a double-wide HUD Code manufactured home on an 1.89-acre tract of land (being Tract 139) in the J.W. Johnson HRS, A-308, located at the southwest corner of Jameson Street and Texarkana Avenue, in the City of Texarkana, Bowie County, Texas.

Attachment: 2021-108 ORD SUP HUD home Jameson and Texarkana signed (3606 : 2021-108 ORD SUP HUD code Mnfctrd home SW Corner of

**SECTION 2:** That the following stipulations are hereby imposed and made a part of this ordinance:

1. That one 2020 or newer double-wide HUD code manufactured home be allowed on this property.
2. That the double-wide HUD code manufactured home be tied down/skirted/underpinned.
3. That the double-wide HUD code manufactured home be used for dwelling purposes only, human occupancy only.
4. That the Specific Use Permit be in effect for a period of three (3) years, beginning at the date of this ordinance. It is the owner's responsibility to renew this permit.
5. That if the HUD code manufactured home is not placed on the property within the three (3) year period, the Specific Use Permit will automatically be revoked.
6. That all driveways, parking, building codes/setbacks, engineered foundation, platting and flood plain requirements must be in accordance with the City of Texarkana, Texas codes.

**SECTION 3:** All ordinances or parts of ordinances in conflict herewith are specifically repealed to the extent of such conflict.

**SECTION 4:** It is further provided that in case a section, clause, sentence or part of this ordinance shall be deemed or adjudged by a court of competent jurisdiction to be invalid, then such invalidity shall not affect, impair, or invalidate the remainder of this ordinance.

**SECTION 5:** That this ordinance shall be in full force and effect from and after its passage and approval.

**PASSED AND APPROVED** in Regular Council Session on this the **10th day of January, 2022.**

ATTEST:

JENNIFER EVANS, CITY SECRETARY

BOB BRUGGEMAN, MAYOR

6:30 p.m.

Attachment: 2021-108 ORD SUP HUD home Jameson and Texarkana signed (3606 : 2021-108 ORD SUP HUD code Mnfctrd home SW Corner of

City of Texarkana, Texas

Version:

# Briefing Sheet

**Update Date:** 12/7/2021 1:49 PM

| | | | |
|---|---|---|---|
| **Lead Department:** | Planning & Zoning Commission | **Action Officer:** | Laura Puckett, Administrative Coordinator |
| **Subject:** | Ordinance No. 2021-109 rezoning Lots 1, 2, and west part of 3, Block 13, Richmond Pines 3rd Addition, located north of the residence at 3202 Robin Lane from Single Family-1 to Planned Development-Townhouse. Jason Nguyen, owner and Brandon Taylor, 2B Builders, agent. | | |

**Briefing:** 1/10/2022 **Public Hearing:** 1/10/2022 **Council Vote:** 1/10/2022

**Item Schedule**

Schedule 1: Brief twice - vote once (six weeks)

**Updates/History of Briefing:**

NOT APPLICABLE

**Executive Summary and Background Information:**

This is a request by Jason Nguyen, owner and Brandon Taylor, 2B Builders, agent, to rezone Lots 1, 2, and west part of 3, Block 13, Richmond Pines 3rd Addition, located north of the residence at 3202 Robin Lane from Single Family-1 to Planned Development-Townhouse. The property is currently vacant land. The proposed use is the construction of townhouse.

The adjacent zoning is Single Family-1 to the north, and Single Family-2 to the west, east, and south. The adjacent land use is residences to the north, west, east, and south.

The Future Land Use Map has designated this property as “Suburban Residential”.

This property is located north of an existing residence at 3202 Robin Lane. This residence at 3202 Robin Lane will remain Single Family-2 and continue to be used as a residence. The proposed townhouses will be platted for individual sale or rent. The applicant is submitting two options for site plan approval. In option one, the townhouses will front Robin Lane (parking in the back) with access from Robin Lane. In option two, Bamboo Street will be continued through the proposed property out to Robin Lane. Under option two the townhouses will be constructed on either side of the new extended portion of Bamboo Street. This property was originally a part of 3202 Robin Lane and has remained undeveloped for many years. There are duplexes/townhomes in close proximity to this property on Wren Rowe Drive and Holly Lane.

A Planned Development designation allows for specific requirements/restrictions and requires adherence to these restrictions. Therefore, staff recommends for approval of this request.

The applicant should also be aware that if this zoning change is approved, all other applicable city code/ordinance requirements must be met including but not limited to building codes, setbacks, subdivision, fire, parking, drainage, water and sewer prior to the issuance of building permits.

All notification and application requirements have been met to consider this request.

**Potential Options:**

Approve or deny

**Fiscal Implications:**

NOT APPLICABLE

**Staff Recommendation:**

Staff recommends for approval of this request.

**Advisory Board/Committee Review:**

Planning and Zoning Commission

**Board/Committee Recommendation:**

The Planning and Zoning Commission voted 3 to 2 to recommend for approval.

**Advisory Board/Committee Meeting Date and Minutes:**

November 1, 2021

**Attachments**

a. 2021-109 ORD rezoning lots north of 3202 Robin Lane (DOCX)
b. 2021-109 ATTH 01 (Maps) (PDF)
c. 2021-109 ATTH 02 (Site Plan Option 1) (PDF)
d. 2021-109 ATTH 03 (Floor Plans) (PDF)
e. 2021-109 ATTH 04 (Photo Rendering) (PDF)
f. 2021-109 ATTH 05 (Elevation) (PDF)
g. 2021-109 ATTH 06 (Letter of Opposition) (PDF)
h. 2021-109 Goals & Perspectives (PDF)
i. 2021-109 ORD rez lot north of 3202 Robin signed (PDF)

**Staff Coordination**

| | | | | |
|---|---|---|---|---|
| Building Code Administration | Mashell Daniel | Review | Completed | 12/07/2021 1:32 PM |
| City Manager | David Orr | Review | Completed | 12/07/2021 3:26 PM |
| City Council | Jennifer Evans | Meeting | Completed | 12/13/2021 6:00 PM |

**City of Texarkana, Texas**

**Meeting History**

| | | | |
|---|---|---|---|
| 12/13/21 | City Council | MOVED FORWARD | Next: 01/10/22 |

Z-21-25

**ORDINANCE NO. 2021-109**

**AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF TEXARKANA, TEXAS, AMENDING THE ZONING ORDINANCE OF THE CITY OF TEXARKANA, TEXAS, BY REZONING LOTS 1, 2, AND THE WEST PART OF 3, BLOCK 13, RICHMOND PINES 3RD ADDITION, LOCATED NORTH OF THE RESIDENCE AT 3202 ROBIN LANE IN THE CITY OF TEXARKANA, BOWIE COUNTY, TEXAS, FROM SINGLE FAMILY-1 TO PLANNED DEVELOPMENT-TOWNHOUSE; CONTAINING A REPEALER CLAUSE; CONTAINING A SEVERABILITY CLAUSE; AND ESTABLISHING AN EFFECTIVE DATE.**

**WHEREAS**, an application has been filed requesting an amendment to the Zoning Ordinance of the City of Texarkana, Texas, to rezone a **Lots 1, 2, and the west part of 3, Block 13, Richmond Pines 3rd Addition, located north of the residence at 3202 Robin Lane** in the City of Texarkana, Bowie County, Texas, from **Single Family-1 to Planned Development-Townhouse;** and

**WHEREAS**, the Planning and Zoning Commission of the City of Texarkana, Texas, and the City Council of the City of Texarkana, Texas, in compliance with the laws of the State of Texas with reference to the granting of zoning classifications and changes, have given the requisite notices by publication and otherwise, and after holding hearings and affording a full and fair hearing to all property owners generally and to all persons interested and situated in the affected area and in the vicinity thereof; and

**WHEREAS**, after consideration of said application, the Planning and Zoning Commission of the City of Texarkana, Texas, **voted three (3) to two (2) to recommend approval of the application for rezoning** from **Single Family-1 to Planned Development-Townhouse** to the City Council of Texarkana, Texas; and

**WHEREAS**, after consideration of said application and the recommendation of the Planning and Zoning Commission, the City Council of the City of Texarkana, Texas, does hereby find that rezoning the property from **Single Family-1 to Planned Development-Townhouse** is in the best interest of the public health, safety, morals and general welfare of the City.

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

**SECTION 1:** That the Zoning Ordinance of the City of Texarkana, Texas, Ordinance No. 127-70, passed and approved on September 14, 1970, be and is hereby further amended to **Lots 1, 2, and the west part of 3, Block 13, Richmond Pines 3rd Addition, located north of the residence at 3202 Robin Lane** in the City of Texarkana, Bowie County, Texas, from **Single Family-1 to Planned Development-Townhouse.**

Attachment: 2021-109 ORD rezoning lots north of 3202 Robin Lane (3607 : 2021-109 ORD rezone SF-2 PD-TH north of 3202 Robin Ln)

**SECTION 2:** It is further provided that in case a section, clause, sentence or part of this ordinance shall be deemed or adjudged by a court of competent jurisdiction to be invalid, then such invalidity shall not affect, impair, or invalidate the remainder of this ordinance.

**SECTION 3:** All ordinances or parts of ordinances in conflict herewith are specifically repealed to the extent of such conflict.

**SECTION 4:** That this ordinance shall be in full force and effect from and after its passage and approval.

**PASSED AND APPROVED** in Regular Council Session on this the **10th day of January, 2022.**

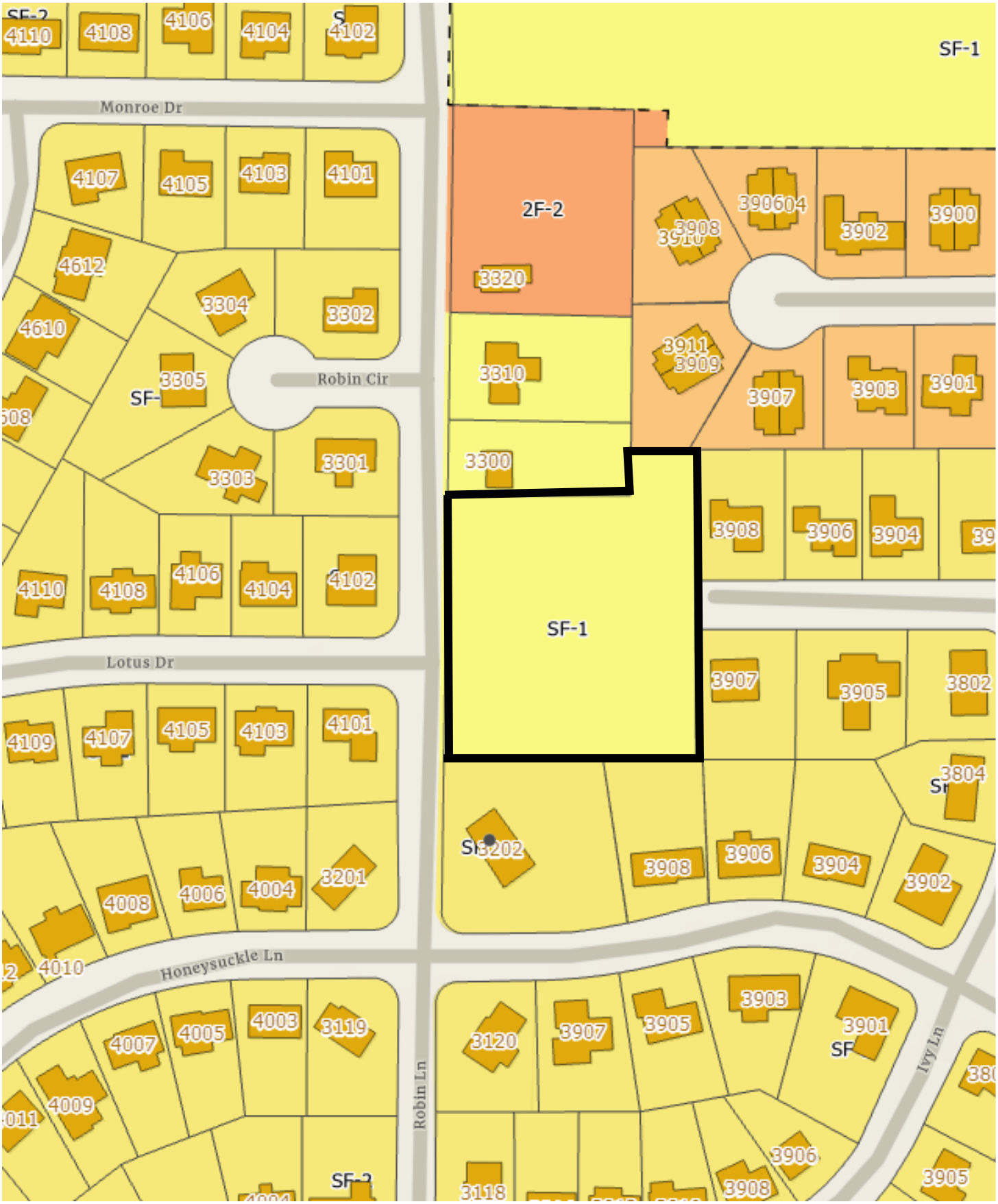
ATTEST:

_____ _____

JENNIFER EVANS, CITY SECRETARY BOB BRUGGEMAN, MAYOR

Attachment: 2021-109 ORD rezoning lots north of 3202 Robin Lane (3607 : 2021-109 ORD rezone SF-2 PD-TH north of 3202 Robin Ln)

# 3202 Robin Lane




Attachment: 2021-109 ATTH 01 (Maps) (3607 : 2021-109 ORD rezone SF-2 PD-TH north of 3202 Robin Ln)

# 3202 Robin Lane



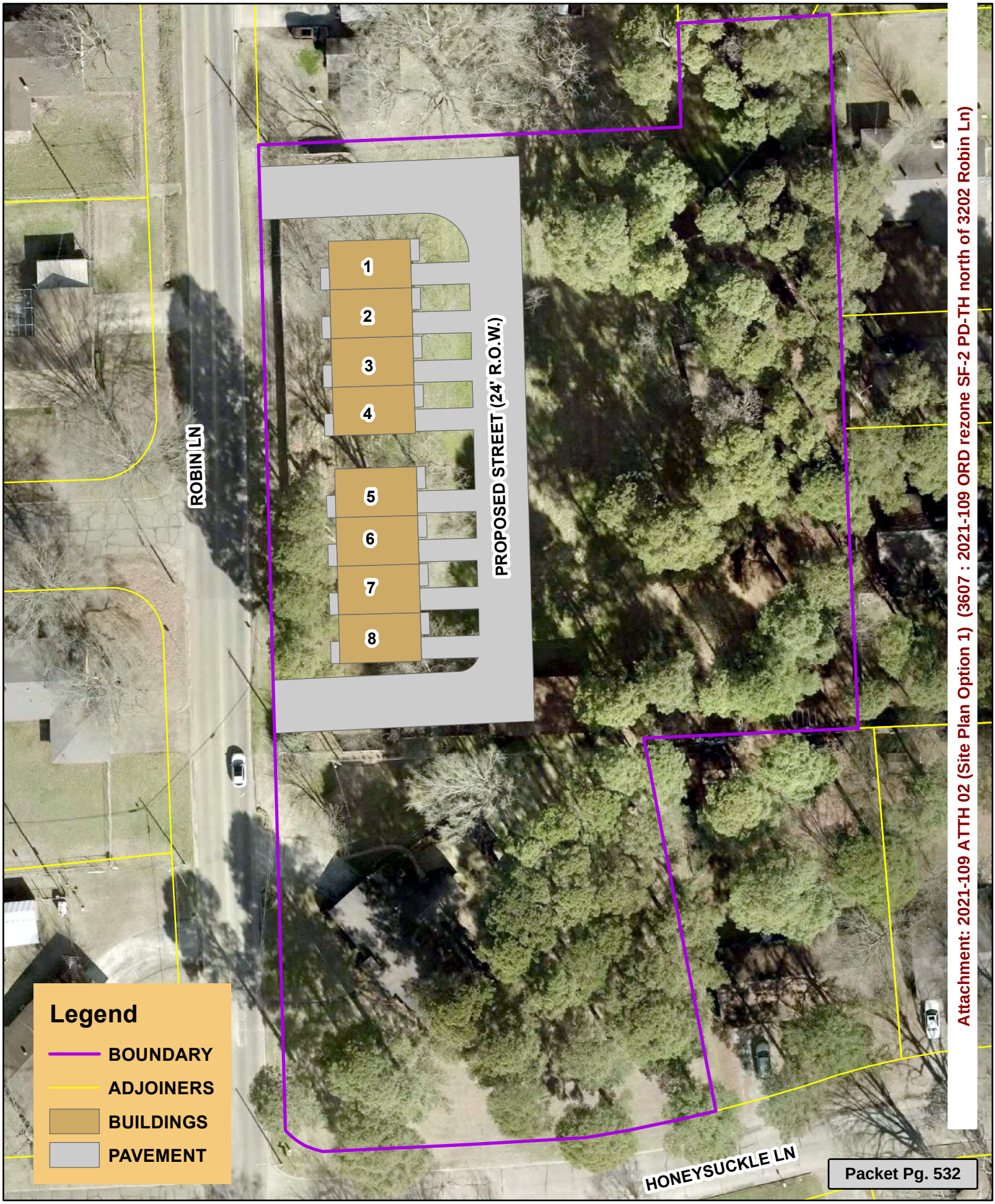

Attachment: 2021-109 ATTH 01 (Maps) (3607 : 2021-109 ORD rezone SF-2 PD-TH north of 3202 Robin Ln)

MTG | ENGINEERS & SURVEYORS

# ROBIN LANE TOWNHOMES
# OPTION #1

Z-21-25

0 25 50 100




Attachment: 2021-109 ATTH 02 (Site Plan Option 1) (3607 : 2021-109 ORD rezone SF-2 PD-TH north of 3202 Robin Ln)

## DOORS

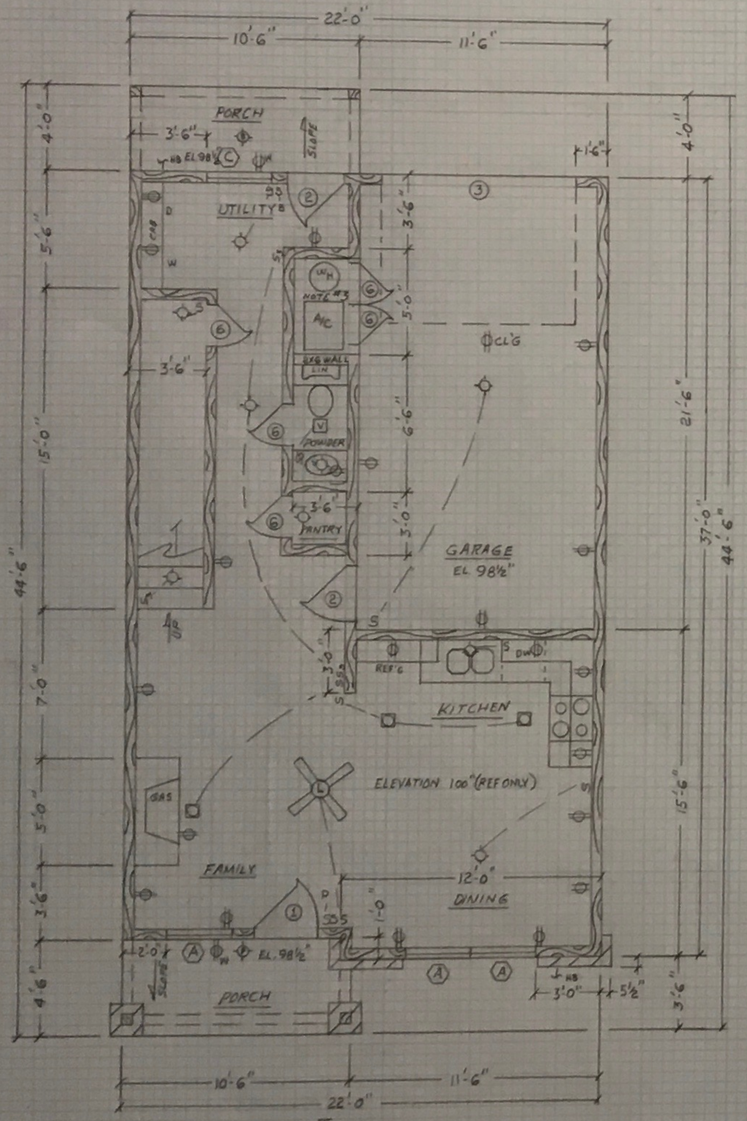
| KEY | SIZE | DESCRIPTION | | | |
|---|---|---|---|---|---|
| 1. | 3'-0"X6'-8" | EXTERIOR-OWNER SPEC. | | | |
| 2. | 2'-8"X6'-8" | METAL ½ GLASS | | | |
| 3. | 9'-0" X 7'-0" | OVERHEAD w/ OPENER | | | |
| 4. | 2'-8"X6'-8" | INTERIOR HOLLOW CORE | | | |
| 5. | 2'-6"X6'-8" | ✓ | ✓ | ✓ | |
| 6. | 2'-0"X6'-8" | ✓ | ✓ | ✓ | |
| 7. | 4'-0" X6'-8" | ✓ | ✓ | ✓ | BIFOLD |

## WINDOWS

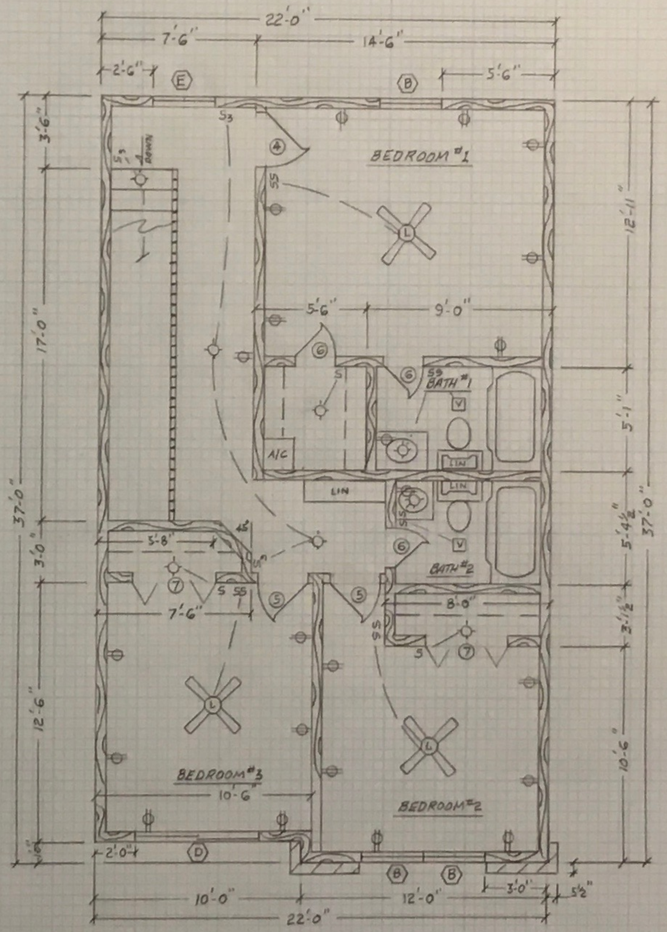
| KEY | SIZE | DESCRIPTIONS | | | |
|---|---|---|---|---|---|
| | | INSULATED | SINGLE HUNG | ½ | |
| A | 3'-0"X6'-0" | ✓ | ✓ | ✓ | ✓ |
| B | 3'-0"X5'-0" | ✓ | ✓ | ✓ | ✓ |
| C | 3'-0"X3'-0" | ✓ | ✓ | ✓ | ✓ |
| D | 6'-0"X4'-0" | ✓ | SLIDING | | |
| E | 3'-0"X3'-0" | ✓ | FIXED | | |

## NOTES

1. 2X4 X 16" O.C. WALLS EXCEPT AS NOTED
2. CEILING HEIGHT - 1ST FLOOR 9'-0", 2ND FLOOR 8'-0"
3. RAISE FLOOR 17"
4. STAIRS - 7⅝" MAX. RISE, 10" MIN. RUN, 36" MIN. WIDTH
5. 5/8" TYPE X FIRE-RATED DRYWALL ON GARAGE CEILING & WALLS
6. APPROVED SMOKE & CARBON MONOXIDE DETECTORS REQUIRED
7. WATER HEATER PAN REQUIRED
8. 3½" X 16" ENGINEERED TRUSSES
9. ADVANTECH T&G FLOORING
10. SMART BOARD EXT. TRIM & SIDING




FRONT
1ST FLOOR




FRONT
2ND FLOOR

| SQUARE FOOTAGES | |
|---|---|
| A/C FIRST FLOOR | 546 SF |
| A/C SECOND FLOOR | 733 SF |
| A/C TOTAL | 1,279 SF |
| PORCHES | 86 SF |

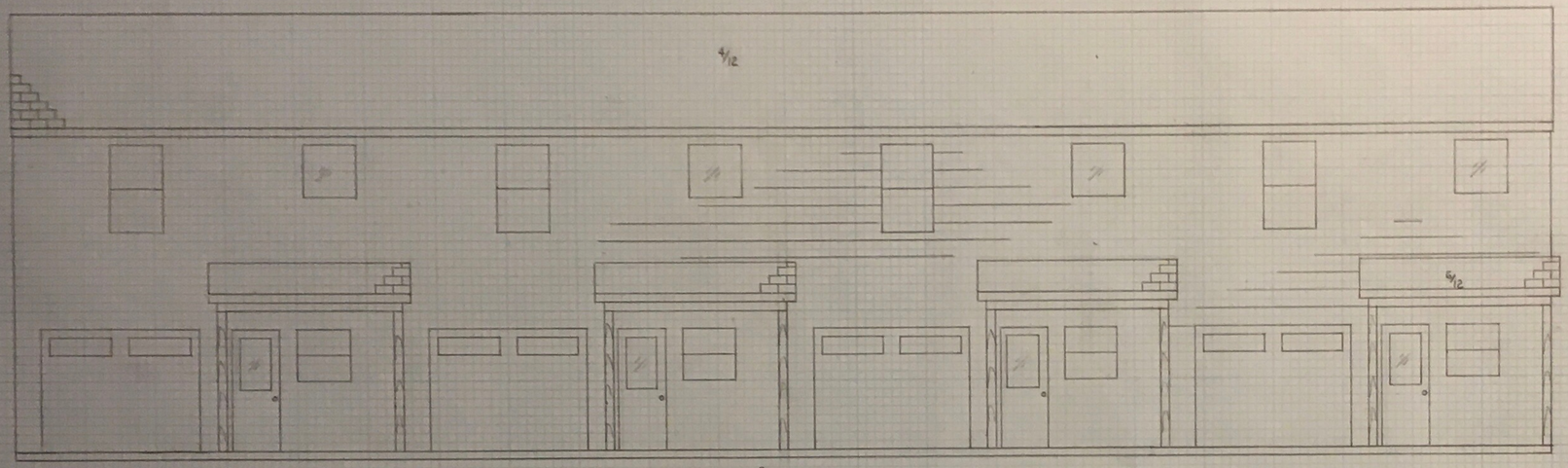
3 BEDROOM, 2 ½ BATH FOURPLEX

FLOOR PL
SCALE: ⅛"
DATE:
SH

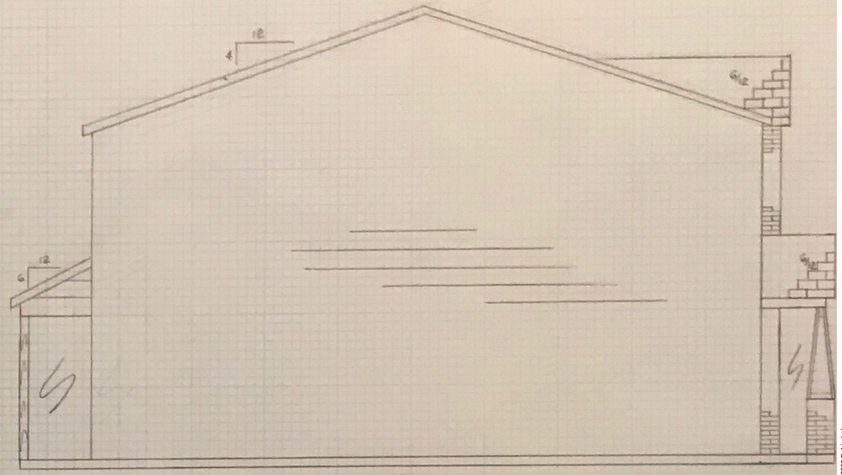
Attachment: 2021-109 ATTH 03 (Floor Plans) (3607 : 2021-109 OKD rezone SF-2 PD-TH north of 3302 Robin Ln)

Packet Pg. 533

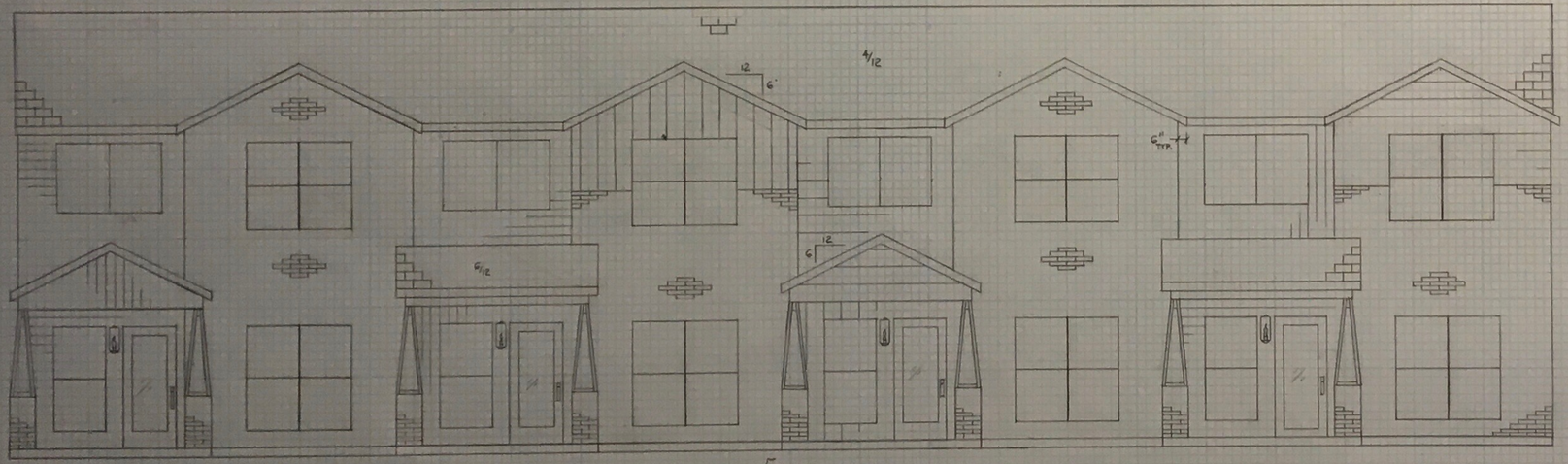

Art work may vary from building plans



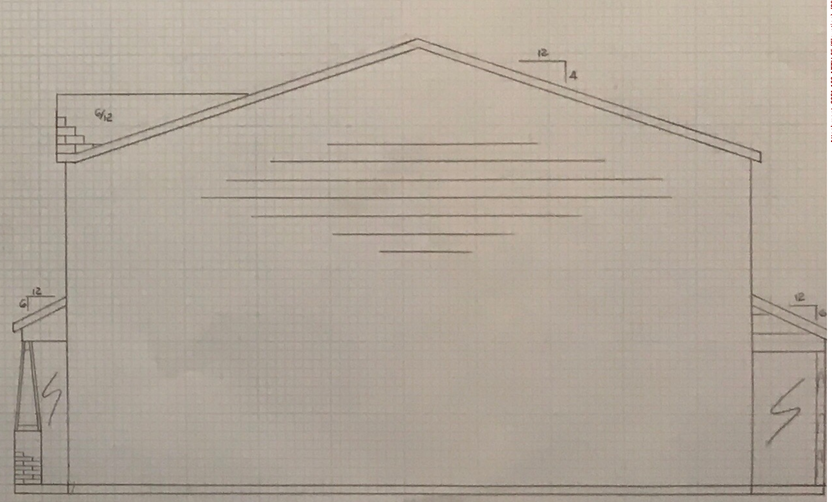

BACK




LEFT




FRONT




RIGHT

| | |
|---|---|
| 3 BEDROOM, 2 ½ BATH FOURPLEX | ELEVATIONS<br>SCALE: ¼"=1'-0"<br>DATE:<br>SHEET: 2 of 2 |

Attachment: 2021-109 ATTH 05 (Elevation) (3907 : 2021-109 ORD rezone SF-2 PD-TH north of 8302 Robin Ln)

PLANNING AND ZONING COMMISSION

I am writing this letter to express my opposition to the planned Townhouses on Robin lane. I have lived in the area for over 40 years and believe the Townhouse would have negative impact on the neighborhood. This area is mainly single family housing. With low traffic count.

Thank you for your consideration

Bert Nicklas

Attachment: 2021-109 ATTH 06 (Letter of Opposition) (3607 : 2021-109 ORD rezone SF-2 PD-TH north of 3202 Robin Ln)

**Developing Perspectives and Goals Pending Approval by the City Council:**

| Perspectives | Goals |
|---|---|
| Serve the Community | ☐ Promote an Environmentally Sensitive & Livable Community<br>☐ Provide a Safe Community<br>☑ Deliver Quality Services<br>☐ Foster a Healthy Community |
| Run the Operations | ☐ Enhance Community Preparedness & Responsiveness<br>☐ Maximize Partnership Opportunities<br>☑ Provide Courteous & Responsive Customer Service<br>☐ Model a Positive City Image<br>☑ Deliver Efficient Services<br>☐ Cultivate Community Involvement & Access |
| Manage the Resources | ☐ Maintain Fiscal Strength<br>☐ Maximize Utilization & Resources<br>☐ Invest in Infrastructure & Transportation |
| Develop Personnel | ☐ Develop a Skilled & Diverse Workforce<br>☐ Create a Positive & Rewarding Work Culture |

**Perspectives and Goals Additional Comments:**

NONE

**Resource Impact:**

| | |
|---|---|
| Staff time required if item is approved: | No Additional |

**Other Potential Impacts:**

NONE APPLICABLE

**Public Information Plan:**

| | | | |
|---|---|---|---|
| ☐ | Newspaper Notice (Required by Statute) | ☐ | Public Hearing (Required by Statute) |
| ☐ | Public Forum/Input Session | ☐ | Press Release |
| ☐ | E-News Distribution | ☐ | Website Notice |
| ☐ | Social Media (Twitter, Facebook, etc.) | ☐ | Special Mailing |
| ☐ | Flyers Posted | ☐ | Banners Posted |
| ☐ | Survey | ☐ | Automated Phone Call |
| ☑ | None Required | ☐ | |

Other:

Attachment: 2021-109 Goals & Perspectives (3607 : 2021-109 ORD rezone SF-2 PD-TH north of 3202 Robin Ln)

Z-21-25

# ORDINANCE NO. 2021-109

**AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF TEXARKANA, TEXAS, AMENDING THE ZONING ORDINANCE OF THE CITY OF TEXARKANA, TEXAS, BY REZONING LOTS 1, 2, AND THE WEST PART OF 3, BLOCK 13, RICHMOND PINES 3RD ADDITION, LOCATED NORTH OF THE RESIDENCE AT 3202 ROBIN LANE IN THE CITY OF TEXARKANA, BOWIE COUNTY, TEXAS, FROM SINGLE FAMILY-1 TO PLANNED DEVELOPMENT-TOWNHOUSE; CONTAINING A REPEALER CLAUSE; CONTAINING A SEVERABILITY CLAUSE; AND ESTABLISHING AN EFFECTIVE DATE.**

**WHEREAS**, an application has been filed requesting an amendment to the Zoning Ordinance of the City of Texarkana, Texas, to rezone a **Lots 1, 2, and the west part of 3, Block 13, Richmond Pines 3rd Addition, located north of the residence at 3202 Robin Lane** in the City of Texarkana, Bowie County, Texas, from **Single Family-1 to Planned Development-Townhouse;** and

**WHEREAS**, the Planning and Zoning Commission of the City of Texarkana, Texas, and the City Council of the City of Texarkana, Texas, in compliance with the laws of the State of Texas with reference to the granting of zoning classifications and changes, have given the requisite notices by publication and otherwise, and after holding hearings and affording a full and fair hearing to all property owners generally and to all persons interested and situated in the affected area and in the vicinity thereof; and

**WHEREAS**, after consideration of said application, the Planning and Zoning Commission of the City of Texarkana, Texas, **voted three (3) to two (2) to recommend approval of the application for rezoning** from **Single Family-1 to Planned Development-Townhouse** to the City Council of Texarkana, Texas; and

**WHEREAS**, after consideration of said application and the recommendation of the Planning and Zoning Commission, the City Council of the City of Texarkana, Texas, does hereby find that rezoning the property from **Single Family-1 to Planned Development-Townhouse** is in the best interest of the public health, safety, morals and general welfare of the City.

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

**SECTION 1:** That the Zoning Ordinance of the City of Texarkana, Texas, Ordinance No. 127-70, passed and approved on September 14, 1970, be and is hereby further amended to **Lots 1, 2, and the west part of 3, Block 13, Richmond Pines 3rd Addition, located north of the residence at 3202 Robin Lane** in the City of Texarkana, Bowie County, Texas, from **Single Family-1 to Planned Development-Townhouse.**

Attachment: 2021-109 ORD rez lot north of 3202 Robin signed (3607 : 2021-109 ORD rezone SF-2 PD-TH north of 3202 Robin Ln)

**SECTION 2:** It is further provided that in case a section, clause, sentence or part of this ordinance shall be deemed or adjudged by a court of competent jurisdiction to be invalid, then such invalidity shall not affect, impair, or invalidate the remainder of this ordinance.

**SECTION 3:** All ordinances or parts of ordinances in conflict herewith are specifically repealed to the extent of such conflict.

**SECTION 4:** That this ordinance shall be in full force and effect from and after its passage and approval.

**PASSED AND APPROVED** in Regular Council Session on this the **10th day of January, 2022.**

ATTEST:

JENNIFER EVANS, CITY SECRETARY

BOB BRUGGEMAN, MAYOR

6:31 p.m.

Attachment: 2021-109 ORD rez lot north of 3202 Robin signed (3607 : 2021-109 ORD rezone SF-2 PD-TH north of 3202 Robin Ln)

City of Texarkana, Texas

Version:

# Briefing Sheet

**Update Date:** 12/9/2021 9:13 AM

| | | | |
|---|---|---|---|
| **Lead Department:** | Planning & Zoning Commission | **Action Officer:** | Laura Puckett, Administrative Coordinator |
| **Subject:** | Ordinance No. 2021-110 approving an amendment to PD-21-3(TH) for site plan on Lots 1, 2, and west part of 3, Block 13, Richmond Pines 3rd Addition, located north of the residence at 3202 Robin Lane. Jason Nguyen, owner and Brandon Taylor, 2B Builders, agent. | | |

**Briefing:** 1/10/2022 **Public Hearing:** 1/10/2022 **Council Vote:** 1/10/2022

**Item Schedule**

Schedule 1: Brief twice - vote once (six weeks)

**Updates/History of Briefing:**

NOT APPLICABLE

**Executive Summary and Background Information:**

This is a request by Jason Nguyen, owner, and Brandon Taylor, 2B Builders, agent, for site plan approval on Lots 1, 2, and west part of 3, Block 13, Richmond Pines 3rd Addition, located north of the residence at 3202 Robin Lane. The property is currently vacant land. The proposed use is the construction of townhouses.

The adjacent zoning is Single Family-1 to the north, and Single Family-2 to the west, east, and south. The adjacent land use is residences to the north, west, east, and south.

The Future Land Use Map has designated this property as “Suburban Residential”.

This property is located north of an existing residence at 3202 Robin Lane. This residence at 3202 Robin Lane will remain Single Family-2 and continue to be used as a residence. The proposed townhouses will be platted for individual sale or rent. The applicant is submitting two options for site plan approval. In option one, the townhouses will front Robin Lane (parking in the back) with access from Robin Lane. In option two, Bamboo Street will be continued through the proposed property out to Robin Lane. Under option two the townhouses will be constructed on either side of the new extended portion of Bamboo Street. This property was originally a part of 3202 Robin Lane and has remained undeveloped many years. There are duplexes/townhomes in close proximity to this property on Wren Rowe Drive and Holly Lane.

Since the applicant has requested the Planned Development designation, this allows for specific requirements/restrictions and requires adherence to an approved site plan. The proposed site plan submitted by the applicant shows the following:

1. Construction of two 2-story buildings with four townhouses in each building.
2. Façade will be brick and hardi board.
3. Access will be from Robin Lane with parking in the rear of the proposed development.
4. Two parking spaces will be provided per unit (one car garage and driveway).
5. There will be no signage.
6. The property will have to be platted prior to development.
7. The development must meet all city ordinances (subdivision, street, drainage, etc.)
8. A concrete sidewalk that connects the parking and the front of each unit.
9. Lights should be shielded away from any residences and facing downward.

The site plan will need to be updated to show any of the items listed above that may not be currently be shown on the site plan.

The applicant should also be aware that if this zoning change is approved, all other applicable city code/ordinance requirements must be met including but not limited to building codes, setbacks, subdivision, fire, parking, drainage, water, and sewer prior to the issuance of building permits.

All notification and application requirements have been met to consider this request.

**Potential Options:**

Approve or deny

---

**Fiscal Implications:**

NOT APPLICABLE

**Staff Recommendation:**

Staff recommends for approval of this request with stipulations.

**Advisory Board/Committee Review:**

Planning and Zoning Commission

**Board/Committee Recommendation:**

The Planning and Zoning Commission voted unanimously recommending for approval with stipulations.

**Advisory Board/Committee Meeting Date and Minutes:**

November 1, 2021

**Attachments**

a. 2021-110 ORD Amendment to PD-21-3(TH) for site plan approval (DOCX)
b. 2021-110 EXH 'A' (Site Plan Option 1) (PDF)
c. 2021-110 ATTH 01 (Maps) (PDF)
d. 2021-110 ATTH 02 (Floor Plans) (PDF)
e. 2021-110 ATTH 03 (Photos) (PDF)

f. 2021-110 ATTH 04 (Elevation) (PDF)
g. 2021-110 ATTH 05 (Letter of Opposition) (PDF)
h. 2021-110 Goals & Perspectives (PDF)
i. 2021-110 ORD Amd. lot north of 3202 Robin signed (PDF)

## Staff Coordination

| | | | | |
|---|---|---|---|---|
| Building Code Administration | 12/07/2021 1:33 PM | Mashell Daniel | Review | Completed |
| City Manager | David Orr | Review | Completed | 12/07/2021 3:25 PM |
| City Council | Jennifer Evans | Meeting | Completed | 12/13/2021 6:00 PM |

## Meeting History

| | | | |
|---|---|---|---|
| 12/13/21 | City Council | MOVED FORWARD | Next: 01/10/22 |

# ORDINANCE NO. 2021-110

**AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF TEXARKANA, TEXAS, AMENDING PD-21-3 (TH) FOR SITE PLAN APPROVAL ON LOTS 1, 2, AND THE WEST PART OF 3, BLOCK 13, RICHMOND PINES 3RD ADDITION, LOCATED NORTH OF THE RESIDENCE AT 3202 ROBIN LANE IN THE CITY OF TEXARKANA, BOWIE COUNTY, TEXAS, CONTAINING A REPEALER CLAUSE; CONTAINING A SEVERABILITY CLAUSE; AND ESTABLISHING AN EFFECTIVE DATE.**

**WHEREAS**, an application has been filed requesting the approval of a **site plan (Exhibit 'A') to construct townhouses on Lots 1, 2, and the west part of 3, Block 13, Richmond Pines 3rd Addition, located north of the residence at 3202 Robin Lane** in the City of Texarkana, Bowie County, Texas; and

**WHEREAS**, the subject property is zoned Planned Development-Townhouse [PD-21-3(TH)], and approval of the site plan **(Exhibit 'A')** would constitute an amendment to PD-21-3(TH); and

**WHEREAS**, the proposed use is consistent with the listed uses in the Land Development Code for the zoning classification of Planned Development-Townhouse; and

**WHEREAS**, the Planning and Zoning Commission of the City of Texarkana, Texas, and the City Council of the City of Texarkana, Texas, in compliance with the laws of the State of Texas with reference to the granting of this amendment, have given the requisite notices by publication and otherwise, and have afforded and held full and fair hearings to all property owners generally and to all persons interested and situated in the affected area and in the vicinity thereof; and

**WHEREAS**, after consideration of said application, the Planning and Zoning Commission of the City of Texarkana, Texas, voted **unanimously by a vote of five (5) to zero (0) to recommend approval of the petition for a site plan (Exhibit 'A')** to the City Council of the City of Texarkana, Texas; and

**WHEREAS**, after consideration of said application and the recommendation of the Planning and Zoning Commission, the City Council of the City of Texarkana, Texas, does hereby find that the approval of the site plan for the above described property is in the best interest of the public health, safety, morals and general welfare of the City.

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

**SECTION 1:** That the site plan **(Exhibit 'A') ) to construct townhouses on Lots 1, 2, and the west part of 3, Block 13, Richmond Pines 3rd Addition, located north of the residence at 3202**

Attachment: 2021-110 ORD Amendment to PD-21-3(TH) for site plan approval (3608 : 2021-110 ORD Amendment PD-21-3 (TH) north of 3202

**Robin Lane** in the City of Texarkana, Texas, Bowie County, Texas, is hereby approved and hereby amends PD-21-3(TH).

**SECTION 2:** PD-21-3(TH) is hereby amended by approval of the site plan (**Exhibit 'A'**), incorporated herein by reference for all purposes, and includes the following:

1. Construction of two 2-story buildings with four townhouses in each building.
2. Façade will be brick and hardi board.
3. Access will be from Robin Lane with parking in the rear of the proposed development.
4. Two parking spaces will be provided per unit (one car garage and driveway).
5. There will be no signage.
6. The property will have to be platted prior to development.
7. The development must meet all city ordinances (subdivision, street, drainage, etc.)
8. A concrete sidewalk that connects the parking and the front of each unit.
9. Lights should be shielded away from any residences and facing downward.

**SECTION 3:** It is further provided that in case a section, clause, sentence or part of this ordinance shall be deemed or adjudged by a court of competent jurisdiction to be invalid, then such invalidity shall not affect, impair, or invalidate the remainder of this ordinance.

**SECTION 4:** All ordinances or parts of ordinances in conflict herewith are specifically repealed to the extent of such conflict.

**SECTION 5:** That this ordinance shall be in full force and effect from and after its passage and approval.

**PASSED AND APPROVED** in Regular Council Session on this the **10th day of January, 2022.**

ATTEST:

JENNIFER EVANS, CITY SECRETARY

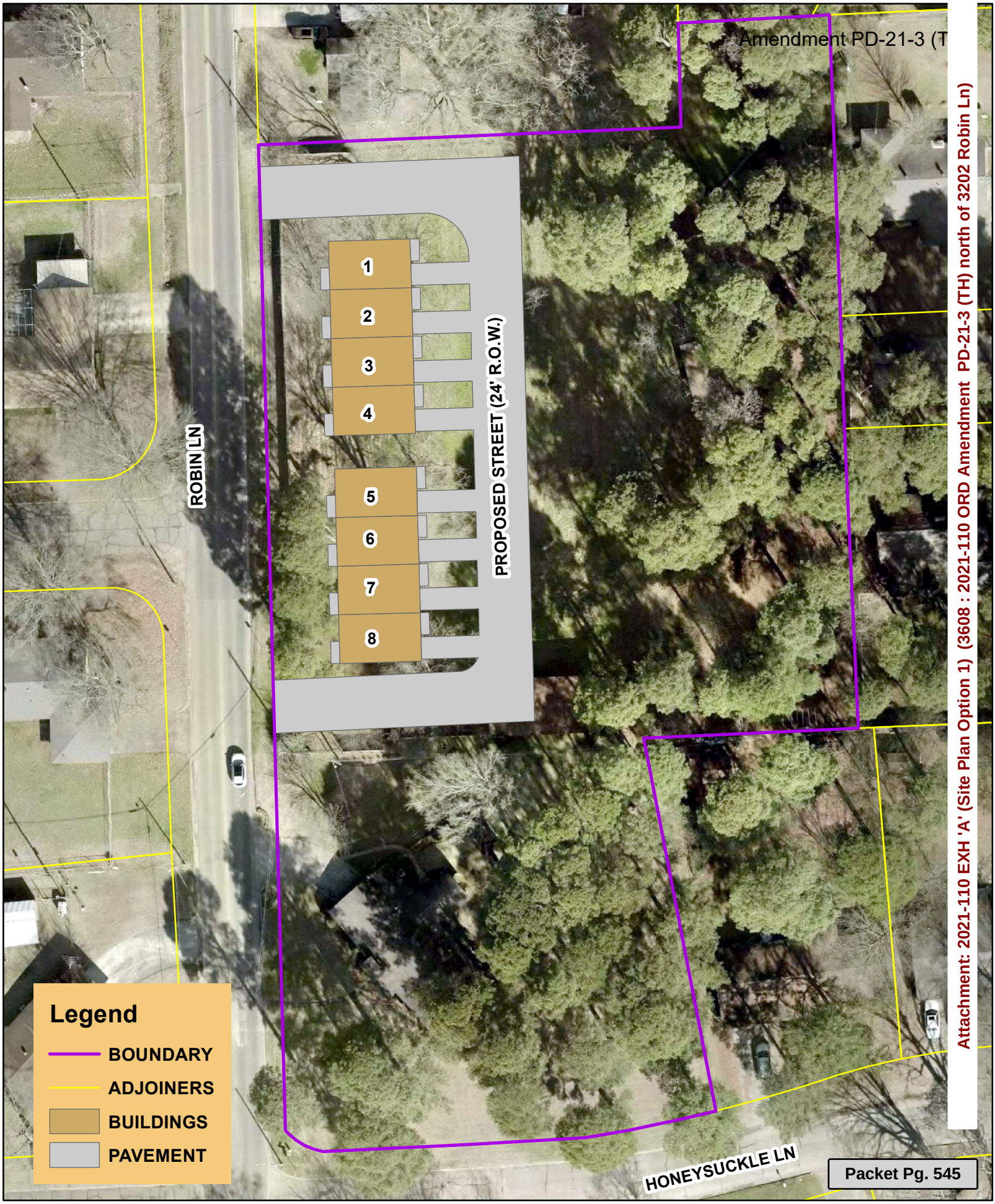
BOB BRUGGEMAN, MAYOR

Attachment: 2021-110 ORD Amendment to PD-21-3(TH) for site plan approval (3608 : 2021-110 ORD Amendment PD-21-3 (TH) north of 3202

MTG | ENGINEERS & SURVEYORS

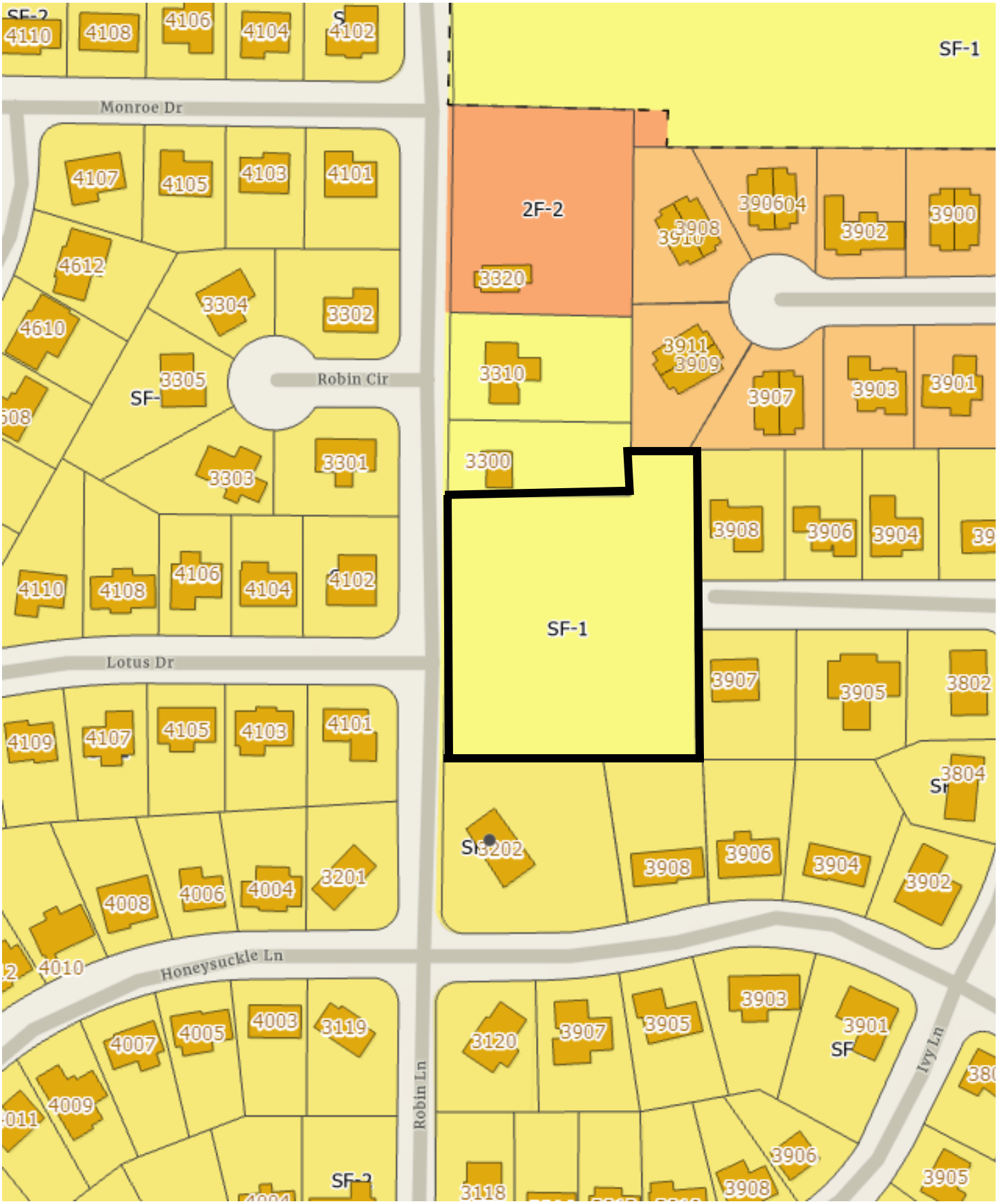
# ROBIN LANE TOWNHOMES
# OPTION #1

0 25 50 100 t



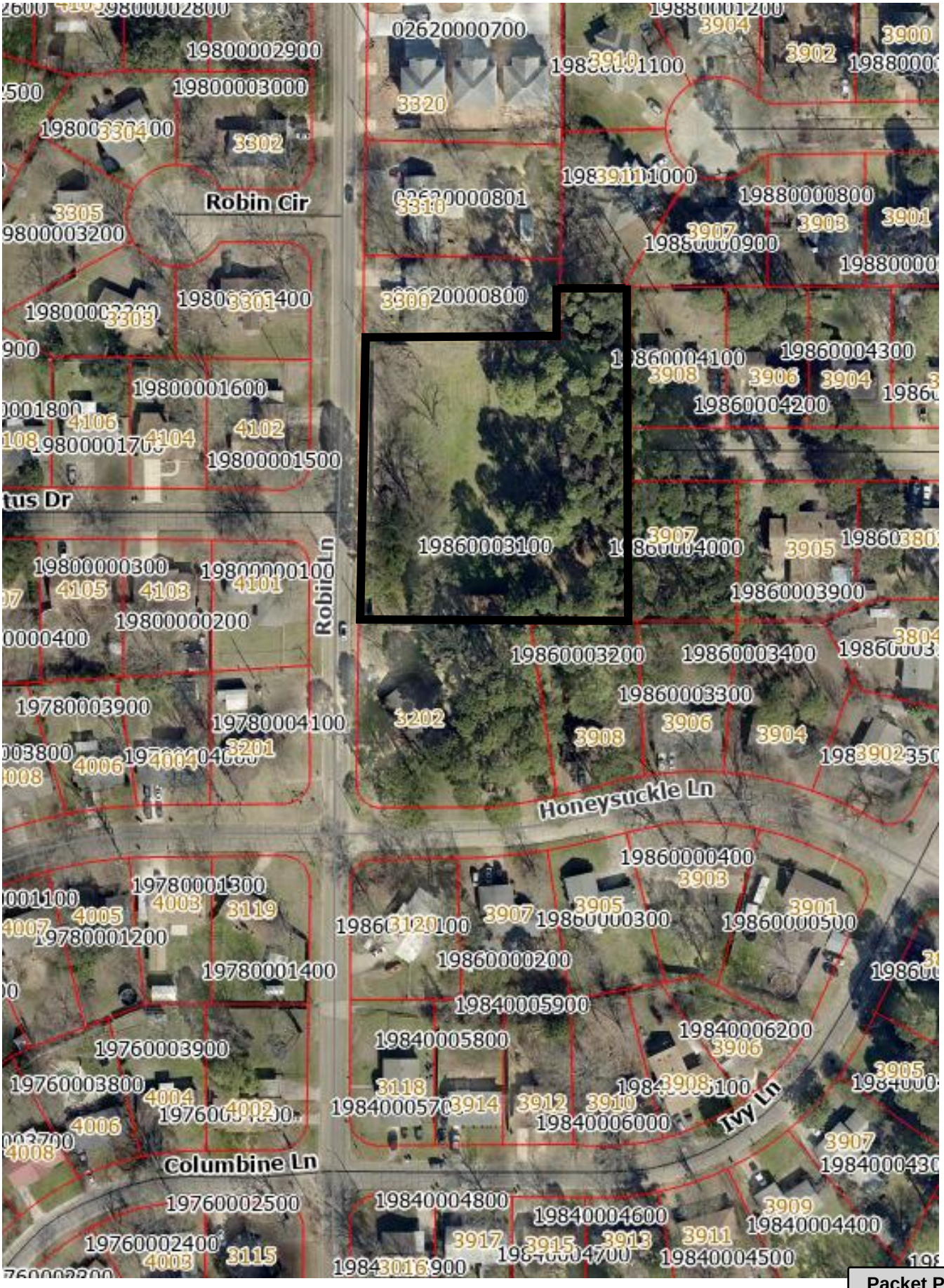

Attachment: 2021-110 EXH 'A' (Site Plan Option 1) (3608 : 2021-110 ORD Amendment PD-21-3 (TH) north of 3202 Robin Ln)

# 3202 Robin Lane




Attachment: 2021-110 ATTH 01 (Maps) (3608 : 2021-110 ORD Amendment PD-21-3 (TH) north of 3202 Robin Ln)

# 3202 Robin Lane




Attachment: 2021-110 ATTH 01 (Maps) (3608 : 2021-110 ORD Amendment PD-21-3 (TH) north of 3202 Robin Ln)

## DOORS

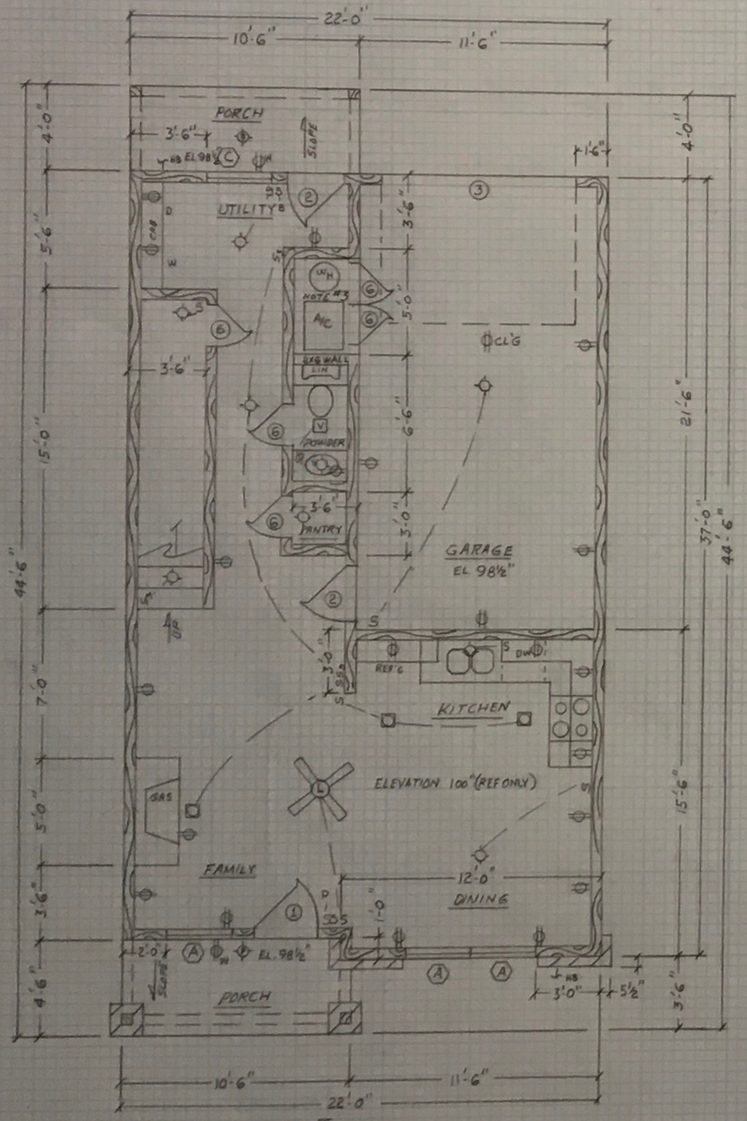
| KEY | SIZE | DESCRIPTION | | | |
|---|---|---|---|---|---|
| 1. | 3'-0"X6'-8" | EXTERIOR-OWNER SPEC. | | | |
| 2. | 2'-8"X6'-8" | METAL ½ GLASS | | | |
| 3. | 9'-0"X7'-0" | OVERHEAD w/ OPENER | | | |
| 4. | 2'-8"X6'-8" | INTERIOR HOLLOW CORE | | | |
| 5. | 2'-6"X6'-8" | ✓ | ✓ | ✓ | |
| 6. | 2'-0"X6'-8" | ✓ | ✓ | ✓ | |
| 7. | 4'-0"X6'-8" | ✓ | ✓ | ✓ | BIFOLD |

## WINDOWS

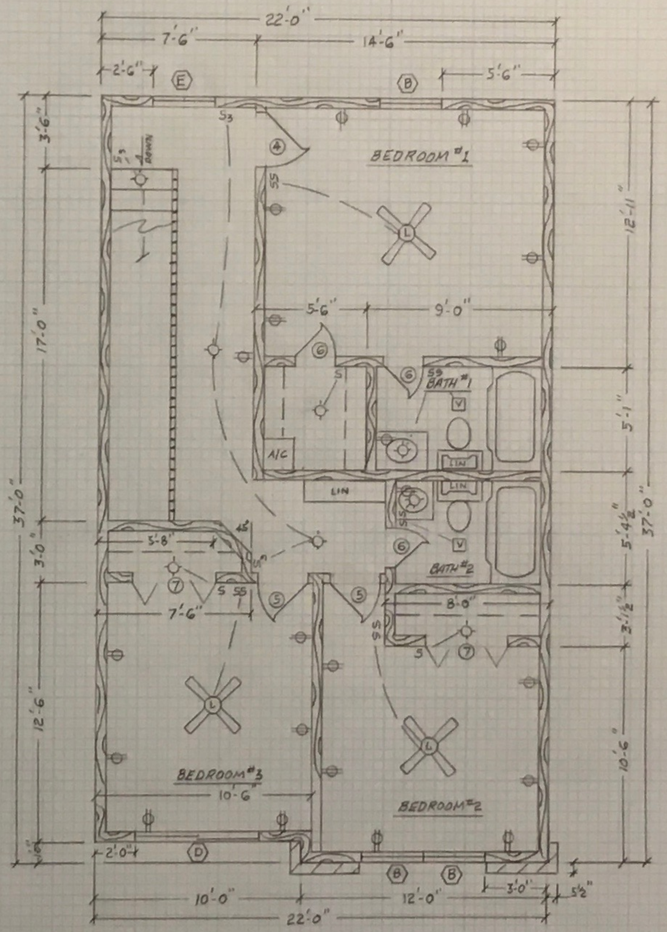
| KEY | SIZE | DESCRIPTIONS | | | |
|---|---|---|---|---|---|
| | | INSULATED | SINGLE HUNG | ½ | |
| A | 3'-0"X6'-0" | ✓ | ✓ | ✓ | ✓ |
| B | 3'-0"X5'-0" | ✓ | ✓ | ✓ | ✓ |
| C | 3'-0"X3'-0" | ✓ | ✓ | ✓ | ✓ |
| D | 6'-0"X4'-0" | ✓ | SLIDING | | |
| E | 3'-0"X3'-0" | ✓ | FIXED | | |

## NOTES

1. 2X4 X 16" O.C. WALLS EXCEPT AS NOTED
2. CEILING HEIGHT - 1ST FLOOR 9'-0", 2ND FLOOR 8'-0"
3. RAISE FLOOR 17"
4. STAIRS - 7⅝" MAX. RISE, 10" MIN. RUN, 36" MIN. WIDTH
5. 5/8" TYPE X FIRE-RATED DRYWALL ON GARAGE CEILING & WALLS
6. APPROVED SMOKE & CARBON MONOXIDE DETECTORS REQUIRED
7. WATER HEATER PAN REQUIRED
8. 3½" X 16" ENGINEERED TRUSSES
9. ADVANTECH T&G FLOORING
10. SMART BOARD EXT. TRIM & SIDING




FRONT
1ST FLOOR




FRONT
2ND FLOOR

| SQUARE FOOTAGES | |
|---|---|
| A/C FIRST FLOOR | 546 SF |
| A/C SECOND FLOOR | 733 SF |
| A/C TOTAL | 1,279 SF |
| PORCHES | 86 SF |

3 BEDROOM, 2 ½ BATH FOURPLEX

FLOOR PL
SCALE: ⅛"
DATE:
SH

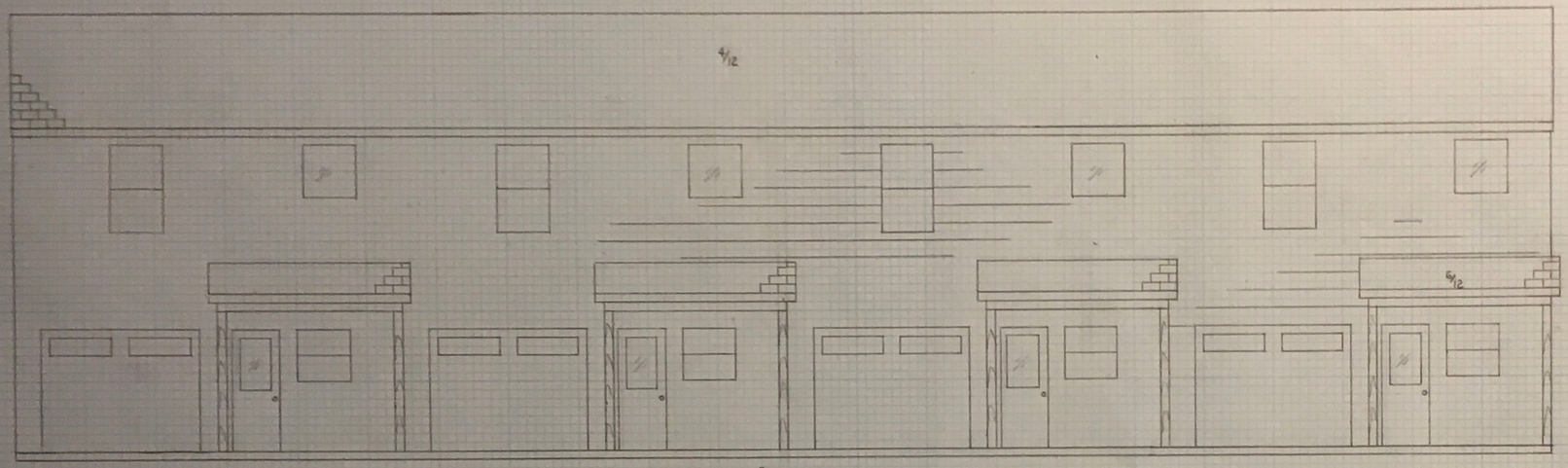


Attachment: 2021-110 ATTH 02 (Floor Plans) (3608 : 2021-110 ORD Amendment PD-21-3 (TH) north of 3202 Robin Ln)

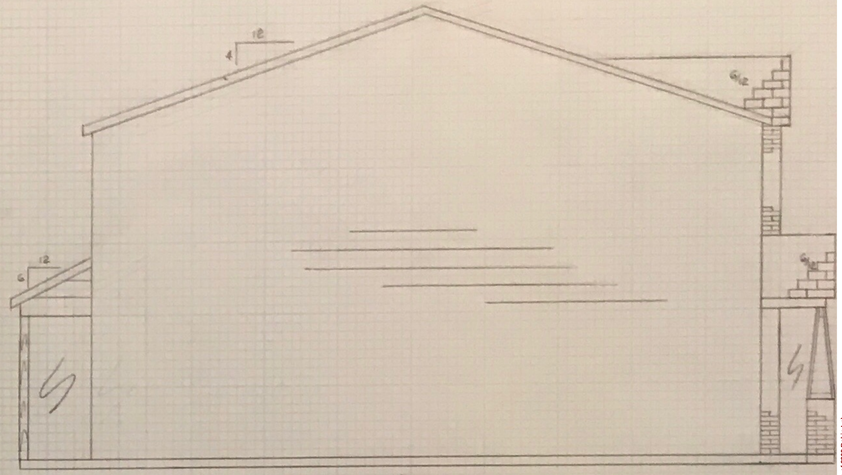
Amendment PD-21-3 (TH)



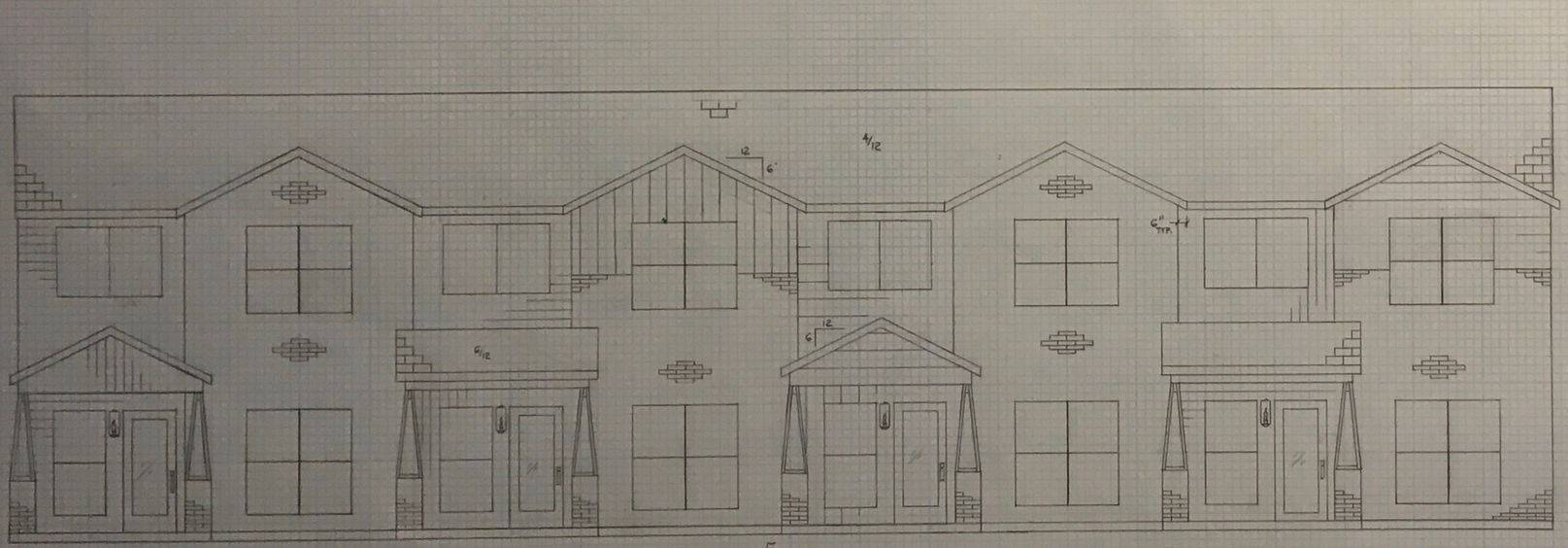

Attachment: 2021-110 ATTH 03



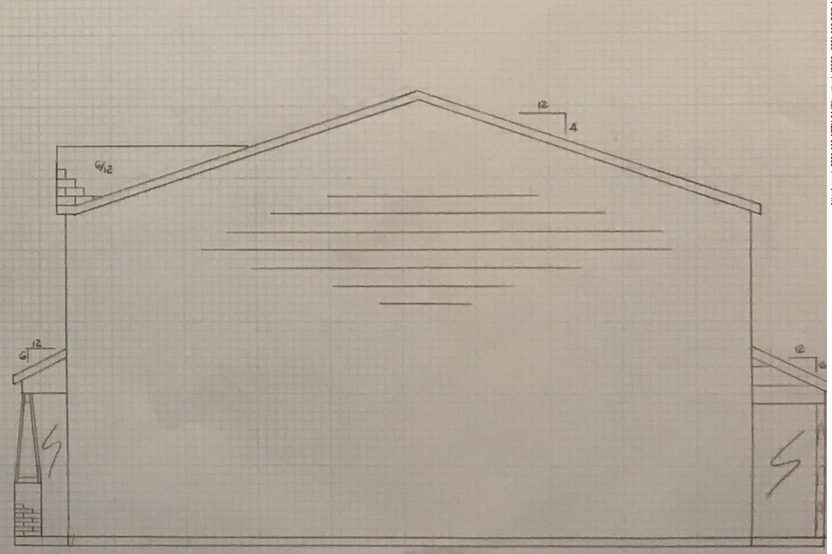

BACK




LEFT




FRONT




RIGHT

| | |
|---|---|
| 3 BEDROOM, 2 ½ BATH FOURPLEX | ELEVATIONS<br>SCALE: ¼"=1'-0"<br>DATE:<br>SHEET: 2 of 2 |

Attachment: 2021-110 ATTH 04 (Elevations) (2608 : 2021-110 ORD Amendment PO-3.3-3 (TH) (north of 33rd Robin Ln))

# PLANNING AND ZONING COMMISSION

I am writing this letter to express my opposition to the planned Townhouses on Robin lane. I have lived in the area for over 40 years and believe the Townhouse would have negative impact on the neighborhood. This area is mainly single family housing. With low traffic count.

Thank you for your consideration

Bert Nicklas

Attachment: 2021-110 ATTH 05 (Letter of Opposition) (3608 : 2021-110 ORD Amendment PD-21-3 (TH) north of 3202 Robin Ln)

**Developing Perspectives and Goals Pending Approval by the City Council:**

| Perspectives | Goals |
|---|---|
| Serve the Community | ☐ Promote an Environmentally Sensitive & Livable Community<br>☐ Provide a Safe Community<br>☑ Deliver Quality Services<br>☐ Foster a Healthy Community |
| Run the Operations | ☐ Enhance Community Preparedness & Responsiveness<br>☐ Maximize Partnership Opportunities<br>☑ Provide Courteous & Responsive Customer Service<br>☐ Model a Positive City Image<br>☑ Deliver Efficient Services<br>☐ Cultivate Community Involvement & Access |
| Manage the Resources | ☐ Maintain Fiscal Strength<br>☐ Maximize Utilization & Resources<br>☐ Invest in Infrastructure & Transportation |
| Develop Personnel | ☐ Develop a Skilled & Diverse Workforce<br>☐ Create a Positive & Rewarding Work Culture |

**Perspectives and Goals Additional Comments:**

NONE

**Resource Impact:**

| | |
|---|---|
| Staff time required if item is approved: | No Additional |

**Other Potential Impacts:**

NONE APPLICABLE

**Public Information Plan:**

| | | | |
|---|---|---|---|
| ☐ | Newspaper Notice (Required by Statute) | ☐ | Public Hearing (Required by Statute) |
| ☐ | Public Forum/Input Session | ☐ | Press Release |
| ☐ | E-News Distribution | ☐ | Website Notice |
| ☐ | Social Media (Twitter, Facebook, etc.) | ☐ | Special Mailing |
| ☐ | Flyers Posted | ☐ | Banners Posted |
| ☐ | Survey | ☐ | Automated Phone Call |
| ☑ | None Required | ☐ | |

Other:

Attachment: 2021-110 Goals & Perspectives (3608 : 2021-110 ORD Amendment PD-21-3 (TH) north of 3202 Robin Ln)

Amendment to
PD-21-3 (TH)

# ORDINANCE NO. 2021-110

**AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF TEXARKANA, TEXAS, AMENDING PD-21-3 (TH) FOR SITE PLAN APPROVAL ON LOTS 1, 2, AND THE WEST PART OF 3, BLOCK 13, RICHMOND PINES 3RD ADDITION, LOCATED NORTH OF THE RESIDENCE AT 3202 ROBIN LANE IN THE CITY OF TEXARKANA, BOWIE COUNTY, TEXAS, CONTAINING A REPEALER CLAUSE; CONTAINING A SEVERABILITY CLAUSE; AND ESTABLISHING AN EFFECTIVE DATE.**

**WHEREAS**, an application has been filed requesting the approval of a **site plan (Exhibit 'A') to construct townhouses on Lots 1, 2, and the west part of 3, Block 13, Richmond Pines 3rd Addition, located north of the residence at 3202 Robin Lane** in the City of Texarkana, Bowie County, Texas; and

**WHEREAS**, the subject property is zoned Planned Development-Townhouse [PD-21-3(TH)], and approval of the site plan **(Exhibit 'A')** would constitute an amendment to PD-21-3(TH); and

**WHEREAS**, the proposed use is consistent with the listed uses in the Land Development Code for the zoning classification of Planned Development-Townhouse; and

**WHEREAS**, the Planning and Zoning Commission of the City of Texarkana, Texas, and the City Council of the City of Texarkana, Texas, in compliance with the laws of the State of Texas with reference to the granting of this amendment, have given the requisite notices by publication and otherwise, and have afforded and held full and fair hearings to all property owners generally and to all persons interested and situated in the affected area and in the vicinity thereof; and

**WHEREAS**, after consideration of said application, the Planning and Zoning Commission of the City of Texarkana, Texas, voted **unanimously by a vote of five (5) to zero (0) to recommend approval of the petition for a site plan (Exhibit 'A')** to the City Council of the City of Texarkana, Texas; and

**WHEREAS**, after consideration of said application and the recommendation of the Planning and Zoning Commission, the City Council of the City of Texarkana, Texas, does hereby find that the approval of the site plan for the above described property is in the best interest of the public health, safety, morals and general welfare of the City.

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

**SECTION 1:** That the site plan **(Exhibit 'A') ) to construct townhouses on Lots 1, 2, and the west part of 3, Block 13, Richmond Pines 3rd Addition, located north of the residence at 3202**

Attachment: 2021-110 ORD Amd. lot north of 3202 Robin signed (3608 : 2021-110 ORD Amendment PD-21-3 (TH) north of 3202 Robin Ln)

**Robin Lane** in the City of Texarkana, Texas, Bowie County, Texas, is hereby approved and hereby amends PD-21-3(TH).

**SECTION 2:** PD-21-3(TH) is hereby amended by approval of the site plan (**Exhibit 'A'**), incorporated herein by reference for all purposes, and includes the following:

1. Construction of two 2-story buildings with four townhouses in each building.
2. Façade will be brick and hardi board.
3. Access will be from Robin Lane with parking in the rear of the proposed development.
4. Two parking spaces will be provided per unit (one car garage and driveway).
5. There will be no signage.
6. The property will have to be platted prior to development.
7. The development must meet all city ordinances (subdivision, street, drainage, etc.)
8. A concrete sidewalk that connects the parking and the front of each unit.
9. Lights should be shielded away from any residences and facing downward.

**SECTION 3:** It is further provided that in case a section, clause, sentence or part of this ordinance shall be deemed or adjudged by a court of competent jurisdiction to be invalid, then such invalidity shall not affect, impair, or invalidate the remainder of this ordinance.

**SECTION 4:** All ordinances or parts of ordinances in conflict herewith are specifically repealed to the extent of such conflict.

**SECTION 5:** That this ordinance shall be in full force and effect from and after its passage and approval.

**PASSED AND APPROVED** in Regular Council Session on this the **10th day of January, 2022.**

ATTEST:

JENNIFER EVANS, CITY SECRETARY

BOB BRUGGEMAN, MAYOR

6:32 p.m.

Attachment: 2021-110 ORD Amd. lot north of 3202 Robin signed (3608 : 2021-110 ORD Amendment PD-21-3 (TH) north of 3202 Robin Ln)

MTG ENGINEERS & SURVEYORS

# ROBIN LANE TOWNHOMES
# OPTION #1

0 25 50 100 Fe




Attachment: 2021-110 ORD Amd. lot north of 3202 Robin signed (3608 : 2021-110 ORD Amendment PD-21-3 (TH) north of 3202 Robin Ln)

**City of Texarkana, Texas**

Version:

# Briefing Sheet

**Update Date:** 12/9/2021 9:14 AM

| | | | |
|---|---|---|---|
| **Lead Department:** | Planning & Zoning Commission | **Action Officer:** | Laura Puckett, Administrative Coordinator |
| **Subject:** | Ordinance No. 2021-111 approving an amendment to PD-01-8 (MF-1) for site plan approval on Lot 1, 2, and 3, Block 2, Brookwood Acres Addition, located in the 500 block of Belt Road. Jason Nguyen, owner, and Brandon Taylor, 2B Builders, agent. | | |

**Briefing:** 1/10/2022 **Public Hearing:** 1/10/2022 **Council Vote:** 1/10/2022

**Item Schedule**

Schedule 1: Brief twice - vote once (six weeks)

**Updates/History of Briefing:**

NOT APPLICABLE

**Executive Summary and Background Information:**

This is a request by Jason Nguyen, owner, and Brandon Taylor, 2B Builders, agent, for site plan approval on Lot 1, 2, and 3, Block 2, Brookwood Acres Addition, located in the 500 block of Belt Road. The proposed use is townhouse looking, two story apartment units. This property is currently vacant land.

The adjacent zoning is Planned Development-Multiple Family-1 to the north and south, Two Family-2 to the west and Planned Development-Mutiple Family-1 and Single Family -2 to the east. The adjacent land use is a residential to the north, south west and east.

The Future Land Use Map designates this property as “Neighborhood Residential”.

The site plan shows the following:

1. Construction of 14,000 sq. ft. of townhouse style apartment units.
2. Access will be off Cheyenne Place and Apache Trail.
3. 2 parking spaces per unit. All parking spaces shall be a minimum of 180 sq. ft. in size.
4. No signage.
5. The façade will be hardi siding and brick.
6. Screened dumpster site located in the parking area.
7. Sidewalks from the front of the property connecting the parking in back.
8. Continue the privacy fence along the rear of the property connecting to the duplexes on Apache Trail.
9. The property will have to be platted prior to development.
10. The development must meet all city ordinances (subdivision, street, drainage, etc.)

Staff recommends for approval of the site plan.

The applicant should also be aware that if this site plan approval item is approved, all other applicable city code/ordinance requirements must be met including but not limited to building codes, setbacks, subdivision, fire, parking, drainage, water, and sewer prior to the issuance of building permits.

**Potential Options:**

Approve or deny

**Fiscal Implications:**

NOT APPLICABLE

**Staff Recommendation:**

Staff recommends for approval of this request with stipulations.

**Advisory Board/Committee Review:**

Planning and Zoning Commission

**Board/Committee Recommendation:**

The Planning and Zoning Commission unanimously recommended for approval with stipulations.

**Advisory Board/Committee Meeting Date and Minutes:**

November 1, 2021

**Attachments**

a. 2021-111 ORD Amendment to PD-01-8(MF-1) for site plan approval (DOCX)
b. 2021-111 EXH 'A' (Site Plan)(PDF)
c. 2021-111 ATTH 01 (Maps) (PDF)
d. 2021-111 ATTH 02 (Floor Plan) (PDF)
e. 2021-111 ATTH 03 (Photo Rendering) (PDF)
f. 2021-111 ATTH 04 (Elevation) (PDF)
g. 2021-111 Goals & Perspectives (PDF)
h. 2021-111 ORD Amd. 500 Blk Belt Rd signed (PDF)

**Staff Coordination**

| | | | | |
|---|---|---|---|---|
| Building Code Administration | Mashell Daniel | Review | Completed | 12/07/2021 1:34 PM |
| City Manager | David Orr | Review | Completed | 12/07/2021 3:24 PM |
| City Council | Jennifer Evans | Meeting | Completed | 12/13/2021 6:00 PM |

## Meeting History

| | | | |
|---|---|---|---|
| 12/13/21 | City Council | MOVED FORWARD | Next: 01/10/22 |

Attachment: 2021-111 ORD Amendment to PD-01-8(MF-1) for site plan approval (3609 : 2021-111 ORD Amendment to PD-01-8 (MF-1) 500 block

Amendment to
PD-01-8 (MF-1)

# ORDINANCE NO. 2021-111

**AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF TEXARKANA, TEXAS, AMENDING PD-01-8 (MF-1) FOR SITE PLAN APPROVAL ON LOTS 1, 2, AND 3, BLOCK 2, BROOKWOOD ACRES ADDITION, LOCATED IN THE 500 BLOCK OF BELT ROAD IN THE CITY OF TEXARKANA, BOWIE COUNTY, TEXAS, CONTAINING A REPEALER CLAUSE; CONTAINING A SEVERABILITY CLAUSE; AND ESTABLISHING AN EFFECTIVE DATE.**

**WHEREAS**, an application has been filed requesting the approval of a **site plan (Exhibit 'A') to construct townhouses on Lots 1, 2, and 3, Block 2, Brookwood Acres Addition, located in the 500 block of Belt Road** in the City of Texarkana, Bowie County, Texas; and

**WHEREAS**, the subject property is zoned Planned Development-Townhouse [PD-01-8(MF-1)], and approval of the site plan **(Exhibit 'A')** would constitute an amendment to PD-01-8(MF-1); and

**WHEREAS**, the proposed use is consistent with the listed uses in the Land Development Code for the zoning classification of Planned Development-Townhouse; and

**WHEREAS**, the Planning and Zoning Commission of the City of Texarkana, Texas, and the City Council of the City of Texarkana, Texas, in compliance with the laws of the State of Texas with reference to the granting of this amendment, have given the requisite notices by publication and otherwise, and have afforded and held full and fair hearings to all property owners generally and to all persons interested and situated in the affected area and in the vicinity thereof; and

**WHEREAS**, after consideration of said application, the Planning and Zoning Commission of the City of Texarkana, Texas, voted **unanimously by a vote of five (5) to zero (0) to recommend approval of the site plan (Exhibit 'A')** to the City Council of the City of Texarkana, Texas; and

**WHEREAS**, after consideration of said application and the recommendation of the Planning and Zoning Commission, the City Council of the City of Texarkana, Texas, does hereby find that the approval of the site plan for the above described property is in the best interest of the public health, safety, morals and general welfare of the City.

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

**SECTION 1:** That the site plan **(Exhibit 'A') to construct townhouses on Lots 1, 2, and 3, Block 2, Brookwood Acres Addition, located in the 500 block of Belt Road** in the City of Texarkana, Texas, Bowie County, Texas, is hereby approved and hereby amends PD-01-8(MF-1).

**SECTION 2:** PD-01-8(MF-1) is hereby amended by approval of the site plan (**Exhibit 'A'**), incorporated herein by reference for all purposes, and includes the following:

1. Construction of 14,000 sq. ft. of townhouse style apartment units.
2. Access will be off Cheyenne Place and Apache Trail.
3. 2 parking spaces per unit. All parking spaces shall be a minimum of 180 sq. ft. in size.
4. No signage.
5. The façade will be hardi, siding, and brick.
6. Screened dumpster site located in the parking area.
7. Sidewalks from the front of the property connecting the parking in back.
8. Continue the privacy fence along the rear of the property connecting to the duplexes on Apache Trail.
9. The property will have to be platted prior to development.
10. The development must meet all city ordinances (subdivision, street, drainage, etc.)

**SECTION 3:** It is further provided that in case a section, clause, sentence or part of this ordinance shall be deemed or adjudged by a court of competent jurisdiction to be invalid, then such invalidity shall not affect, impair, or invalidate the remainder of this ordinance.

**SECTION 4:** All ordinances or parts of ordinances in conflict herewith are specifically repealed to the extent of such conflict.

**SECTION 5:** That this ordinance shall be in full force and effect from and after its passage and approval.

**PASSED AND APPROVED** in Regular Council Session on this the **10th day of January, 2022.**

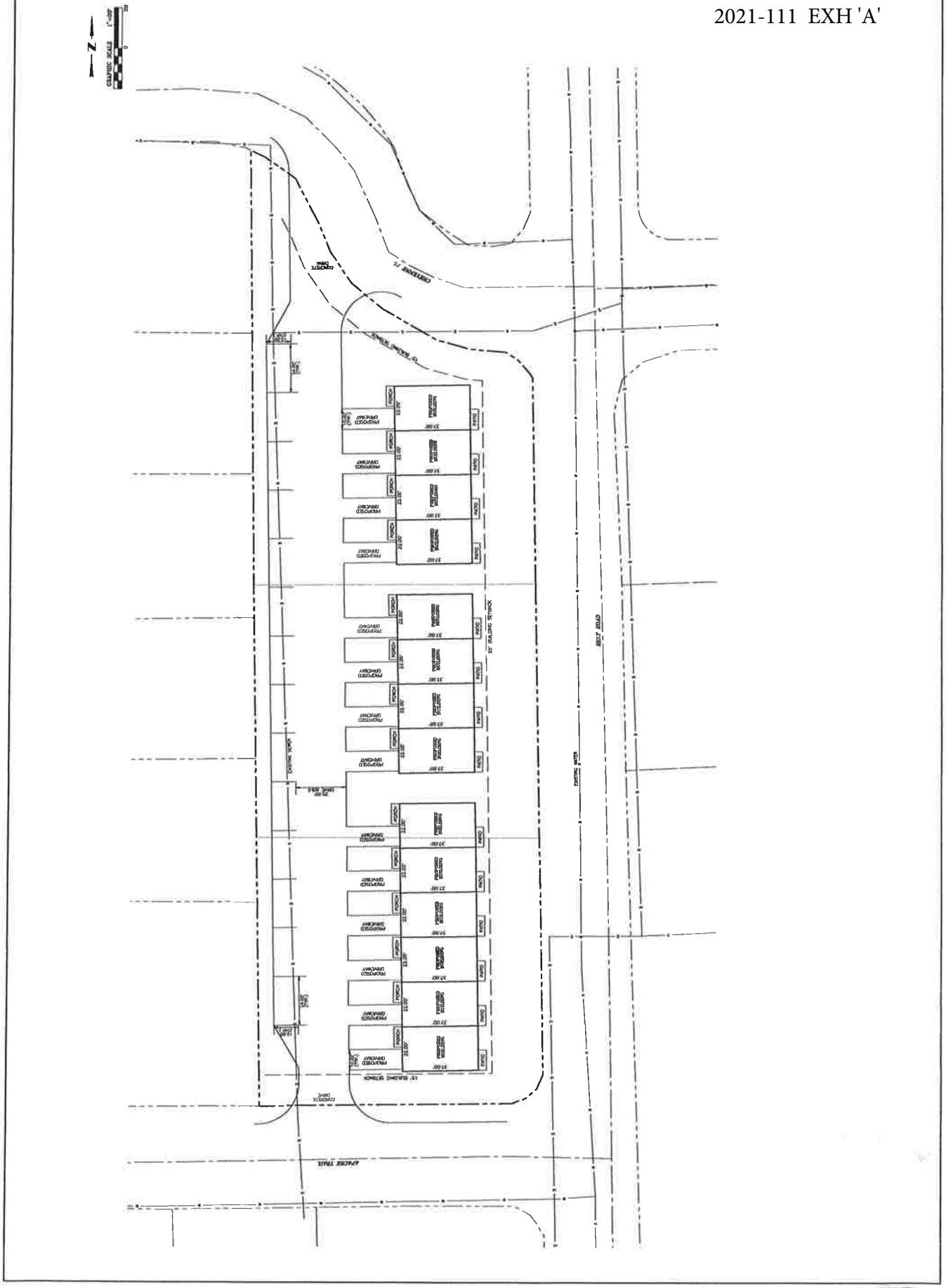
ATTEST:

JENNIFER EVANS, CITY SECRETARY

BOB BRUGGEMAN, MAYOR

Attachment: 2021-111 ORD Amendment to PD-01-8(MF-1) for site plan approval (3609 : 2021-111 ORD Amendment to PD-01-8 (MF-1) 500 block

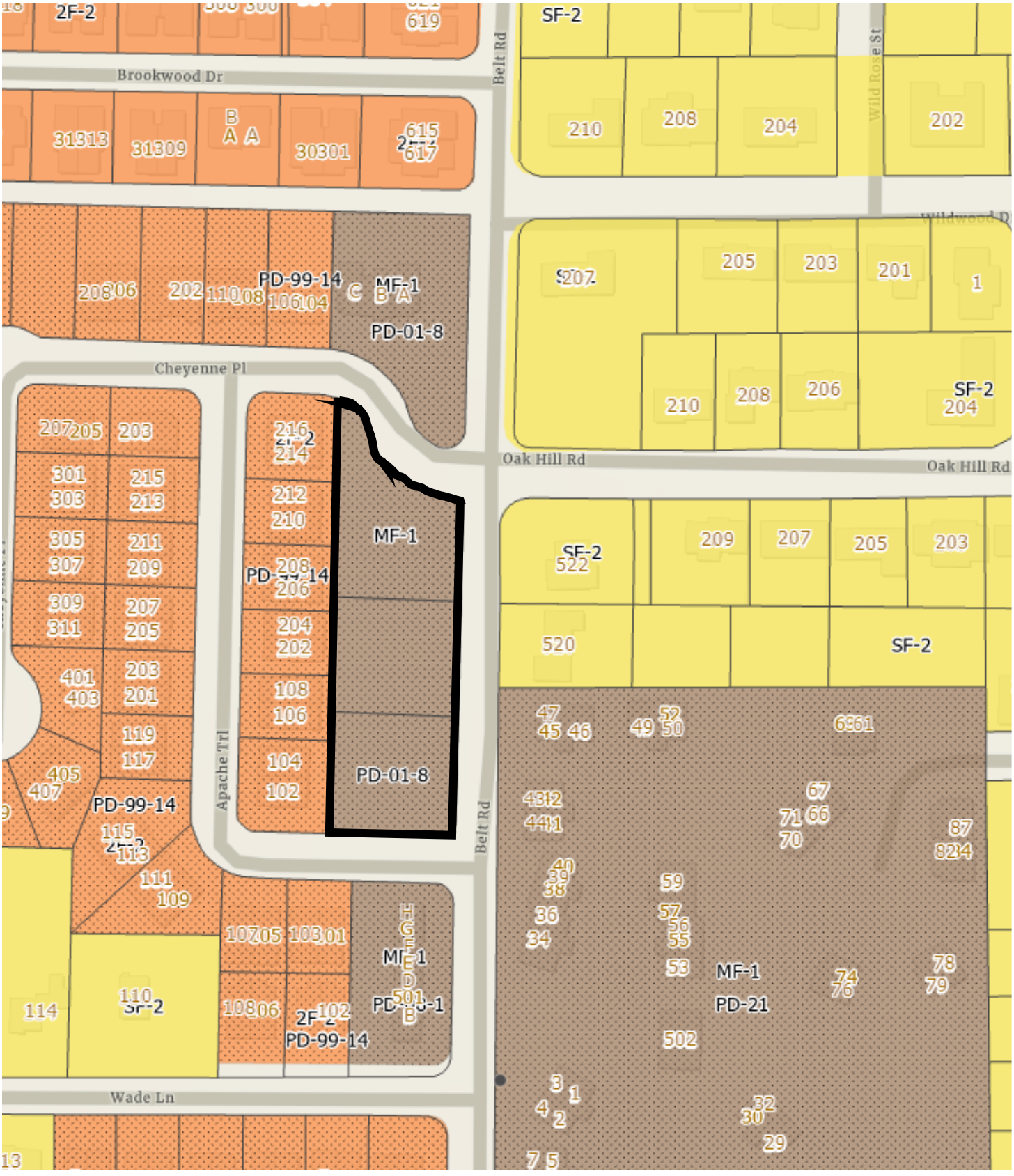
2021-111 EXH 'A'




Attachment: 2021-111 EXH 'A' (Site Plan) (3609 : 2021-111 ORD Amendment to PD-01-8 (MF-1) 500 block Belt Road)

2021-111 ATTH 01
Amendment to PD-01-8

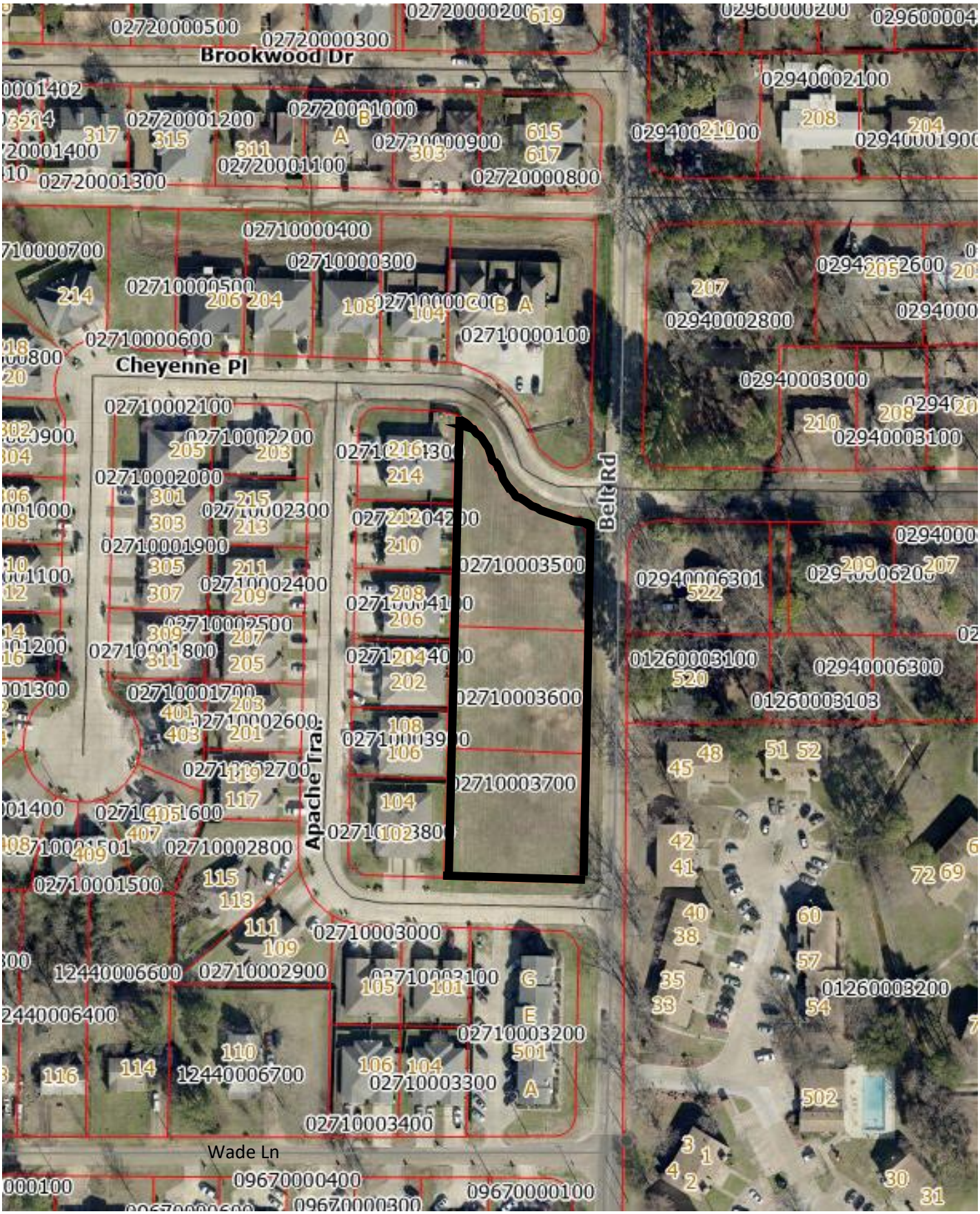
# 500 Block of Belt Road




Attachment: 2021-111 ATTH 01 (Maps) (3609 : 2021-111 ORD Amendment to PD-01-8 (MF-1) 500 block Belt Road)

2021-111 ATTH 01
Amendment to PD-01-8

# 500 Block of Belt Road




Attachment: 2021-111 ATTH 01 (Maps) (3609 : 2021-111 ORD Amendment to PD-01-8 (MF-1) 500 block Belt Road)

# DOORS

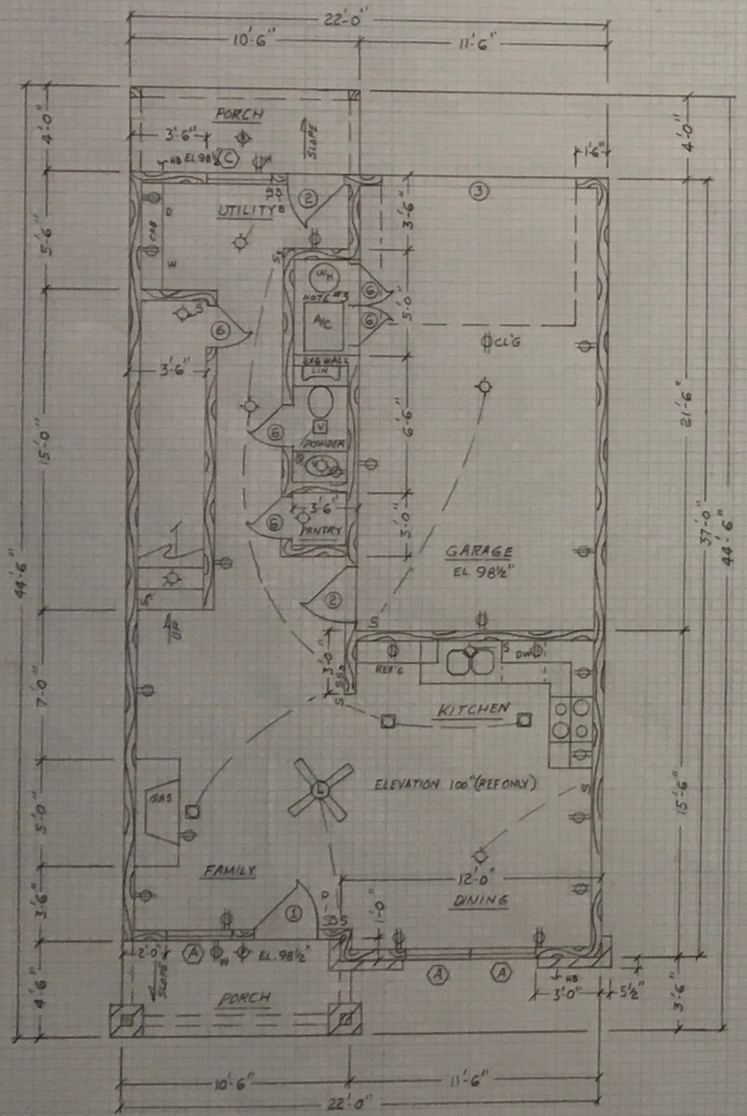
| KEY | SIZE | DESCRIPTION | | | |
|---|---|---|---|---|---|
| 1. | 3'-0" X 6'-8" | EXTERIOR-OWNER SPEC. | | | |
| 2. | 2'-8" X 6'-8" | METAL ½ GLASS | | | |
| 3. | 9'-0" X 7'-0" | OVERHEAD W/ OPENER | | | |
| 4. | 2'-8" X 6'-8" | INTERIOR HOLLOW CORE | | | |
| 5. | 2'-6" X 6'-8" | ✓ | ✓ | ✓ | |
| 6. | 2'-0" X 6'-8" | ✓ | ✓ | ✓ | |
| 7. | 4'-0" X 6'-8" | ✓ | ✓ | ✓ | BIFOLD |

# WINDOWS

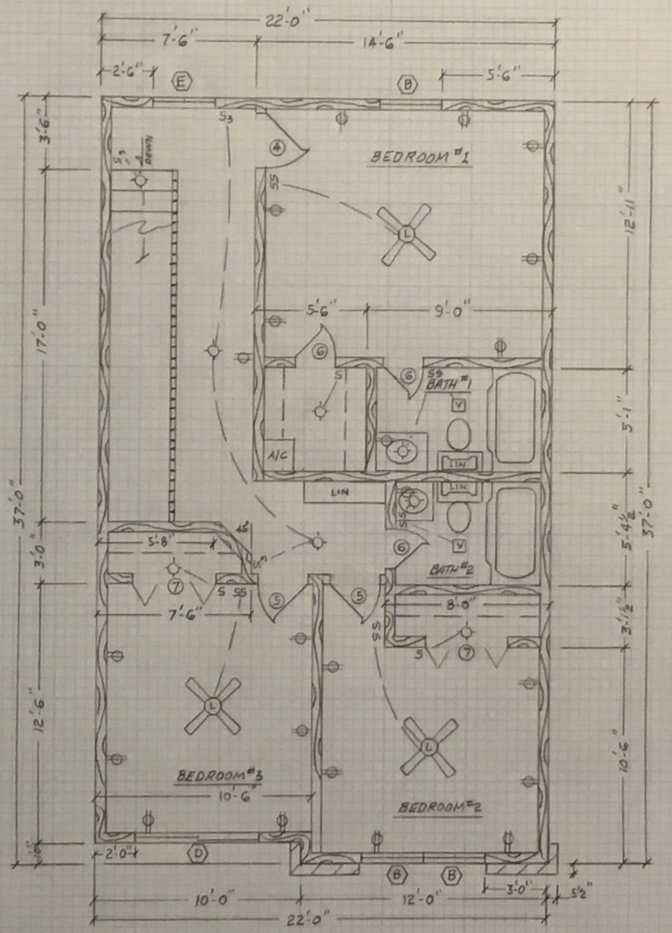
| KEY | SIZE | DESCRIPTIONS | | | |
|---|---|---|---|---|---|
| | | INSULATED | SINGLE HUNG | | ½ |
| A | 3'-0" X 6'-0" | ✓ | ✓ | ✓ | ✓ |
| B | 3'-0" X 5'-0" | ✓ | ✓ | ✓ | ✓ |
| C | 3'-0" X 3'-0" | ✓ | ✓ | ✓ | ✓ |
| D | 6'-0" X 4'-0" | ✓ | SLIDING | | |
| E | 3'-0" X 3'-0" | ✓ | FIXED | | |

# NOTES

1. 2X4 @ 16" O.C. WALLS EXCEPT AS NOTED
2. CEILING HEIGHT - 1ST FLOOR 9'-0", 2ND FLOOR 8'-0"
3. RAISE FLOOR 17"
4. STAIRS - 7⅝" MAX. RISE, 10" MIN. RUN, 36" MIN. WIDTH
5. 5/8" TYPE X FIRE-RATED DRYWALL ON GARAGE CEILING & WALLS
6. APPROVED SMOKE & CARBON MONOXIDE DETECTORS REQUIRED
7. WATER HEATER PAN REQUIRED
8. 3½" X 16" ENGINEERED TRUSSES
9. ADVANTECH T&G FLOORING
10. SMART BOARD EXT. TRIM & SIDING




FRONT
1ST FLOOR




FRONT
2ND FLOOR

| SQUARE FOOTAGES | |
|---|---|
| A/C FIRST FLOOR | 546 SF |
| A/C SECOND FLOOR | 733 SF |
| A/C TOTAL | 1,279 SF |
| PORCHES | 86 SF |

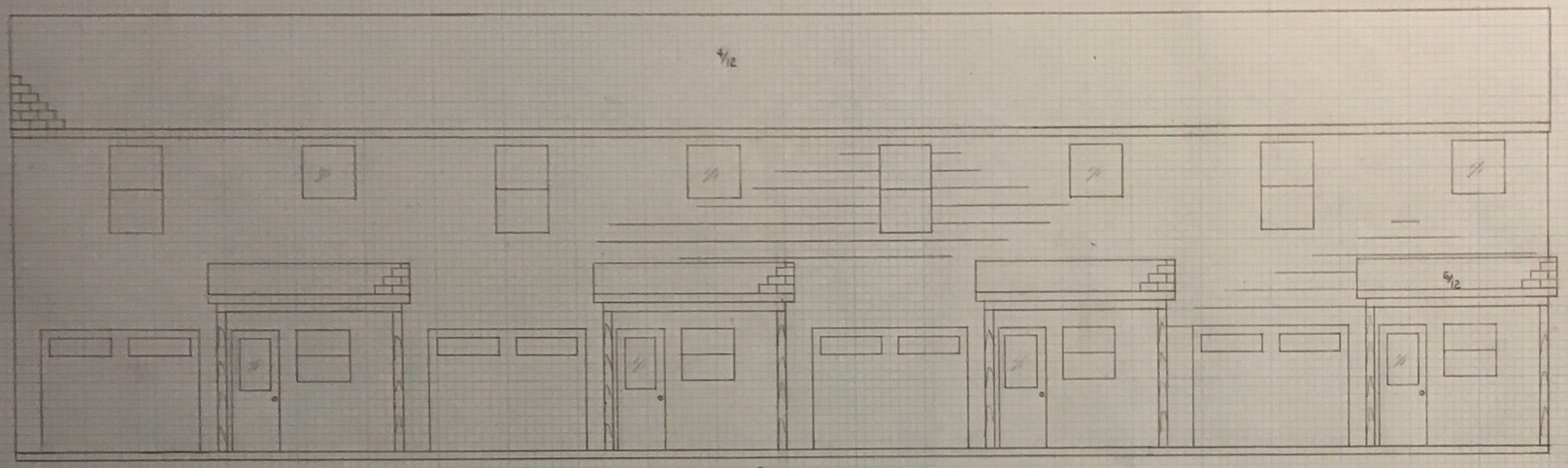
3 BEDROOM, 2½ BATH FOURPLEX

FLOOR PL
SCALE: ⅛"
DATE:
SH

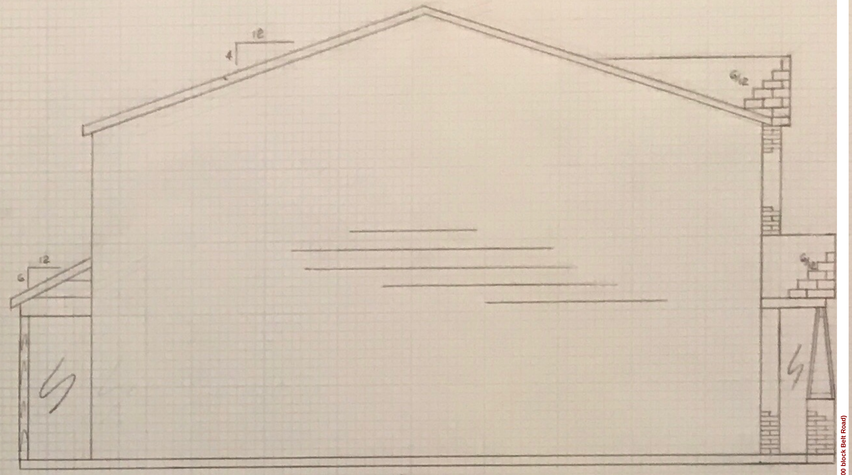
Attachment: 2021-111 ATTH 02 (Floor Plan) (3609 : 2021-111 ORD Amendment to PD-01-5 (MF-1) 500 block Bell Road)



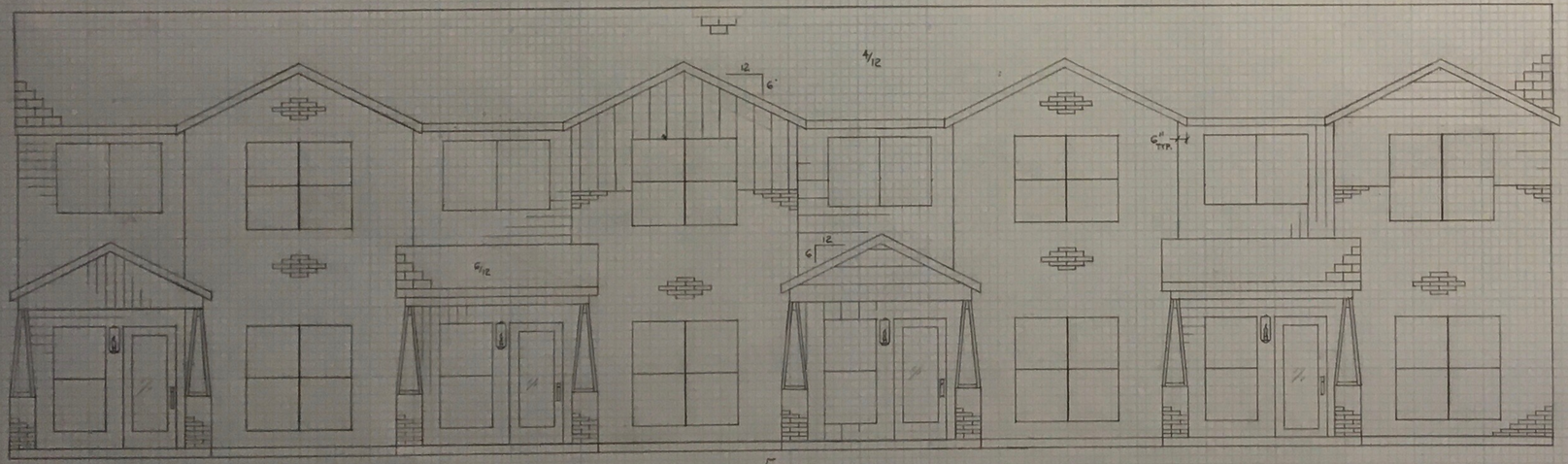

Attachment: 2021-111 ATTH 03 (Photo



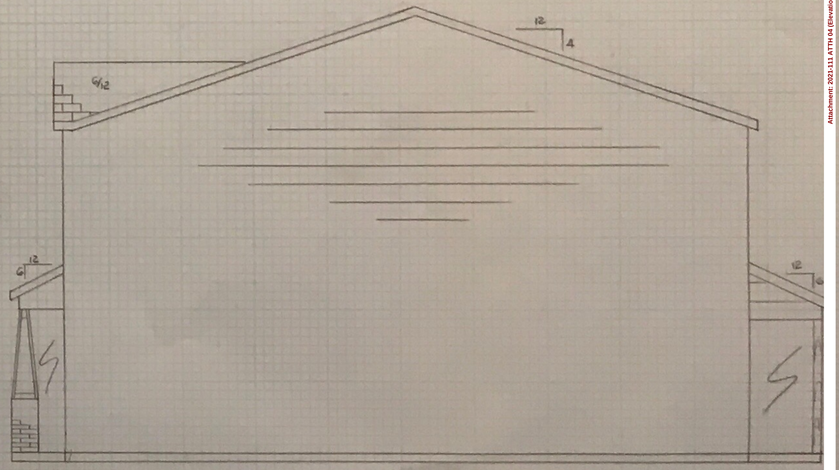

BACK




LEFT




FRONT




RIGHT

| | |
|---|---|
| 3 BEDROOM, 2 ½ BATH FOURPLEX | ELEVATIONS<br>SCALE: ¼"=1'-0"<br>DATE:<br>SHEET: 2 of 2 |

Attachment: 2021-111 ATTH 04 (Elevations) [3909 : 2021-111 ORD Amendment to PD-05-8 (MF-31) 550 block Bell Road)

**Developing Perspectives and Goals Pending Approval by the City Council:**

| Perspectives | Goals |
|---|---|
| Serve the Community | ☐ Promote an Environmentally Sensitive & Livable Community<br>☐ Provide a Safe Community<br>☑ Deliver Quality Services<br>☐ Foster a Healthy Community |
| Run the Operations | ☐ Enhance Community Preparedness & Responsiveness<br>☐ Maximize Partnership Opportunities<br>☑ Provide Courteous & Responsive Customer Service<br>☐ Model a Positive City Image<br>☑ Deliver Efficient Services<br>☐ Cultivate Community Involvement & Access |
| Manage the Resources | ☐ Maintain Fiscal Strength<br>☐ Maximize Utilization & Resources<br>☐ Invest in Infrastructure & Transportation |
| Develop Personnel | ☐ Develop a Skilled & Diverse Workforce<br>☐ Create a Positive & Rewarding Work Culture |

**Perspectives and Goals Additional Comments:**

NONE

**Resource Impact:**

| | |
|---|---|
| Staff time required if item is approved: | No Additional |

**Other Potential Impacts:**

NONE APPLICABLE

**Public Information Plan:**

| | | | |
|---|---|---|---|
| ☐ | Newspaper Notice (Required by Statute) | ☐ | Public Hearing (Required by Statute) |
| ☐ | Public Forum/Input Session | ☐ | Press Release |
| ☐ | E-News Distribution | ☐ | Website Notice |
| ☐ | Social Media (Twitter, Facebook, etc.) | ☐ | Special Mailing |
| ☐ | Flyers Posted | ☐ | Banners Posted |
| ☐ | Survey | ☐ | Automated Phone Call |
| ☑ | None Required | ☐ | |

Other:

Attachment: 2021-111 Goals & Perspectives (3609 : 2021-111 ORD Amendment to PD-01-8 (MF-1) 500 block Belt Road)

Amendment to
PD-01-8 (MF-1)

# ORDINANCE NO. 2021-111

**AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF TEXARKANA, TEXAS, AMENDING PD-01-8 (MF-1) FOR SITE PLAN APPROVAL ON LOTS 1, 2, AND 3, BLOCK 2, BROOKWOOD ACRES ADDITION, LOCATED IN THE 500 BLOCK OF BELT ROAD IN THE CITY OF TEXARKANA, BOWIE COUNTY, TEXAS, CONTAINING A REPEALER CLAUSE; CONTAINING A SEVERABILITY CLAUSE; AND ESTABLISHING AN EFFECTIVE DATE.**

**WHEREAS**, an application has been filed requesting the approval of a **site plan (Exhibit 'A') to construct townhouses on Lots 1, 2, and 3, Block 2, Brookwood Acres Addition, located in the 500 block of Belt Road** in the City of Texarkana, Bowie County, Texas; and

**WHEREAS**, the subject property is zoned Planned Development-Townhouse [PD-01-8(MF-1)], and approval of the site plan **(Exhibit 'A')** would constitute an amendment to PD-01-8(MF-1); and

**WHEREAS**, the proposed use is consistent with the listed uses in the Land Development Code for the zoning classification of Planned Development-Townhouse; and

**WHEREAS**, the Planning and Zoning Commission of the City of Texarkana, Texas, and the City Council of the City of Texarkana, Texas, in compliance with the laws of the State of Texas with reference to the granting of this amendment, have given the requisite notices by publication and otherwise, and have afforded and held full and fair hearings to all property owners generally and to all persons interested and situated in the affected area and in the vicinity thereof; and

**WHEREAS**, after consideration of said application, the Planning and Zoning Commission of the City of Texarkana, Texas, voted **unanimously by a vote of five (5) to zero (0) to recommend approval of the site plan (Exhibit 'A')** to the City Council of the City of Texarkana, Texas; and

**WHEREAS**, after consideration of said application and the recommendation of the Planning and Zoning Commission, the City Council of the City of Texarkana, Texas, does hereby find that the approval of the site plan for the above described property is in the best interest of the public health, safety, morals and general welfare of the City.

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

**SECTION 1:** That the site plan **(Exhibit 'A') to construct townhouses on Lots 1, 2, and 3, Block 2, Brookwood Acres Addition, located in the 500 block of Belt Road** in the City of Texarkana, Texas, Bowie County, Texas, is hereby approved and hereby amends PD-01-8(MF-1).

Attachment: 2021-111 ORD Amd. 500 Blk Belt Rd signed (3609 : 2021-111 ORD Amendment to PD-01-8 (MF-1) 500 block Belt Road)

**SECTION 2:** PD-01-8(MF-1) is hereby amended by approval of the site plan (**Exhibit 'A'**), incorporated herein by reference for all purposes, and includes the following:

1. Construction of 14,000 sq. ft. of townhouse style apartment units.
2. Access will be off Cheyenne Place and Apache Trail.
3. 2 parking spaces per unit. All parking spaces shall be a minimum of 180 sq. ft. in size.
4. No signage.
5. The façade will be hardi, siding, and brick.
6. Screened dumpster site located in the parking area.
7. Sidewalks from the front of the property connecting the parking in back.
8. Continue the privacy fence along the rear of the property connecting to the duplexes on Apache Trail.
9. The property will have to be platted prior to development.
10. The development must meet all city ordinances (subdivision, street, drainage, etc.)

**SECTION 3:** It is further provided that in case a section, clause, sentence or part of this ordinance shall be deemed or adjudged by a court of competent jurisdiction to be invalid, then such invalidity shall not affect, impair, or invalidate the remainder of this ordinance.

**SECTION 4:** All ordinances or parts of ordinances in conflict herewith are specifically repealed to the extent of such conflict.

**SECTION 5:** That this ordinance shall be in full force and effect from and after its passage and approval.

**PASSED AND APPROVED** in Regular Council Session on this the **10th day of January, 2022.**

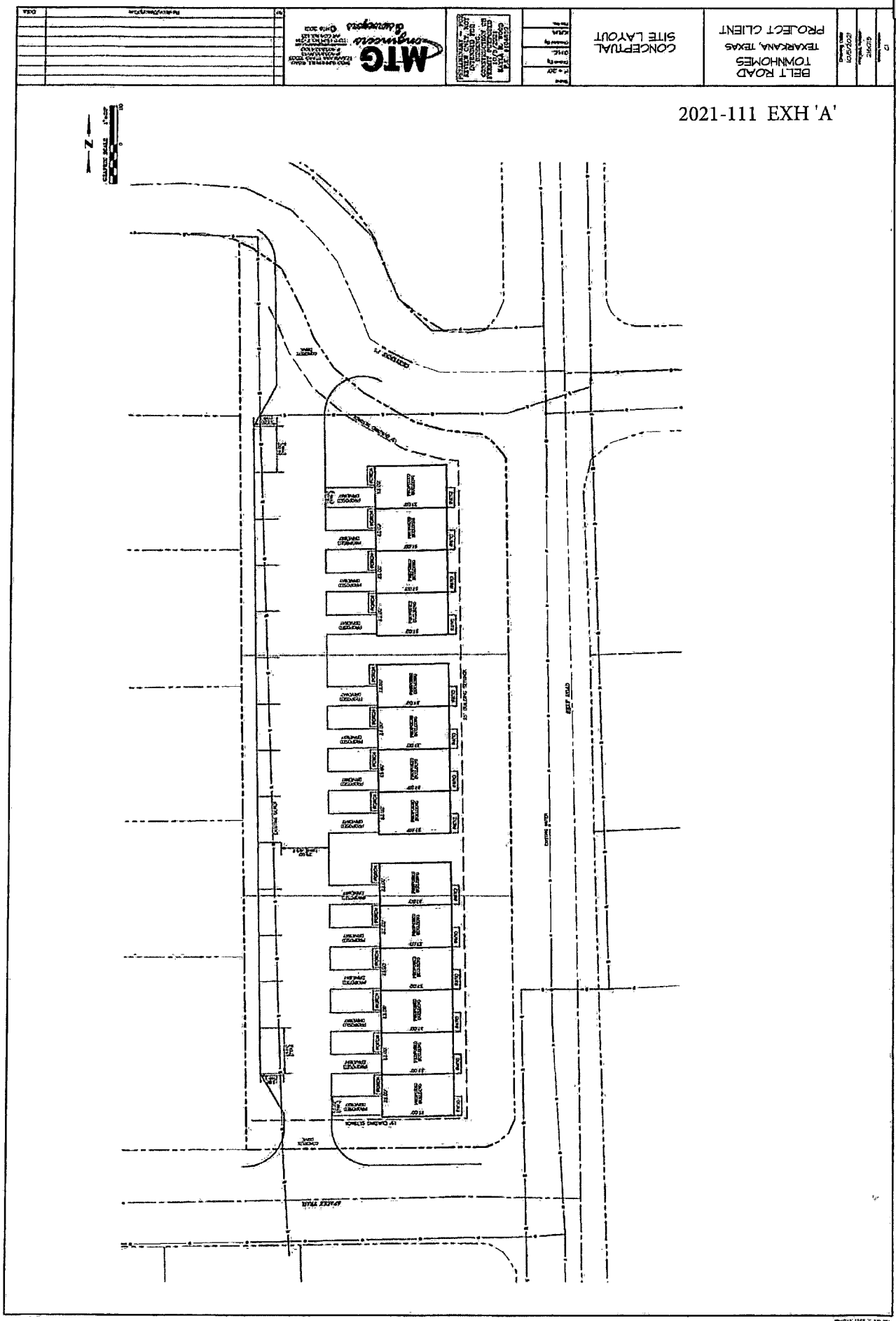
ATTEST:

JENNIFER EVANS, CITY SECRETARY

BOB BRUGGEMAN, MAYOR

6:34 p.m.

Attachment: 2021-111 ORD Amd. 500 Blk Belt Rd signed (3609 : 2021-111 ORD Amendment to PD-01-8 (MF-1) 500 block Belt Road)




Attachment: 2021-111 ORD Amd. 500 Blk Belt Rd signed (3609 : 2021-111 ORD Amendment to PD-01-8 (MF-1) 500 block Belt Road)

City of Texarkana, Texas

# Briefing Sheet

Version:
**Update Date:** 12/10/2021 9:45 AM

**Lead Department:** Public Works Department **Action Officer:** Jonathan Wade,

**Subject:** Ordinance No. 2021-117 closing and abandoning an unopened twenty-five foot (25') street right-of-way of Bradley Street located north of Pacific Avenue, south of Greenview Drive, and east of Lots 49 and 57 in the Belmont Addition.

**Briefing:** 1/10/2022 **Public Hearing:** 1/10/2022 **Council Vote:** 1/10/2022

**Item Schedule**

Schedule 2: Brief once - vote once (two weeks)

## Updates/History of Briefing:

NOT APPLICABLE

## Executive Summary and Background Information:

The City received a request from Mr. Jeffrey Wood on behalf of Nantze Electric for the abandonment of an unopened 25' Street Right of Way for Bradley Street. This section is in the Belmont Addition north of Pacific Avenue and south of Greenview Drive. All associated lots adjacent to the abandonment area are owned by Nantze Electric.

If this section is abandoned, then by policy the right-of-way will be delivered to Nantze Electric.

The City sent out a memorandum to City Departments and Utility representatives. The City has no plans to ever use this right-of-way for future street purposes. Utility representatives requested that the utility easement be retained throughout the abandonment area and there are no other issues with closing and abandoning this right-of-way.

Attached in the packet is the memorandum and responses.

## Potential Options:

- Approve closure and abandonment
- Not approve closure and abandonment

## Fiscal Implications:

No fiscal implications

## Staff Recommendation:

Staff recommends approval of closure and abandonment as well as retainage of utility easement

## Advisory Board/Committee Review:

NONE

**City of Texarkana, Texas**

**Board/Committee Recommendation:**

NOT APPLICABLE

**Advisory Board/Committee Meeting Date and Minutes:**

**Attachments**

a. 2021-117 ORD ROW Abandonment for Bradley Street (DOCX)
b. 2021-117 EXH 'A' - Property Description (PDF)
c. 2021-117 ATTH 01 Memo To City Staff and Utility Companies (PDF)
d. 2021-117 ATTH 02 Staff and Utility Comments and Approvals (PDF)
e. 2021-117 Goals and Perspectives (DOCX)
f. 2021-117 ORD Abd ROW Bradley St signed (PDF)

**Staff Coordination**

| | | | | |
|---|---|---|---|---|
| Public Works Department | Jonathan Wade | Review | Completed | 12/01/2021 8:39 AM |
| Public Works Department | Dusty Henslee | Department Head Review | Completed | 12/01/2021 2:07 PM |
| Fire Department | Eric Schlotter | Review | Completed | 12/03/2021 8:15 AM |
| Police | Kevin Schutte | Review | Completed | 12/03/2021 9:44 AM |
| City Manager | David Orr | City Manager Review | Completed | 12/03/2021 10:50 AM |
| City Council | Jennifer Evans | Meeting | Completed | 12/13/2021 6:00 PM |

**Meeting History**

12/13/21 City Council MOVED FORWARD Next: 01/10/22

# ORDINANCE NO. 2021-117

**AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF TEXARKANA, TEXAS, CLOSING AND ABANDONING AN UNOPENED TWENTY-FIVE FOOT (25') STREET RIGHT-OF-WAY OF BRADLEY STREET EAST OF LOTS 49 AND 57 OF THE BELMONT ADDITION NORTH OF PACIFIC AVENUE AND SOUTH OF GREENVIEW DRIVE AND LOCATED IN THE M.E.P. & P. RAILWAY COMPANY HEADRIGHT SURVEY ABSTRACT 435, IN THE CITY OF TEXARKANA, BOWIE COUNTY, TEXAS; PROVIDING FOR A SEVERABILITY CLAUSE; AND ESTABLISHING AN EFFECTIVE DATE.**

**WHEREAS**, an application has been received requesting that the City close and abandon an unopened Twenty-Five Foot (25') Street Right-Of-Way of Bradley Street East of Lots 49 and 57 of the Belmont Addition North of Pacific Avenue and South of Greenview Drive and located in the M.E.P. & P. Railway Company Headright Survey Abstract 435 in the City of Texarkana, Bowie County, Texas, as shown on the attached location map hereto and incorporated herein as **Exhibit "A";** and

**WHEREAS**, the City has notified all adjacent landowners, interested utilities and city departments and requested their comments; and

**WHEREAS,** based on the responses from all notified parties, the City finds it to be in the best interests of the City to close and abandon the unopened Twenty-Five Foot (25') Street Right-Of-Way of Bradley Street East of Lots 49 and 57 of the Belmont Addition North of Pacific Avenue and South of Greenview Drive as shown on the attached property description and incorporated herein as **Exhibit "A"**; and

**WHEREAS,** a utility easement will be retained throughout the entirety of the abandoned Twenty-Five Foot (25') Street Right-Of-Way; and

**WHEREAS,** the ownership of the Twenty-Five Foot (25') of Right-Of-Way will be transferred to the owners of Nantze Electric as shown on **Exhibit "A"**.

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

**SECTION 1:** A Twenty-Five Foot (25') Street Right-Of-Way of Bradley Street East of Lots 49 and 57 of the Belmont Addition North of Pacific Avenue and South of Greenview Drive and located in the M.E.P. & P. Railway Company Headright Survey Abstract 435 in the City of Texarkana, Bowie County, Texas, as shown on the map and described in the Street Abandonment Request attached hereto and incorporated herein as **Exhibit "A",** be and is hereby abandoned as a street or public thoroughfare of any kind or character.

Attachment: 2021-117 ORD ROW Abandonment for Bradley Street (3600 : 2021-117 ORD Closing and Abandoning 25' Street Right of Way of

**SECTION 2:** The above described property is hereby declared surplus and abandoned and the responsibility of the City to maintain said property is hereby terminated.

**SECTION 3:** In case a section, clause, sentence or part of this ordinance shall be deemed or adjudged by a court of competent jurisdiction to be invalid, then such invalidity shall not affect, impair or invalidate the remainder of this ordinance.

**SECTION 4:** All ordinances or parts of ordinances in conflict herewith are hereby repealed to the extent of such conflict.

**SECTION 5:** This ordinance shall be in full force and effect from and after its passage and approval.

**PASSED AND APPROVED** in Regular Council Session on this the **10th day of January, 2022.**

ATTEST:

| | |
|---|---|
| _____ | _____ |
| JENNIFER EVANS, CITY SECRETARY | BOB BRUGGEMAN, MAYOR |

Attachment: 2021-117 ORD ROW Abandonment for Bradley Street (3600 : 2021-117 ORD Closing and Abandoning 25' Street Right of Way of

Property Description
0.161 Acres
Bowie County, Texas

All that certain lot, tract or parcel of land lying and situated in the M. E. P. & P. Railway Company Headright Survey, Abstract 435, Bowie County, Texas, being the West 25.00 feet of Bradley Street located East of Lots 49 and 57 of Belmont Addition to the City of Texarkana, Texas and being more particularly described by metes and bounds as follows:

BEGINNING at a 1 1/2 inch steel pipe (control monument), found for a corner, lying in the North right-of-way line of Pacific Avenue, lying in the West right-of-way line of the said Bradley Street, and being the Southeast corner of the said Lot 57;

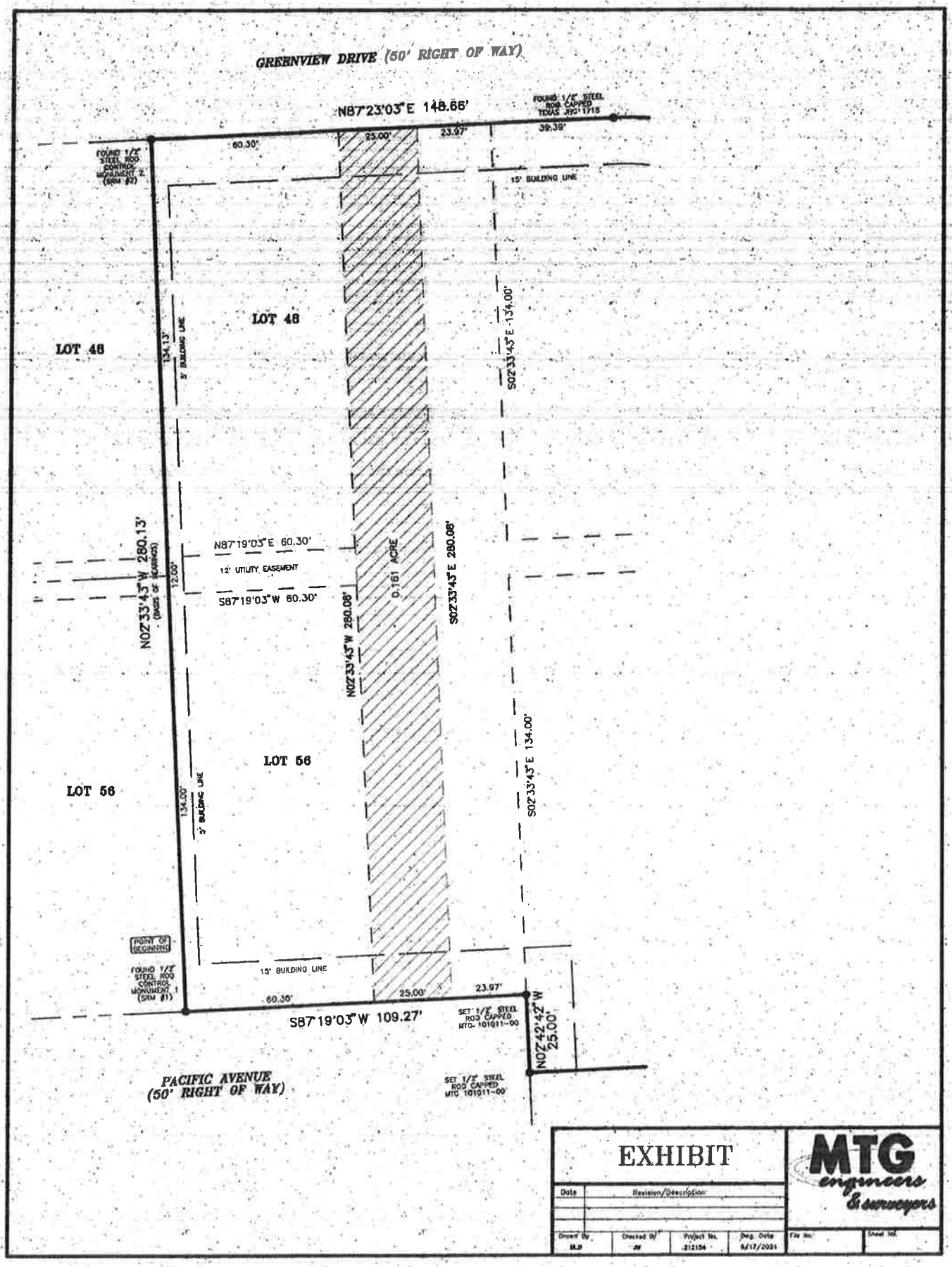
THENCE North 02 degrees 33 minutes 43 seconds West (basis of bearings) a distance of 280.06 feet along the West right-of-way line of the said Bradley Avenue and the East line of the said Lots 57 and 49 to a 1/2 inch steel rod, capped TX5080 AR1233, found for a corner, the Northeast corner of the said Lot 49, lying at the intersection of the West right-of-way line of the said Bradley Avenue and the South right-of-way line of Greenview Drive;

THENCE North 87 degrees 23 minutes 03 seconds East a distance of 25.00 feet along the South right-of-way of the said Greenview Drive to a point for a corner, lying in the center of the said Bradley Avenue right-of-way;

THENCE South 02 degrees 33 minutes 43 seconds East a distance of 280.08 feet along the center of the said Bradly Avenue right-of-way to a point for a corner, lying in the North right-of-way of the said Pacific Avenue;

THENCE South 87 degrees 26 minutes 17 seconds West a distance of 25.00 feet along the North right-of-way line of the said Pacific Avenue to the point of beginning and containing 0.161 acres of land.

Attachment: 2021-117 EXH 'A' - Property Description (3600 : 2021-117 ORD Closing and Abandoning 25' Street Right of Way of Bradley Street)




Attachment: 2021-117 EXH 'A' - Property Description (3600 : 2021-117 ORD Closing and Abandoning 25' Street Right of Way of Bradley Street)

CITY OF
TEXARKANA
Public Works Department TEXAS
919 Elm Street
Texarkana, TX 75501
Phone (903) 798-3948
Fax (903) 792-5419

November 3, 2021

City Departments and Utility Representatives

Re: Proposed Street Abandonment

The City of Texarkana, Texas has received a letter from Jeffrey Wood requesting the abandonment of an approximately 25' unopened section of Bradley Street located east of Lots 49 and 57 of the Belmont Addition.

Please refer to the attachments and provide any comments to me by November 24th, 2021 if you are in favor of abandonment and if your office will need an easement for any existing utilities.

Your prompt response is appreciated. If you have any questions, please contact me at my office or through email.

Sincerely,

Jonathan Wade, EIT, CFM
Associate City Engineer
Office: (903) 798-3251
Cell: (903) 908-2725
Jonathan.wade@txkusa.org



Attachment: 2021-117 ATTH 01 Memo To City Staff and Utility Companies (3600 : 2021-117 ORD Closing and Abandoning 25' Street Right of

CITY OF
TEXARKANA
TEXAS

P.O. Box 1967
Texarkana, TX 75504
Phone (903) 798-3900

# Application for Public R.O.W. Abandonment

***Type:***

X *Street* ___ *Alley* ___ *Other*

*Purpose of Abandonment:* To eliminate public access through development

***Applicant/Agent Information:***

Name: Jeffrey Wood - MTG Engineers & Surveyors

Address: 5930 Summerhill Road, Texarkana TX 75503

Phone: 903 838-8533 Fax: ( ) Work E-mail: jwood@mtgengineers.com

***Required Documents needed to proceed with review:***

- Letter requesting abandonment
- Electronic Copy of plat/deed/plot plan showing requested abandonment
- Letter/Petition from all adjacent property owners agreeing to abandonment

***Required Documents needed prior to City Council Meeting:***

- Abandonment release form signed by owner/applicant
- Abandonment release form signed by adjacent land owners
- Legal Exhibit and Property Description of property being abandoned
- Application Fee

Note: Partial abandonment requests will not be accepted.

| Jeffrey Wood | Jeffrey Wood | 10-28-21 |
|---|---|---|
| Applicant's Printed Name | Applicant's Signature | Date |

Application Fee: $750 Received by: _____

Application Fee Paid: _____ Receipt No.: _____

Attachment: 2021-117 ATTH 01 Memo To City Staff and Utility Companies (3600 : 2021-117 ORD Closing and Abandoning 25' Street Right of

October 28, 2021

MTG engineers & surveyors

Dusty Henslee, Public Works Director
City of Texarkana
220 Texas Boulevard
Texarkana, TX 75503

*Re: Bradley Street Right-of-Way*

Dear Dusty,

Nantze Electric would like to abandon the West-half right-of-way of Bradley Street East of Lots 49 and 57 of Belmont Addition to the City of Texarkana. The eastern half of this right-of-way was abandoned in May of 2000.

Nantze owns both sides of the development and no longer wishes to have a city-maintained street inside its development perimeter. As such, the owner understands that utility easements might still be required in this right-of-way location and that those utilities will need proper access at all times.

Please use this letter as the owner's request to abandon Bradley Right-of-Way within this section of Belmont Addition.

Sincerely,
**MTG Engineers & Surveyors**

Jeffrey Wood

Jeffrey Wood
Project Manager

Attachment: 2021-117 ATTH 01 Memo To City Staff and Utility Companies (3600 : 2021-117 ORD Closing and Abandoning 25' Street Right of

Property Description
0.161 Acres
Bowie County, Texas

All that certain lot, tract or parcel of land lying and situated in the M. E. P. & P. Railway Company Headright Survey, Abstract 435, Bowie County, Texas, being the West 25.00 feet of Bradley Street located East of Lots 49 and 57 of Belmont Addition to the City of Texarkana, Texas and being more particularly described by metes and bounds as follows:

BEGINNING at a 1 1/2 inch steel pipe (control monument), found for a corner, lying in the North right-of-way line of Pacific Avenue, lying in the West right-of-way line of the said Bradley Street, and being the Southeast corner of the said Lot 57;

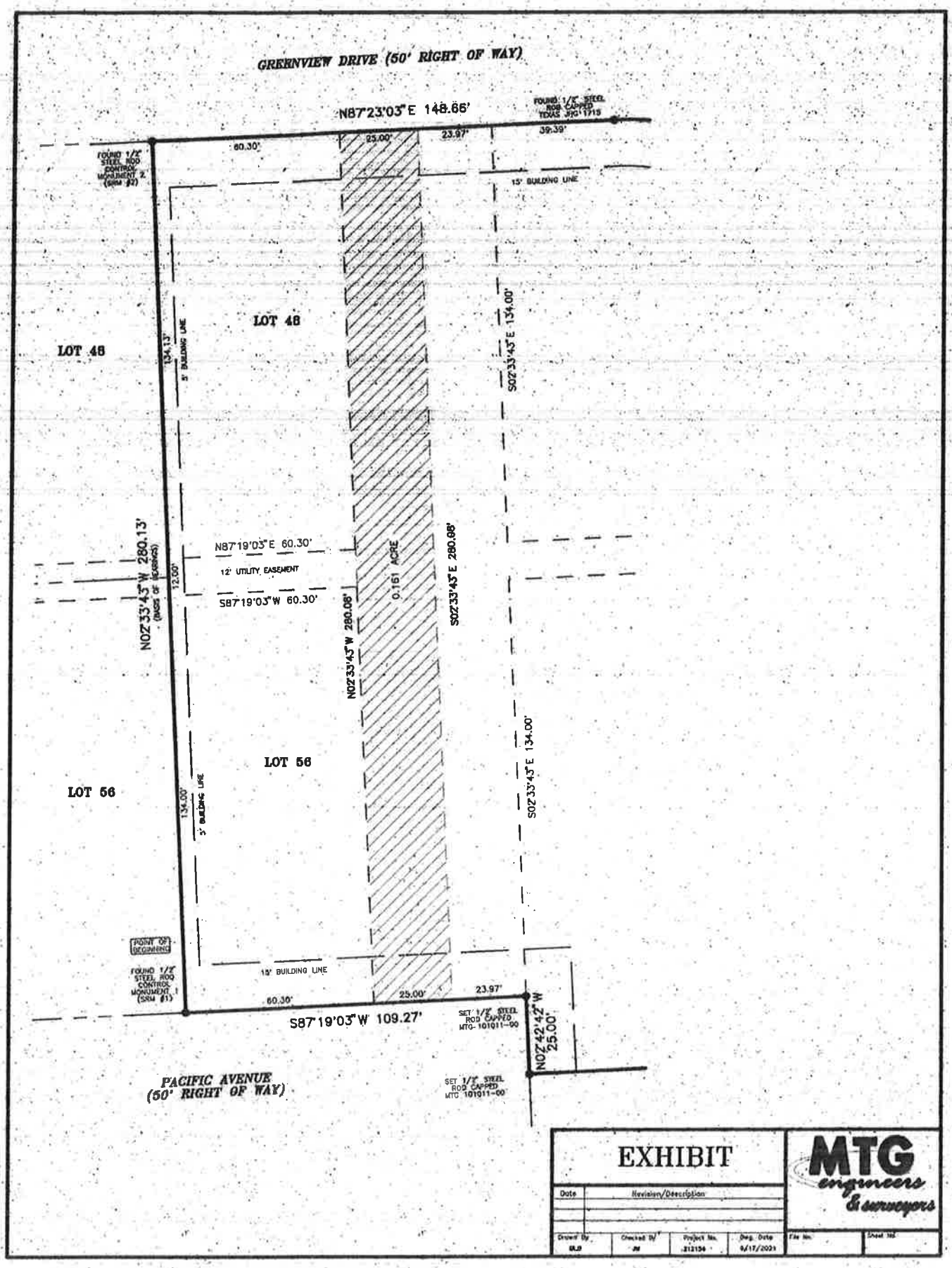
THENCE North 02 degrees 33 minutes 43 seconds West (basis of bearings) a distance of 280.06 feet along the West right-of-way line of the said Bradley Avenue and the East line of the said Lots 57 and 49 to a 1/2 inch steel rod, capped TX5080 AR1233, found for a corner, the Northeast corner of the said Lot 49, lying at the intersection of the West right-of-way line of the said Bradley Avenue and the South right-of-way line of Greenview Drive;

THENCE North 87 degrees 23 minutes 03 seconds East a distance of 25.00 feet along the South right-of-way of the said Greenview Drive to a point for a corner, lying in the center of the said Bradley Avenue right-of-way;

THENCE South 02 degrees 33 minutes 43 seconds East a distance of 280.08 feet along the center of the said Bradly Avenue right-of-way to a point for a corner, lying in the North right-of-way of the said Pacific Avenue;

THENCE South 87 degrees 26 minutes 17 seconds West a distance of 25.00 feet along the North right-of-way line of the said Pacific Avenue to the point of beginning and containing 0.161 acres of land.

Attachment: 2021-117 ATTH 01 Memo To City Staff and Utility Companies (3600 : 2021-117 ORD Closing and Abandoning 25' Street Right of




Attachment: 2021-117 ATTH 01 Memo To City Staff and Utility Companies (3600 : 2021-117 ORD Closing and Abandoning 25' Street Right of

CITY OF
TEXARKANA
TEXAS
Public Works Department
919 Elm Street
Texarkana, TX 75501
Phone (903) 798-3941
Fax (903) 792-6419

Date: November 30, 2021

To: File

From: Jonathan Wade, EIT, CFM, Associate City Engineer

Re: ROW Abandonment of 25' Unopened Street Right of Way of Bradley Street

**Comments are as follows:**

1. TWU – No comments
2. Fire – No comments
3. Centerpoint – No comments
4. Police – No comments
5. Public Works – No issues
6. Windstream Communications – No comments
7. Electric:
   - AEP/SWEPCO – Retain Easements
   - REA – No comments
   - Bowie Cass – No Comments
8. Sparklight – Retain Easement

Staff recommends for the approval of the abandonment of the right-of-way and retainment of utility easements.

Attachment: 2021-117 ATTH 02 Staff and Utility Comments and Approvals (3600 : 2021-117 ORD Closing and Abandoning 25' Street Right of

## TEX-Wade, Jonathan

**From:** Tod Corbin <todc@bcec.com>
**Sent:** Thursday, November 4, 2021 8:01 AM
**To:** TEX-Wade, Jonathan
**Subject:** RE: Proposed Bradley St Abandonment

CAUTION: This email originated from outside our email system. Do not click links or open attachments unless you recognize the sender and know the content is safe.

Mr. Wade,
Bowie-Cass Electric has no comment on the proposed abandonment of the unopened part of Bradley St.
Tod Corbin
Bowie-Cass Electric Cooperative, Inc.

---

**From:** TEX-Wade, Jonathan [mailto:Jonathan.Wade@txkusa.org]
**Sent:** Wednesday, November 03, 2021 3:19 PM
**To:** michael.a.latham@windstream.com; chris.jackson@windstream.com; joe.langley@sparklight.biz; Dusty Wiley; Zac Pianalto; diane.engelkes@centerpointenergy.com; Brooks, Brandon D; Ronnie.Watkins@centerpointenergy.com; rick.syphers@cableone.biz; mpollard@swrea.com; Greg D. Russell; Tod Corbin; rexa@bcec.com; TWU-Smith, Gary; TWU-Smith, Gary; TTPD-Schutte, Kevin; TTFD-Schlotter, Eric; Jeff Tollett (jtollett@swrea.com); David Plunk; Miller, William Jarrod
**Subject:** Proposed Bradley St Abandonment

All,

The City has received a request to abandon the unopened west-half right-of-way of Bradley Street east of Lots 49 and 56 of the Belmont Addition. Please review the attached documents and provide me with your comments. If you have any questions, feel free to contact me at any time.

Thank you,

Jonathan Wade, EIT, CFM
Associate City Engineer
City of Texarkana, Texas
Office: (903) 798-3251
Cell: (903) 908-2725
Email: Jonathan.Wade@txkusa.org

Attachment: 2021-117 ATTH 02 Staff and Utility Comments and Approvals (3600 : 2021-117 ORD Closing and Abandoning 25' Street Right of

## TEX-Wade, Jonathan

**From:** Brooks, Brandon D <Brandon.Brooks@centerpointenergy.com>
**Sent:** Wednesday, November 3, 2021 3:47 PM
**To:** TEX-Wade, Jonathan
**Cc:** Watkins, Ronnie M.
**Subject:** RE: [External Email] Proposed Bradley St Abandonment

CAUTION: This email originated from outside our email system. Do not click links or open attachments unless you recognize the sender and know the content is safe.

Wade, CenterPoint has no facilities on that easement.

CenterPoint Energy
Brandon Brooks
Operations Supervisor | Texarkana/Hope
870.779.6309 w. | 903.824.1304c.
CenterPointEnergy.com

our values

**From:** TEX-Wade, Jonathan <Jonathan.Wade@txkusa.org>
**Sent:** Wednesday, November 3, 2021 3:19 PM
**To:** michael.a.latham@windstream.com; chris.jackson@windstream.com; joe.langley@sparklight.biz; Dusty Wiley <dwwiley@aep.com>; Zac Pianalto <zspianalto@aep.com>; Engelkes, Linda D <diane.engelkes@centerpointenergy.com>; Brooks, Brandon D <Brandon.Brooks@centerpointenergy.com>; Watkins, Ronnie M <Ronnie.Watkins@centerpointenergy.com>; rick.syphers@cableone.biz; mpollard@swrea.com; gregr@bcec.com; todc@bcec.com; rexa@bcec.com; TWU-Smith, Gary <gsmith@txkusa.org>; TWU-Smith, Gary <gsmith@txkusa.org>; TTPD-Schutte, Kevin <Schutte@txkusa.org>; TTFD-Schlotter, Eric <schlottere@txkusa.org>; Jeff Tollett (jtollett@swrea.com) <jtollett@swrea.com>; David Plunk <dplunk@swrea.com>; Miller, William Jarrod <WJMiller@wm.com>
**Subject:** [External Email] Proposed Bradley St Abandonment

EXTERNAL EMAIL

CAUTION: This message originated from outside CenterPoint Energy. Do not click on links, open attachments, or enter data unless you recognize the sender, were expecting the content and know it to be safe.

All,

Attachment: 2021-117 ATTH 02 Staff and Utility Comments and Approvals (3600 : 2021-117 ORD Closing and Abandoning 25' Street Right of

The City has received a request to abandon the unopened west-half right-of-way of Bradley Street east of Lots 49 and 56 of the Belmont Addition. Please review the attached documents and provide me with your comments. If you have any questions, feel free to contact me at any time.

Thank you,

Jonathan Wade, EIT, CFM
Associate City Engineer
City of Texarkana, Texas
Office: (903) 798-3251
Cell: (903) 908-2725
Email: Jonathan.Wade@txkusa.org

***** This email is from an external sender outside of the CenterPoint Energy network. Be cautious about clicking links or opening attachments from unknown sources. *****

Attachment: 2021-117 ATTH 02 Staff and Utility Comments and Approvals (3600 : 2021-117 ORD Closing and Abandoning 25' Street Right of

## TEX-Wade, Jonathan

**From:** Langley, Joe <Joe.Langley@sparklight.biz>
**Sent:** Wednesday, November 3, 2021 4:27 PM
**To:** TEX-Wade, Jonathan
**Subject:** RE: Proposed Bradley St Abandonment

CAUTION: This email originated from outside our email system. Do not click links or open attachments unless you recognize the sender and know the content is safe.

This abandonment will be fine as long as we have easement access to the pole line that run through that section. We do have an active aerial line that runs through that location.

---

**From:** TEX-Wade, Jonathan <Jonathan.Wade@txkusa.org>
**Sent:** Wednesday, November 3, 2021 3:19 PM
**To:** michael.a.latham@windstream.com; chris.jackson@windstream.com; Langley, Joe <Joe.Langley@sparklight.biz>; Dusty Wiley <dwwiley@aep.com>; Zac Pianalto <zspianalto@aep.com>; diane.engelkes@centerpointenergy.com; Brooks, Brandon D <Brandon.Brooks@centerpointenergy.com>; Ronnie.Watkins@centerpointenergy.com; rick.syphers@cableone.biz; mpollard@swrea.com; gregr@bcec.com; todc@bcec.com; rexa@bcec.com; TWU-Smith, Gary <gsmith@txkusa.org>; TWU-Smith, Gary <gsmith@txkusa.org>; TTPD-Schutte, Kevin <Schutte@txkusa.org>; TTFD-Schlotter, Eric <schlottere@txkusa.org>; Jeff Tollett (jtollett@swrea.com) <jtollett@swrea.com>; David Plunk <dplunk@swrea.com>; Miller, William Jarrod <WJMiller@wm.com>
**Subject:** Proposed Bradley St Abandonment

**CAUTION:** External source. THINK BEFORE YOU CLICK!

All,

The City has received a request to abandon the unopened west-half right-of-way of Bradley Street east of Lots 49 and 56 of the Belmont Addition. Please review the attached documents and provide me with your comments. If you have any questions, feel free to contact me at any time.

Thank you,

Jonathan Wade, EIT, CFM
Associate City Engineer
City of Texarkana, Texas
Office: (903) 798-3251
Cell: (903) 908-2725
Email: Jonathan.Wade@txkusa.org

Attachment: 2021-117 ATTH 02 Staff and Utility Comments and Approvals (3600 : 2021-117 ORD Closing and Abandoning 25' Street Right of

## TEX-Wade, Jonathan

**From:** Zac Pianalto <zspianalto@aep.com>
**Sent:** Wednesday, November 3, 2021 4:18 PM
**To:** TEX-Wade, Jonathan
**Subject:** RE: Proposed Bradley St Abandonment

CAUTION: This email originated from outside our email system. Do not click links or open attachments unless you recognize the sender and know the content is safe.

Thanks Jonathan. That's good to hear. Yes please retain a 30' wide utility easement.

**From:** TEX-Wade, Jonathan <Jonathan.Wade@txkusa.org>
**Sent:** Wednesday, November 3, 2021 4:04 PM
**To:** Zac Pianalto <zspianalto@aep.com>
**Cc:** Dusty Wiley <dwwiley@aep.com>
**Subject:** [EXTERNAL] RE: Proposed Bradley St Abandonment

This is an **EXTERNAL** email. **STOP**. **THINK** before you CLICK links or OPEN attachments. If suspicious please click the '**Report to Incidents**' button in Outlook or forward to incidents@aep.com from a mobile device.

Hey Zac,

No mention of a relocation was given to me, just the abandonment request for the unopened street. It appears they will be fine with retaining utility easements if needed.

Thank you,

Jonathan Wade, EIT, CFM
Associate City Engineer
City of Texarkana, Texas
Office: (903) 798-3251
Cell: (903) 908-2725
Email: Jonathan.Wade@txkusa.org

**From:** Zac Pianalto <zspianalto@aep.com>
**Sent:** Wednesday, November 3, 2021 3:50 PM
**To:** TEX-Wade, Jonathan <Jonathan.Wade@txkusa.org>
**Cc:** Dusty Wiley <dwwiley@aep.com>
**Subject:** RE: Proposed Bradley St Abandonment

CAUTION: This email originated from outside our email system. Do not click links or open attachments unless you recognize the sender and know the content is safe.

Jonathan,



Attachment: 2021-117 ATTH 02 Staff and Utility Comments and Approvals (3600 : 2021-117 ORD Closing and Abandoning 25' Street Right of

SWEPCO has an existing power line through the unopened portion of Bradley Ave. Nantze Electric now owns all these lots and would like to expand their building. Tony Borrow and I discussed the complexity of the work involved to relocate the power line. A SWEPCO easement would still be required for the existing power lines. Is Nantze requesting a relocation?

Thank you,
Zac

SOUTHWESTERN ELECTRIC POWER COMPANY
ZAC PIANALTO | ENGINEER
ZSPIANALTO@AEP.COM | C: 903.826.5027
3708 W 7TH ST TEXARKANA, TX 75501-6324

**From:** TEX-Wade, Jonathan <Jonathan.Wade@txkusa.org>
**Sent:** Wednesday, November 3, 2021 3:19 PM
**To:** michael.a.latham@windstream.com; chris.jackson@windstream.com; joe.langley@sparklight.biz; Dusty Wiley <dwwiley@aep.com>; Zac Pianalto <zspianalto@aep.com>; diane.engelkes@centerpointenergy.com; Brooks, Brandon D <Brandon.Brooks@centerpointenergy.com>; Ronnie.Watkins@centerpointenergy.com; rick.syphers@cableone.biz; mpollard@swrea.com; gregr@bcec.com; todc@bcec.com; rexa@bcec.com; TWU-Smith, Gary <gsmith@txkusa.org>; TWU-Smith, Gary <gsmith@txkusa.org>; TTPD-Schutte, Kevin <Schutte@txkusa.org>; TTFD-Schlotter, Eric <schlottere@txkusa.org>; Jeff Tollett (jtollett@swrea.com) <jtollett@swrea.com>; David Plunk <dplunk@swrea.com>; Miller, William Jarrod <WJMiller@wm.com>
**Subject:** [EXTERNAL] Proposed Bradley St Abandonment

This is an **EXTERNAL** email. **STOP**. **THINK** before you CLICK links or OPEN attachments. If suspicious please click the '**Report to Incidents**' button in Outlook or forward to incidents@aep.com from a mobile device.

All,

The City has received a request to abandon the unopened west-half right-of-way of Bradley Street east of Lots 49 and 56 of the Belmont Addition. Please review the attached documents and provide me with your comments. If you have any questions, feel free to contact me at any time.

Thank you,

Jonathan Wade, EIT, CFM
Associate City Engineer
City of Texarkana, Texas
Office: (903) 798-3251
Cell: (903) 908-2725
Email: Jonathan.Wade@txkusa.org

Attachment: 2021-117 ATTH 02 Staff and Utility Comments and Approvals (3600 : 2021-117 ORD Closing and Abandoning 25' Street Right of

**TEX-Wade, Jonathan**

**From:** TWU-Smith, Gary
**Sent:** Wednesday, November 3, 2021 3:59 PM
**To:** TEX-Wade, Jonathan
**Cc:** TWU-Icenhower, Kenny
**Subject:** RE: Proposed Bradley St Abandonment

Jonathan,

TWU does not have any water or sewer in this subdivision. This is all the City of Wake Village. Thanks

Gary

---

**From:** TEX-Wade, Jonathan <Jonathan.Wade@txkusa.org>
**Sent:** Wednesday, November 3, 2021 3:19 PM
**To:** michael.a.latham@windstream.com; chris.jackson@windstream.com; joe.langley@sparklight.biz; Dusty Wiley <dwwiley@aep.com>; Zac Pianalto <zspianalto@aep.com>; diane.engelkes@centerpointenergy.com; Brooks, Brandon D <Brandon.Brooks@centerpointenergy.com>; Ronnie.Watkins@centerpointenergy.com; rick.syphers@cableone.biz; mpollard@swrea.com; gregr@bcec.com; todc@bcec.com; rexa@bcec.com; TWU-Smith, Gary <gsmith@txkusa.org>; TWU-Smith, Gary <gsmith@txkusa.org>; TTPD-Schutte, Kevin <Schutte@txkusa.org>; TTFD-Schlotter, Eric <schlottere@txkusa.org>; Jeff Tollett (jtollett@swrea.com) <jtollett@swrea.com>; David Plunk <dplunk@swrea.com>; Miller, William Jarrod <WJMiller@wm.com>
**Subject:** Proposed Bradley St Abandonment

All,

The City has received a request to abandon the unopened west-half right-of-way of Bradley Street east of Lots 49 and 56 of the Belmont Addition. Please review the attached documents and provide me with your comments. If you have any questions, feel free to contact me at any time.

Thank you,

Jonathan Wade, EIT, CFM
Associate City Engineer
City of Texarkana, Texas
Office: (903) 798-3251
Cell: (903) 908-2725
Email: Jonathan.Wade@txkusa.org

Attachment: 2021-117 ATTH 02 Staff and Utility Comments and Approvals (3600 : 2021-117 ORD Closing and Abandoning 25' Street Right of

# City of Texarkana, Texas

## Developing Perspectives and Goals Pending Approval by the City Council:

| Perspectives | | Goals |
|---|---|---|
| Serve the Community | ☑ | Promote an Environmentally Sensitive & Livable Community |
| | ☑ | Provide a Safe Community |
| | ☑ | Deliver Quality Services |
| | ☐ | Foster a Healthy Community |
| Run the Operations | ☐ | Enhance Community Preparedness & Responsiveness |
| | ☑ | Maximize Partnership Opportunities |
| | ☑ | Provide Courteous & Responsive Customer Service |
| | ☐ | Model a Positive City Image |
| | ☑ | Deliver Efficient Services |
| | ☐ | Cultivate Community Involvement & Access |
| Manage the Resources | ☑ | Maintain Fiscal Strength |
| | ☑ | Maximize Utilization & Resources |
| | ☐ | Invest in Infrastructure & Transportation |
| Develop Personnel | ☐ | Develop a Skilled & Diverse Workforce |
| | ☐ | Create a Positive & Rewarding Work Culture |

**Perspectives and Goals Additional Comments:**

NONE

**Resource Impact:**

| | |
|---|---|
| Staff time required if item is approved: | Low |

**Other Potential Impacts:**

NONE APPLICABLE

**Public Information Plan:**

| | | | |
|---|---|---|---|
| ☐ | Newspaper Notice (Required by Statute) | ☐ | Public Hearing (Required by Statute) |
| ☐ | Public Forum/Input Session | ☐ | Press Release |
| ☐ | E-News Distribution | ☐ | Website Notice |
| ☐ | Social Media (Twitter, Facebook, etc.) | ☐ | Special Mailing |
| ☐ | Flyers Posted | ☐ | Banners Posted |
| ☐ | Survey | ☐ | Automated Phone Call |
| ☑ | None Required | ☐ | |

Other:

Attachment: 2021-117 Goals and Perspectives (3600 : 2021-117 ORD Closing and Abandoning 25' Street Right of Way of Bradley Street)

# ORDINANCE NO. 2021-117

**AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF TEXARKANA, TEXAS, CLOSING AND ABANDONING AN UNOPENED TWENTY-FIVE FOOT (25') STREET RIGHT-OF-WAY OF BRADLEY STREET EAST OF LOTS 49 AND 57 OF THE BELMONT ADDITION NORTH OF PACIFIC AVENUE AND SOUTH OF GREENVIEW DRIVE AND LOCATED IN THE M.E.P. & P. RAILWAY COMPANY HEADRIGHT SURVEY ABSTRACT 435, IN THE CITY OF TEXARKANA, BOWIE COUNTY, TEXAS; PROVIDING FOR A SEVERABILITY CLAUSE; AND ESTABLISHING AN EFFECTIVE DATE.**

**WHEREAS**, an application has been received requesting that the City close and abandon an unopened Twenty-Five Foot (25') Street Right-Of-Way of Bradley Street East of Lots 49 and 57 of the Belmont Addition North of Pacific Avenue and South of Greenview Drive and located in the M.E.P. & P. Railway Company Headright Survey Abstract 435 in the City of Texarkana, Bowie County, Texas, as shown on the attached location map hereto and incorporated herein as **Exhibit "A";** and

**WHEREAS**, the City has notified all adjacent landowners, interested utilities and city departments and requested their comments; and

**WHEREAS,** based on the responses from all notified parties, the City finds it to be in the best interests of the City to close and abandon the unopened Twenty-Five Foot (25') Street Right-Of-Way of Bradley Street East of Lots 49 and 57 of the Belmont Addition North of Pacific Avenue and South of Greenview Drive as shown on the attached property description and incorporated herein as **Exhibit "A"**; and

**WHEREAS,** a utility easement will be retained throughout the entirety of the abandoned Twenty-Five Foot (25') Street Right-Of-Way; and

**WHEREAS,** the ownership of the Twenty-Five Foot (25') of Right-Of-Way will be transferred to the owners of Nantze Electric as shown on **Exhibit "A"**.

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

**SECTION 1:** A Twenty-Five Foot (25') Street Right-Of-Way of Bradley Street East of Lots 49 and 57 of the Belmont Addition North of Pacific Avenue and South of Greenview Drive and located in the M.E.P. & P. Railway Company Headright Survey Abstract 435 in the City of Texarkana, Bowie County, Texas, as shown on the map and described in the Street Abandonment Request attached hereto and incorporated herein as **Exhibit "A",** be and is hereby abandoned as a street or public thoroughfare of any kind or character.

Attachment: 2021-117 ORD Abd ROW Bradley St signed (3600 : 2021-117 ORD Closing and Abandoning 25' Street Right of Way of Bradley

**SECTION 2:** The above described property is hereby declared surplus and abandoned and the responsibility of the City to maintain said property is hereby terminated.

**SECTION 3:** In case a section, clause, sentence or part of this ordinance shall be deemed or adjudged by a court of competent jurisdiction to be invalid, then such invalidity shall not affect, impair or invalidate the remainder of this ordinance.

**SECTION 4:** All ordinances or parts of ordinances in conflict herewith are hereby repealed to the extent of such conflict.

**SECTION 5:** This ordinance shall be in full force and effect from and after its passage and approval.

**PASSED AND APPROVED** in Regular Council Session on this the **10th day of January, 2022.**

ATTEST:

JENNIFER EVANS, CITY SECRETARY

BOB BRUGGEMAN, MAYOR

6:35 p.m.

Attachment: 2021-117 ORD Abd ROW Bradley St signed (3600 : 2021-117 ORD Closing and Abandoning 25' Street Right of Way of Bradley

Property Description
0.161 Acres
Bowie County, Texas

All that certain lot, tract or parcel of land lying and situated in the M. E. P. & P. Railway Company Headright Survey, Abstract 435, Bowie County, Texas, being the West 25.00 feet of Bradley Street located East of Lots 49 and 57 of Belmont Addition to the City of Texarkana, Texas and being more particularly described by metes and bounds as follows:

BEGINNING at a 1 1/2 inch steel pipe (control monument), found for a corner, lying in the North right-of-way line of Pacific Avenue, lying in the West right-of-way line of the said Bradley Street, and being the Southeast corner of the said Lot 57;

THENCE North 02 degrees 33 minutes 43 seconds West (basis of bearings) a distance of 280.06 feet along the West right-of-way line of the said Bradley Avenue and the East line of the said Lots 57 and 49 to a 1/2 inch steel rod, capped TX5080 AR1233, found for a corner, the Northeast corner of the said Lot 49, lying at the intersection of the West right-of-way line of the said Bradley Avenue and the South right-of-way line of Greenview Drive;

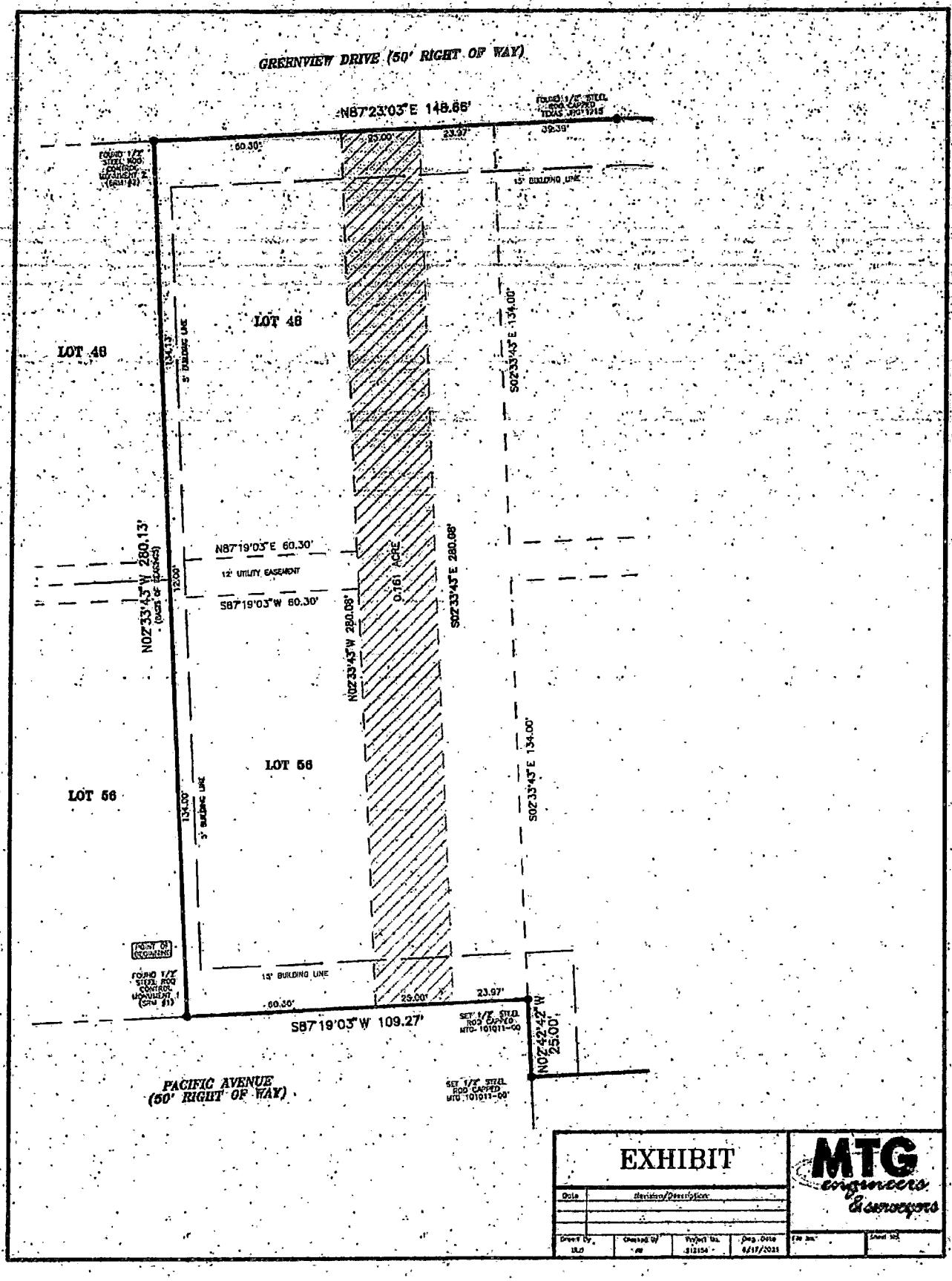
THENCE North 87 degrees 23 minutes 03 seconds East a distance of 25.00 feet along the South right-of-way of the said Greenview Drive to a point for a corner, lying in the center of the said Bradley Avenue right-of-way;

THENCE South 02 degrees 33 minutes 43 seconds East a distance of 280.08 feet along the center of the said Bradly Avenue right-of-way to a point for a corner, lying in the North right-of-way of the said Pacific Avenue;

THENCE South 87 degrees 26 minutes 17 seconds West a distance of 25.00 feet along the North right-of-way line of the said Pacific Avenue to the point of beginning and containing 0.161 acres of land.

Attachment: 2021-117 ORD Abd ROW Bradley St signed (3600 : 2021-117 ORD Closing and Abandoning 25' Street Right of Way of Bradley

2021-117 EXH. 'A'




Attachment: 2021-117 ORD Abd ROW Bradley St signed (3600 : 2021-117 ORD Closing and Abandoning 25' Street Right of Way of Bradley

**City of Texarkana, Texas**

Version:

# Briefing Sheet

**Update Date:** 12/27/2021 12:12 PM

**Lead Department:** Economic Development **Action Officer:** Lisa Thompson, Economic Development/PIO

**Subject:** Resolution No. 2021-118 authorizing the City Manager to enter into a Chapter 380 economic development agreement with WinCo Foods.

**Briefing:** 1/10/2022 **Public Hearing:** 1/10/2022 **Council Vote:** 1/10/2022

**Item Schedule**

Schedule 2: Brief once - vote once (two weeks)

## Updates/History of Briefing:

NOT APPLICABLE

## Executive Summary and Background Information:

In July of 2020, national grocery retailer WinCo. Foods approached City of Texarkana, Texas staff about a redevelopment project involving the formers Sears store at Central Mall, located at 2400 Richmond Rd. As this project has the potential to change the area significantly, provide a grocery retailer in a food desert area of our city, and provide significant value appreciation to an existing property, staff eagerly met with company representatives and involved regional economic development partner, ARTX REDI.

A potential incentive package was put together with cooperation from the City of Texarkana, Texas and ARTX REDI, and the company returned to begin submitting plans for development for city review after the height of the COVID-19 pandemic. The company has asked city staff to gain approval for incentives while they complete plans for construction and seek quotes for the renovation work to begin.

As the project stands today, the development will add approximately 90 jobs to begin, at least 30 of those full-time, and wages will average $15/hr with some management positions beginning at $18/hr. All jobs created will exceed Texarkana's current per capita income. Estimated payroll will total $2.5 million/annually.

The total project investment will exceed $21 million, and will redevelop 9 acres of land, with a new 84,000 square feet facility. Current timeline to complete the project subject to permitting and construction is Spring of 2023.

It is expected that this redevelopment project will increase property tax value and provide a catalyst for future re-development of other properties around Central Mall.

Similar Chapter 380 agreements have been signed by City Councils in McKinney, TX, North Richland Hills, TX, Denton, TX and Lewisville, TX. Links provided below, and documents attached:

McKinney: https://www.texasbusinessincentives.com/viewer/8bd12a6a83b3c7c7d0c0d588fc663a56/

North Richland Hills:
https://www.texasbusinessincentives.com/viewer/fcbfb67b3a88b597637f85bb2d6997a6/

Lewisville: https://www.texasbusinessincentives.com/viewer/c1809c2ebc5e33b3b8569ddc8e510714/

**Potential Options:**

- Approve
- Deny
- No Action

**Fiscal Implications:**

$350,000 from Economic Development Fund

**Staff Recommendation:**

Staff recommends approval.

**Advisory Board/Committee Review:**

NOT APPLICABLE

**Board/Committee Recommendation:**

NOT APPLICABLE

**Advisory Board/Committee Meeting Date and Minutes:**

NOT APPLICABLE

**Attachments**

a. 2021-118 RES Economic Development Agreement with WinCo Foodsx (DOCX)
b. 2021-118 ATTH 01 WinCo Foods PowerPointx (PPT)
c. 2021-118 ATTH 02 Incentive Applicationx (PDF)
d. 2021-118 ATTH 03 Denton- 2021-039 Prop. Tax Abatements Summary (PDF)
e. 2021-118 ATTH 04 McKinney- Winco Foods LLC - Chapter 380 Agrmt & Reso_1 (PDF)
f. 2021-118 Goals & Perspectives (DOCX)
g. 2021-118 RES Ch. 380 with WinCo Foods signed (PDF)

**Staff Coordination**

| | | | | |
|---|---|---|---|---|
| Economic Development | Skipped | Jennifer Evans 12/09/2021 8:44 AM | Department Head Review | |
| City Manager | David Orr | City Manager Review | Completed | 12/09/2021 10:42 AM |
| City Council | Jennifer Evans | Meeting | Completed | 12/13/2021 6:00 PM |

## Meeting History

| | | | |
|---|---|---|---|
| 12/13/21 | City Council | MOVED FORWARD | Next: 01/10/22 |

Attachment: 2021-118 RES Economic Development Agreement with WinCo Foodsx (3603 : 2021-118 RES Economic Development Agreement

**RESOLUTION NO. 2021-188**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF TEXARKANA, TEXAS, AUTHORIZING THE CITY MANAGER TO EXECUTE AN ECONOMIC DEVELOPMENT CHAPTER 380 AGREEMENT FUNDED BY THE CITY'S ECONOMIC DEVELOPMENT FUND WITH WINCO FOODS, LLC IN AN AMOUNT NOT TO EXCEED $350,000; AND ESTABLISHING AN EFFECTIVE DATE.**

**WHEREAS,** the City is a home-rule municipality operating under a municipal charter adopted as authorized by Article XI, Section 5, of the Texas Constitution and as recognized by Texas Local Government Code Section 5.004, and having full power of local self-government not inconsistent with the Texas Constitution, Texas general laws, or the municipal charter, and is fully empowered to execute this Economic Development Agreement with WinCo Foods for the purpose of aiding in economic growth and other useful purposes permitted by law and upon such terms and for such time as the parties may agree; and

**WHEREAS,** the City has furthermore adopted an economic development program as authorized under Chapter 380 of the Texas Local Government Code (the "Program"); and

**WHEREAS,** WinCo Foods, a national grocery chain, has applied for incentives with the City for the redevelopment of the existing vacant Sears building and approximately nine acres of land in Texarkana, Texas, to create a WinCo Foods grocery store (the "Development"); and

**WHEREAS,** WinCo Foods' decision to construct the Development was aided by its expected receipt of economic development rebates and incentives from the City to help defray costs to be incurred by WinCo Foods in constructing the Development and in recruiting and training staff; and

**WHEREAS,** the City believes such an incentive agreement will help revitalize the entire commercial mall property, provide over 90 new jobs, and increase the tax base; and

**WHEREAS,** the Development is expected to benefit the citizens of the City, provide vital economic growth, and aid in the economic development of the Texarkana area by adding jobs, adding tax value, and stimulating business and commercial activity in Texarkana; and

**WHEREAS,** pursuant to Resolution No. 2018-068 (the "Resolution"), the City agreed to support and work with the mission of AR-TX REDI (Regional Economic Development Incorporation) to connect prospective national and international business and industry contracts to build a stronger economy for the area; and

**WHEREAS,** under this resolution, the City Council approved considering the creation of a restricted fund to be used in accordance with City policies and programs to attract new business and industry for economic development and such fund was created; and

**WHEREAS,** the City is working in conjunction with AR-TX REDI to provide an initiative incentive to WinCo Foods; and

**WHEREAS,** the Development meets the objectives of the City to attract new business and industry critical to the growth of the Texarkana area; and

**WHEREAS**, the parties want to set forth in this agreement the terms and conditions of the rebates to WinCo Foods of certain City funds provided by the City as an incentive for WinCo Foods to construct the Development (the "Rebates"); and

**WHEREAS**, the parties recognize that this agreement and all terms and provisions hereof are subject to the laws of the State of Texas and all rules, regulations and interpretations of any agency or subdivision thereof at any time governing the subject matters hereof.

**NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF TEXARKANA, TEXAS:**

**SECTION 1:** The City Council authorizes the City Manager to enter into an economic development Chapter 380 agreement funded by the City's Economic Development Fund with WinCo Foods, LLC in an amount not to exceed $350,000.

**SECTION 2:** This Resolution shall be effective immediately upon passage and approval.

**PASSED AND APPROVED** in Regular Council Session on this the **10th day of January, 2022**.

ATTEST:

_____ _____

JENNIFER EVANS, CITY SECRETARY BOB BRUGGEMAN, MAYOR

Attachment: 2021-118 RES Economic Development Agreement with WinCo Foodsx (3603 : 2021-118 RES Economic Development Agreement

# WinCo Foods
# Texarkana, TX




WinCo Foods
*An Employee Owned Company!*

2021-118 ATTH 01

*"The Supermarket Low Price Leader!"*

Attachment: 2021-118 ATTH 01 WinCo Foods PowerPointx (3603 : 2021-118 RES Economic Development

# Who is WinCo Foods?

- Founded in 1967 in Boise, Idaho.
- Established an Employee Stock Ownership Plan (ESOP) in 1985
  - 100% owned by current and former employees
- Named one of 10 Best Supermarkets in 2020
- Operate 129 stores in 10 states – WA, OR, ID, MT, UT, NV, CA, AZ, TX, and OK.
- Self distributed/ full line distribution center in Denton, Texas.
- Operates 14 stores in OK & TX
  - 3 in OKC metro, 1 in Tulsa, OK, 2 in Fort Worth, McKinney, Duncanville, North Richland Hills, Lewisville, Garland, Denton, Carrollton, and Arlington.



Attachment: 2021-118 ATTH 01 WinCo Foods PowerPointx (3603 : 2021-118 RES Economic Development

# Who is WinCo Foods?

- **“Supermarket Low Price Leader”**
- **One of highest sales per store supermarket chains in the U.S.**
- **Offer national and local brands**
- **Full-service supermarket with grocery, general merchandise, produce, bakery, deli, meat, seafood, variety departments and a large bulk foods offering.**
- **Open 24 hours a day, 7 days a week except Christmas and Thanksgiving.**



Attachment: 2021-118 ATTH 01 WinCo Foods PowerPointx (3603 : 2021-118 RES Economic Development




Attachment: 2021-118 ATTH 01 WinCo Foods PowerPointx (3603 : 2021-118 RES Economic Development




2021-118 ATTH 01

Attachment: 2021-118 ATTH 01 WinCo Foods PowerPointx (3603 : 2021-118 RES Economic Development




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2021-118 ATTH 01

Attachment: 2021-118 ATTH 01 WinCo Foods PowerPointx (3603 : 2021-118 RES Economic Development




2021-118 ATTH 01

Attachment: 2021-118 ATTH 01 WinCo Foods PowerPointx (3603 : 2021-118 RES Economic Development



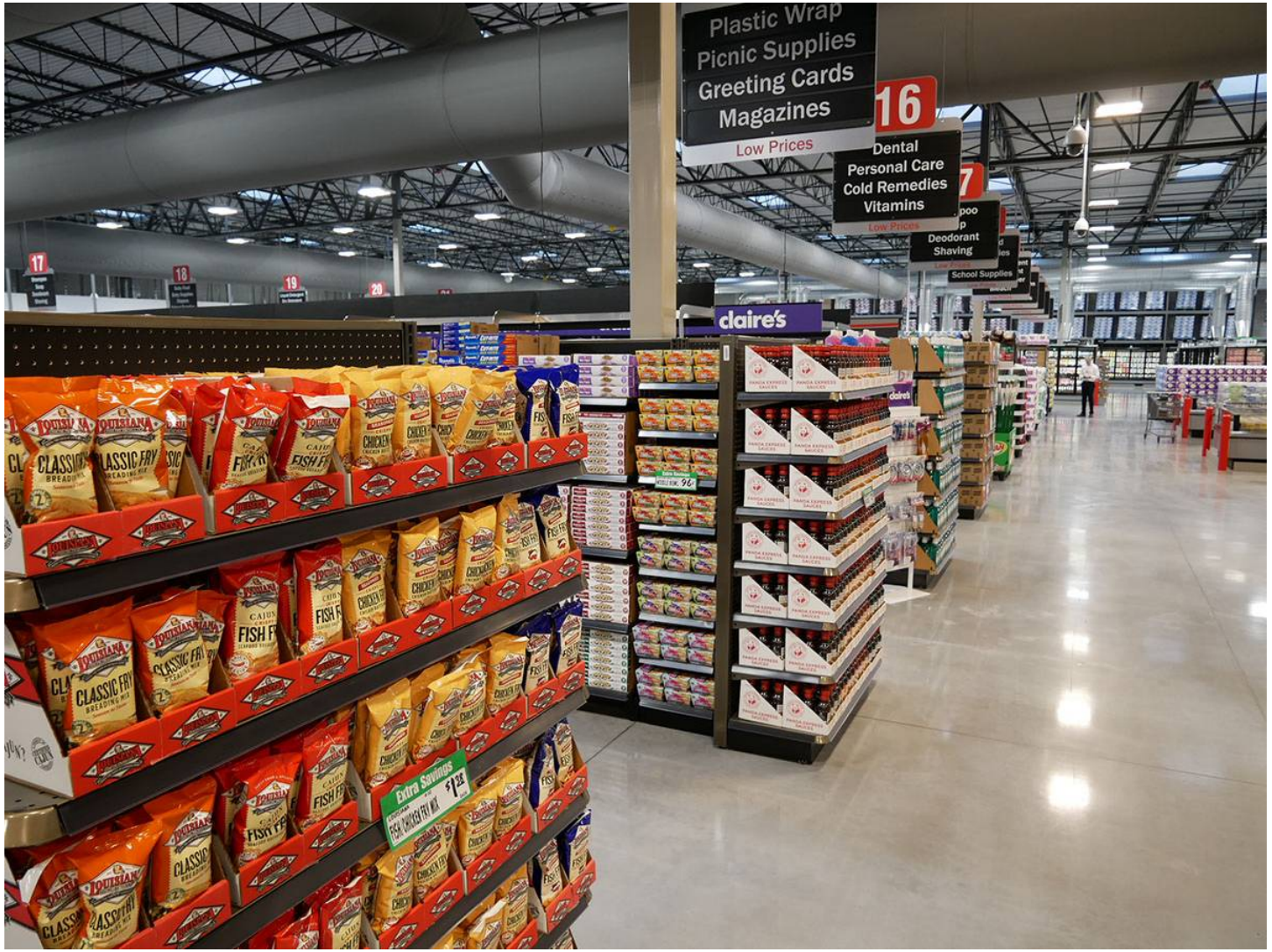

2021-118 ATTH 01

Attachment: 2021-118 ATTH 01 WinCo Foods PowerPointx (3603 : 2021-118 RES Economic Development




2021-118 ATTH 01

Attachment: 2021-118 ATTH 01 WinCo Foods PowerPointx (3603 : 2021-118 RES Economic Development



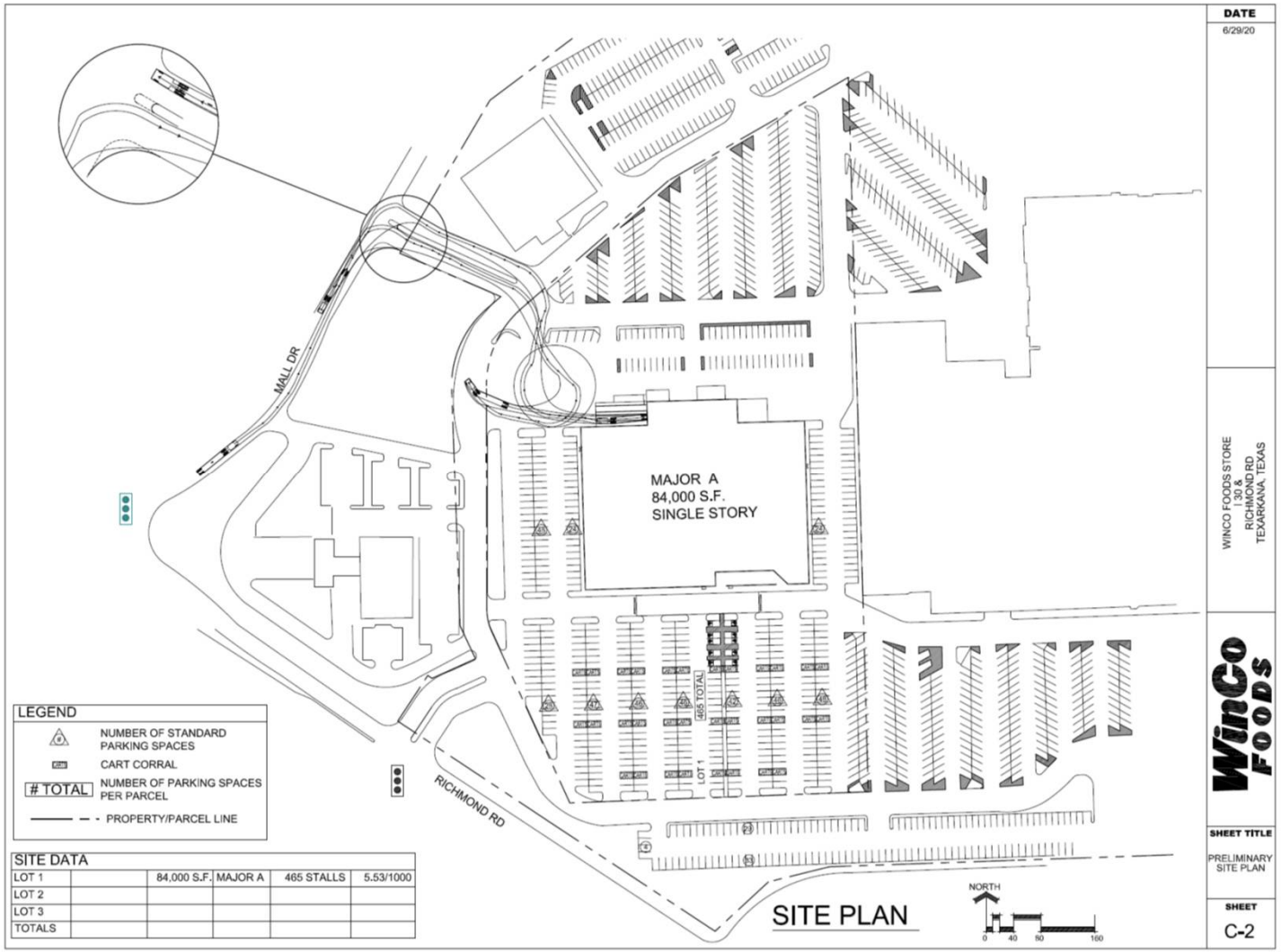

2021-118 ATTH 01

Attachment: 2021-118 ATTH 01 WinCo Foods PowerPointx (3603 : 2021-118 RES Economic Development

# Economic Benefits

| | |
|---|---|
| • employment | 150 – 180 store employees – earn medical and dental benefits at 24 hours/week<br>plus 80 – 100 construction jobs for +/- 9 months |
| • retail sales leakage | Fulfill customer grocery demand in City of Texarkana – low prices, high quality, national/local/house brands. |
| • outside Retail Sales | WinCo's regional draw brings additional sales to the community that might otherwise shop in surrounding communities |
| • Improve/Revitalize Existing Mall | Opportunity to help revitalize a major mall at a major hub of the city |

Attachment: 2021-118 ATTH 01 WinCo Foods PowerPointx (3603 : 2021-118 RES Economic Development






Attachment: 2021-118 ATTH 01 WinCo Foods PowerPointx (3603 : 2021-118 RES Economic Development

CITY OF TEXARKANA TEXAS
P.O. Box 1967
Texarkana, TX 75504
Phone (903) 798-3900

**Application for Business Incentive**
**Chapter 380 Program (Res. # 2015-120)**

**Business Incentive Prospect ("BIP")**

| | |
|---|---|
| BIP Name [see below if BIP is an entity] | WinCo Foods, LLC |
| Primary Contact | Greg Goins, Vice President of Real Estate |
| Address | 650 N Armstrong Pl |
| City | Boise |
| State/Zip | ID |
| Phone | (208) 672-2072 |
| Email | Greg.goins@wincofoods.com |
| Fax | none |
| Cell | (208) 860-8193 |
| Source of referral: (Chamber, realtor, etc.) | |
| BIP's NAICS Code | |

**If BIP is an entity:** Attach documentation that identifies the legal status, verifies the entity's right to transact business in the State of Texas, and discloses the entity's officers, directors, and owners. See attached emails from WinCo Legal.

**Project Description**

Describe your project with sufficient detail so that a determination may be made as to its eligibility for a business incentive according to the definition of "Eligible Project" in the program requirements.

The application must include a detailed map and property description together with a time schedule for undertaking and completing the project.

**Project Description:** WinCo is under contract to purchase and plans to "re-develop" approximately 9 acres of land which includes an existing vacant Sears building. Aging malls in markets such as Texarkana are experiencing significant tenant loss and WinCo's new store (and expected weekly customer traffic) will help to revitalize the entire commercial mall property. The existing Sears building will be demolished and replaced with a new 84,000 sq.ft. WinCo grocery store. The current zoning for this property is GR- General Retail. Current timeline to complete the project subject to permitting and construction is Feb/March of 2023.

Attachment: 2021-118 ATTH 02 Incentive Applicationx (3603 : 2021-118 RES Economic Development Agreement with WinCo Foods)

## Exclusions and Threshold Prerequisites

**Answer "yes" or "no" the following:**

| | | |
|---|---|---|
| 1. | Has any proposed project activity (not including the BIP's planning and due diligence) occurred prior to the filing of this application? | ☐ Yes X No |
| 2. | Does the BIP, including any business or property owned or leased in whole or in part by the BIP, have an outstanding tax lien owing to any governmental entity? | ☐ Yes X No |
| 3. | Has the BIP, including any business or property owned or leased in whole or in part by the BIP, within the five-year period preceding the date of filing this application, been cited, noticed, or fined for noncompliance or violation of a federal law or regulation, a state law or regulation, or a Texarkana, Texas, city code, ordinance, or resolution? | X Yes No |
| 4. | Is the BIP, including any business or property owned or leased in whole or in part by the BIP, a party to a claim or proceeding against the City of Texarkana, Texas, or is implicated in a claim or proceeding against a third party that may hinder or interfere with the efficacy of the Business Incentive requested? | ☐ Yes X No |

**Answer "yes" or "no" for any item listed below that applies to your proposed project:**

| | | |
|---|---|---|
| 1. | The project value, including land, construction and fixed improvements, totals at least $10,000,000 for new Construction or at least $5,000,000 for an Existing Facility. | X Yes ☐ No |
| 2. | The project contributes to the retention or expansion of employment. | X Yes ☐ No |
| 3. | The project contributes substantially to redevelopment efforts as opposed to merely transferring employment from one business in the City to another. | X Yes ☐ No |
| 4. | At least fifty (50) jobs will be created or retained that meet or exceed the per capita income level in the Texarkana MSA. | X Yes ☐ No |
| 5. | At least $5,000,000 in annual payroll will be paid by the project. | X Yes ☐ No |
| 6. | At least $400,000 in local sales taxes are to be directly generated by the project. | X Yes ☐ No |

Attachment: 2021-118 ATTH 02 Incentive Applicationx (3603 : 2021-118 RES Economic Development Agreement with WinCo Foods)

7. The project should be deemed an Exceptional Project (defined as a project that makes use of an underutilized asset, diversifies the local economic base, creates leverage with local economic interests, expands the local market for a good or service, or is located in a designated redevelopment or historical area or neighborhood).

X Yes ☐ No

(If you answered "yes" to no. 7, explain why the project should be deemed an Exceptional Project. Attach additional sheets if necessary.)

Describe how your proposed project conforms to the Comprehensive Zoning Ordinance of the City of Texarkana, Texas, and complies with all City ordinances and state and federal laws and regulations. Include in your response whether the project will require any zoning changes or special use permits. See above Project Description.

Attach additional sheets if necessary.

**Business Incentive Requested**

Describe the requested "Business Incentive" and "Business Incentive Period" as those terms are defined in the program requirements.

**Business Incentive:**

a) ARTX Regional Economic Development Initiative incentive = $100,000
b) City of Texarkana, Texas sales tax rebate based on 1.5% local City Sales tax on total project costs directly related to building materials costs = $100,000
c) City of Texarkana, Texas incentive of up to $150,000 over a 3 year period based on providing jobs higher than the average median income and meeting a minimum payroll base annually.

Attachment: 2021-118 ATTH 02 Incentive Applicationx (3603 : 2021-118 RES Economic Development Agreement with WinCo Foods)

**Business Incentive Period:** Set forth above.

**Disclose your efforts, if any, to request similar incentives from any other public or private entity, and the progress of those efforts.**

No other incentives are known, available or have been applied for.

## Specific Review Criteria

Provide responses to each of the criteria below, or explain why a particular criterion should not apply to your project.

1. Disclose the BIP's financial capacity and available resources to fund, develop, and complete the proposed project, excluding consideration of any Business Incentive. (*Note: disclosure of financial capacity and available resources typically involves providing business plans together with audited financial statements and tax returns from the preceding three years.*)

   WinCo will "self develop" the entire project out of cash. No financing is needed.

2. Disclose the assessed, taxable value of land and existing improvements, if any, associated with the project, separately stated for real and personal property, for the tax year immediately preceding the year of application.
   When WinCo purchases the Sears site, it will be a separate parcel from the balance of the mall. Today, the mall's assessed value includes the Sears property. According to current owner, 2021 real estate taxes for the mall were $252,914 of which Sears parcel prorated share is $54,358.00.

3. Disclose the type, value, and Productive Life of proposed project improvements.

   Project will consist of demolition of former Sears building and redevelopment of the property with new WinCo Grocery store building and refurbished parking lot. Expect Productive Life to be in excess of 50 years. Value of Building and Improvements = approx. $21Million

4. Identify the number of existing jobs that meet or exceed the per capita income level for the Texarkana MSA to be retained by the proposed project.

Attachment: 2021-118 ATTH 02 Incentive Applicationx (3603 : 2021-118 RES Economic Development Agreement with WinCo Foods)

Based on 2023 projected PCI for Texarkana of $13.48 most all of the projected 90+ jobs will exceed the projected 2023 Texarkana PCI.

See chart below based on the profile of our other Texas stores as well as a look at Tulsa, the newest store in that region. Note that this is based on wages today, which could easily be higher by the time we would actually open a store. Also the employee counts could be higher if labor supply improves. While the numbers listed below are based on current TX stores, I think most of those stores would like to have more employees than they do right now, it's just hard to find them.

| PT Emp | PT Avg Wage | FT Emp | FT Avg Wage | |
|---|---|---|---|---|
| 60 | $13.50 | 30 | $18.00 | |
| All employees averaging over 25 hours per week are eligible for full benefits | | | | |
| We estimate around 50% of PT employees would average more than 25 hours a week | | | | |

5. Identify the number and type of new jobs that meet or exceed the per capita income level for the Texarkana MSA to be created by the proposed project, and whether the new jobs will be filled by persons residing or projected to reside within the Texarkana MSA.

Please see response to #4 above for number of jobs.

WinCo provides a wide variety of retail clerk and department manager positions including Grocery, Produce, Baker, Deli, Freight, Cashier, Bulk, Variety, etc. Additionally, each store employs three salaried managers.

It would be projected that the employee base would be filled from local Texarkana residents.

6. Disclose the amount of payroll within the territorial jurisdiction of the City of Texarkana, Texas, to be created or retained by the proposed project.
Estimated $2.5 Million Annually

7. Disclose the amount of payroll within the extraterritorial jurisdiction of the City of Texarkana, Texas, to be created or retained by the proposed project. None; project is in territorial jurisdiction (see immediately above)

Attachment: 2021-118 ATTH 02 Incentive Applicationx (3603 : 2021-118 RES Economic Development Agreement with WinCo Foods)

8. Disclose the amount of local sales tax to be generated directly by the proposed project.

Local sales taxes generated:

- From construction of store –
  - $50,000 estimated from supplies/equipment purchased directly by WinCo
  - Unknown for supplies/equipment purchased by Contractor/Subs
    - Depends on a number of factors that I cannot anticipate
- $140,000 estimated (annually) from retail operations

9. Disclose the amount of property tax base valuation that will be increased during and after the Business Incentive Period.

Value of Building and Improvements once complete = approx. $21Million. This updated value should increase property taxes on the former Sears (now WinCo) parcel and provide a catalyst for future re-development of other properties around WinCo that also will help to increase future property values/taxes.

10. Identify or otherwise disclose costs to be incurred by the City of Texarkana, Texas, to provide facilities or services directly resulting from the proposed project.

None

11. Disclose the amount of ad valorem taxes to be paid to the City of Texarkana, Texas, during the Business Incentive Period, taking into consideration the pre-application values, the amount and type of the Business Incentive, the Business Incentive Period, and the value after expiration of the Business Incentive Period.

Attachment: 2021-118 ATTH 02 Incentive Applicationx (3603 : 2021-118 RES Economic Development Agreement with WinCo Foods)

12. Disclose your projection of the population growth of the City of Texarkana, Texas, that will occur directly as a result of the proposed project.

No known measurable population growth is expected as a result of this project.

13. Identify the types and values of public improvements, if any, to be made by the BIP.

14. Disclose whether the proposed project restricts or enhances the business opportunities of existing businesses within the City of Texarkana, Texas. WinCo as a strong national anchor retailer believes we will indeed enhance surrounding business opportunities of existing businesses in Texarkana. WinCo generates a "regional draw" for the entire metro-plex and surrounding counties. This regional draw will bring additional customers/business to existing businesses in and around the mall.

15. Disclose whether the proposed project attracts other new business or new economic development to the area. Same comment as in #14 in that we not only help generate more business for existing retailers but new retailers who like our regional drawing power will look to place new facilities in the area around us.

16. Disclose whether the project is environmentally compatible with the City of Texarkana, Texas, as it exists prior to receipt of the application.

As we know it, yes.

17. Disclose whether the proposed project will generate a negative impact on the quality of life within the City of Texarkana, Texas, constitute a nuisance, or constitute a hazard to public safety, health, and welfare.

No it will not. In fact, this project should contribute to an improved quality of life for local residents, grocery consumers and the City.

18. Disclose whether and to what extent the proposed project makes a substantial contribution to redevelopment efforts or special area plans by enhancing either functional or visual characteristics (examples include historical structures, traffic circulation, parking, facades, signs, materials, and urban design).

Attachment: 2021-118 ATTH 02 Incentive Applicationx (3603 : 2021-118 RES Economic Development Agreement with WinCo Foods)

As with many mid-market malls, the real estate assets are in decline and the property needs to undergo redevelopment to reinvigorate it's functionality and economic viability. The new WinCo project will promote new business development and ongoing redevelopment of the remaining mall property.

19. Disclose whether the location of the proposed project furthers the development goals of the City of Texarkana, Texas.

As I understand it, yes.

20. Disclose whether the proposed project or requested Business Incentive would result in an adverse effect on government services or the local tax base.

No adverse impact

21. Disclose whether the proposed project or requested Business Incentive would decrease or exclude the amount of the tax increment of any taxing unit or any deposit made by any taxing unit to the tax increment fund for the Tax Increment Reinvestment Zones of the City of Texarkana, Texas.

Not clear what the impact would be.

The City may contact the BIP for additional information specific to the proposed project and Business Incentive as deemed necessary by the City Manager and City Attorney (*see* § 4.1.15 of the Program Requirements).

**Acknowledgement of Business Incentive Prospect**

The undersigned, whether individually as the Business Incentive Prospect or in a representative capacity as authorized by the Business Incentive Prospect, acknowledges reading the Chapter 380 Program Requirements, including but not limited to the specific provisions pertaining to Confidential or Proprietary Information and required Agreement provisions in the event the City Council authorizes an Agreement for a Business Incentive. The undersigned affirms having full authority to submit this application, that the Business Incentive Prospect shall comply fully with all Program Requirements, and that the information attached to this application and answers provided herein are true and correct.

Signature: _____

Printed Name: R. Greg Goins, VP of Real Estate, WinCo Foods, LLC

Dated: 11/17/2021

Attachment: 2021-118 ATTH 02 Incentive Applicationx (3603 : 2021-118 RES Economic Development Agreement with WinCo Foods)

Return completed application form and requested information to:

Jerry Sparks
Economic Developer
City of Texarkana, Texas
P. O. Box 1967– 220 Texas Blvd.
Texarkana Texas 75504-1967
Office 903.798.1715 Cell 903.278.0102

Attachment: 2021-118 ATTH 02 Incentive Applicationx (3603 : 2021-118 RES Economic Development Agreement with WinCo Foods)

Required attachments:
Business Plan
Financial statements (corporate, partnership, or personal)
Project costs documentation

Attachment: 2021-118 ATTH 02 Incentive Applicationx (3603 : 2021-118 RES Economic Development Agreement with WinCo Foods)

Date: June 25, 2021 Report No. 2021-039

# INFORMAL STAFF REPORT
# TO MAYOR AND CITY COUNCIL

**SUBJECT:**
Provide information on the 2020 City of Denton Economic Development property tax (ad valorem) incentive agreements including tax abatements and rebates.

**EXECUTIVE SUMMARY:**
In tax year 2020, the City of Denton had seven active property tax incentive agreements. This includes five Chapter 380 property tax rebate agreements and two property tax abatement agreements. In total, the value of the rebates and abatements for tax year 2020 is $1,009,472. The associated properties have a total valuation of more than $331 million and generate more than $1.2 million in net property tax revenue for the City.

**BACKGROUND:**
The City of Denton provides economic development incentives in accordance with the City's Tax Abatement and Incentive Policy to stimulate private development and redevelopment, expand the tax base, generate jobs, and enhance the local economy. The City currently has two active property tax abatement agreements and five active Chapter 380 property tax rebate agreements. The property tax rebates are paid annually based on the terms in the individual grants.

The City is authorized under various regulations and through its adopted policies to offer property tax abatements and property tax rebates.

- **Tax Abatements** allow local governments to exempt all or a portion of the valuation increase of real and personal property taxes from a new or expanded business development for a period of up to 10 years. The statutes regulating tax abatements can be found in Chapter 312 of the Texas Property Tax Code.
- **Tax Increment Reinvestment Zones (TIRZ)** allow local governments to finance improvements and infrastructure within a defined area in order to stimulate private development and redevelopment. A property tax valuation base is established in the first year, and the revenue from the increased valuation from subsequent years is allocated to development within the TIRZ. The statutes that regulate tax increment financing and the related zones are in Chapter 311 of the Texas Property Tax Code, also known as the Tax Increment Financing Act.
- **Chapter 380 of the Texas Local Government Code** states that a municipality may establish and provide for the administration of one or more programs for making loans and grants of public money and providing personnel and services of the municipality, to promote state or local economic development and to stimulate business and commercial activity in the municipality.
- **Freeport Exemptions** are an exemption from property tax on goods that have been held in the state for 175 days or less for the purpose of assembly, storage, manufacturing, processing or fabrication. The exemption applies throughout the entire taxing jurisdiction.

Attachment: 2021-118 ATTH 03 Denton- 2021-039 Prop. Tax Abatements Summary (3603 : 2021-118 RES Economic Development Agreement

A triple freeport exemption means that the three taxing jurisdictions, city, county and school district, participate.

The City uses these tools to facilitate performance-based property tax incentives, taking the form of either a property tax abatement (reduction in property tax payment) or property tax rebate (reimbursement of a portion of property taxes paid). Chapter 380 agreements may also include an expansion or relocation cash grant, TIRZ grant, or job-based grant that incentivizes high-wage or knowledge-based jobs.

Each year, once values are received and property tax payments are due, calculations are performed by the Denton Central Appraisal District (DCAD) and Economic Development staff. For abatements, DCAD determines the amount of an abatement for active agreements by applying the terms of the approved abatement. The corresponding company will then see a reduction in their tax bill. For property tax rebate agreements, Economic Development staff review property tax values and payments made, then calculate the amount of the rebate by applying the terms of the approved agreement. The corresponding company then receives a rebate directly from the City. For all agreements, specific valuation, job, and wage threshold requirements in the agreements are verified using a certificate of compliance, third party verification from the DCAD, and IRS documentation. The valuation, revenue, job, and incentive information is captured in the annual Net Revenue Report and tracked over time to determine the net benefits to Denton.

Summary memos of the 2020 active property tax abatement agreements and property tax Chapter 380 agreements are attached. The memos include breakdowns of property valuation, including taxable values that may be ineligible under the specific terms of the applicable agreement. Because the terms vary by agreement, each payment/abatement is calculated and reviewed individually.

**ATTACHMENT(S):** 2020 property tax abatement and rebate summary memos.

**STAFF CONTACT:**

Jessica Rogers
Director of Economic Development
Jessica.Rogers@cityofdenton.com
(940) 349-7531

Erica Sullivan
Economic Development Analyst
Erica.Sullivan@cityofdenton.com
(940) 349-7731

**REQUESTOR:** Staff initiated

**PARTICIPTAING DEPARTMENTS:** Economic Development

**STAFF TIME TO COMPLETE REPORT:** 2 hours

Attachment: 2021-118 ATTH 03 Denton- 2021-039 Prop. Tax Abatements Summary (3603 : 2021-118 RES Economic Development Agreement

CITY OF DENTON

**Economic Development Department**
401 N. Elm St., Denton, TX 76201 • (940) 349-7776

# MEMORANDUM

**DATE:** June 4, 2021

**TO:** The Honorable Mayor Hudspeth and Council Members
Sara Hensley, Interim City Manager
David Gaines, Assistant City Manager/Chief Financial Officer
Cassandra Ogden, Director of Finance

**FROM:** Erica Sullivan, Economic Development Analyst

**SUBJECT:** Tax Year 2020 Mayday Manufacturing Chapter 380 Grant

This is the seventh year of the ten-year agreement with Mayday Manufacturing. Under the Chapter 380 Agreement, the company will pay 100% of the property taxes owed to the City and will receive a grant equal to 75% of the increase in valuation for the building and equipment resulting from the improvements to the facility located at 3100 Jim Christal. The difference between the property tax improvements over the taxes of the 2012 base year valuation is eligible for the incentive and is deducted from the total valuation. The grant payment calculation is based on the following:

| Description | Valuation | Not Eligible | Eligible |
|---|---|---|---|
| Building/Improvements | $6,568,689 | $1,579,926 | $4,988,763 |
| Land | $1,380,111 | $1,380,111 | $0 |
| Equipment | $7,238,302 | $3,047,908 | $4,190,394 |
| Inventory Less Freeport | $1,880,924 | $1,880,924 | $0 |
| Totals | $17,068,026 | $7,888,869 | $9,179,157 |

Since Mayday Manufacturing and American Realty Capital Properties (ARCP) met the $5 million threshold of the grant agreement, once they have paid their property taxes, the City will issue a grant payment in the amount of $40,649. The net property tax payment to the City will equal $60,130.

If you have any questions, please do not hesitate to contact me at 349-7731.

cc: Jake Clerihew, Denton Central Appraisal District
Tom Shaw, Mayday Manufacturing
Torry Peoples, Mayday Manufacturing



Attachment: 2021-118 ATTH 03 Denton- 2021-039 Prop. Tax Abatements Summary (3603 : 2021-118 RES Economic Development Agreement

**Economic Development Department**
401 N. Elm St., Denton, TX 76201 • (940) 349-7776

# MEMORANDUM

**DATE:** June 4, 2021

**TO:** The Honorable Mayor Hudspeth and Council Members
Sara Hensley, Interim City Manager
David Gaines, Assistant City Manager/Chief Financial Officer
Cassandra Ogden, Director of Finance

**FROM:** Erica Sullivan, Economic Development Analyst

**SUBJECT:** Tax Year 2020 West Gate Business Park Chapter 380 Grant

This is the fifth year of the City of Denton's ten-year Chapter 380 agreement with West Gate Business Park (WGBP). The Agreement provides a 70% rebate on the valuation of the real property improvements for building/Lot 1.

| Description | Valuation | Not Eligible | Eligible |
|---|---|---|---|
| Building/Improvements | $8,723,336 | $0 | $8,723,336 |
| Land | $838,094 | $838,094 | $0 |
| Equipment | $0 | $0 | $0 |
| Inventory less Freeport | $0 | $0 | $0 |
| Totals | $9,561,430 | $838,094 | $8,723,336 |

Since WGBP met their $3 million threshold, they will receive the full 70% rebate in the amount of $36,055. Net City ad valorem taxes owed by WGBP (total less the rebate) is $20,401.

If you have any questions, please do not hesitate to contact me at 349-7731.

cc: Jake Clerihew, Denton Central Appraisal District
Brandon Martino, WGBP Investments, LTD.



Attachment: 2021-118 ATTH 03 Denton- 2021-039 Prop. Tax Abatements Summary (3603 : 2021-118 RES Economic Development Agreement

**Economic Development Department**
401 N. Elm St., Denton, TX 76201 • (940) 349-7776

# MEMORANDUM

**DATE:** June 4, 2021

**TO:** The Honorable Mayor Hudspeth and Council Members
Sara Hensley, Interim City Manager
David Gaines, Assistant City Manager/Chief Financial Officer
Cassandra Ogden, Director of Finance

**FROM:** Erica Sullivan, Economic Development Analyst

**SUBJECT:** Tax Year 2020 WinCo Foods Chapter 380 Grant

This is the third year of the agreement for WinCo Foods. Under the Chapter 380 Agreement, WinCo Foods will pay 100% of City property taxes and will receive a grant equal to 60% of the building and equipment valuation of the distribution center (excluding inventory, vehicles and supplies).

WinCo will receive 60% of the ad valorem tax, 40% of the ad valorem contribution into Tax Increment Reinvestment Zone No. Two by the project until the construction costs for Phase I public improvements have been reimbursed. It is anticipated that full reimbursement will occur in approximately ten years, depending on how the zone develops. The first year after full reimbursement, the second term of the grant agreement shall commence, and will include a 60% rebate of the City's ad valorem revenue for a period of four years. The ad valorem grant payment calculation is based on the following:

| Description | Valuation | Not Eligible | Eligible |
|---|---|---|---|
| Building/Improvements | $55,454,968 | $0 | $55,454,968 |
| Land | $5,045,032 | $5,045,032 | $0 |
| Equipment | $21,175,530 | $725,640 | $20,449,890 |
| Inventory Less Freeport | $21,260,528 | $21,260,528 | $0 |
| Totals | $102,936,058 | $27,031,200 | $75,904,858 |

The Agreement thresholds require a minimum valuation of $50 million in real property improvements and business personal property value. Since WinCo met their threshold requirements, they will receive an ad valorem grant payment equal to 60% of the eligible amount. The total project costs for Phase I amounted to $7,154,641.55. Once WinCo has paid their property taxes, the City will issue a payment in the amount of $268,910. WinCo Foods' net payment to the City less the rebate was $338,880.

If you have any questions, please do not hesitate to contact me at 349-7776.

cc: Jake Clerihew, Denton Central Appraisal District
Lori Gilbertson, WinCo Foods



Attachment: 2021-118 ATTH 03 Denton- 2021-039 Prop. Tax Abatements Summary (3603 : 2021-118 RES Economic Development Agreement

**Economic Development Department**
401 N. Elm St., Denton, TX 76201 • (940) 349-7776

# MEMORANDUM

**DATE:** June 4, 2021

**TO:** The Honorable Mayor Hudspeth and Council Members
Sara Hensley, Interim City Manager
David Gaines, Assistant City Manager/Chief Financial Officer
Cassandra Ogden, Director of Finance

**FROM:** Erica Sullivan, Economic Development Analyst

**SUBJECT:** Tax Year 2020 WinCo Foods Chapter 380 TIRZ No. Two Grant

This is the third year of the agreement for WinCo Foods. Under the Chapter 380 Agreement, WinCo Foods will pay 100% of the property taxes owed to the City and County and will receive a grant equal to 40% of the contribution of the City and County into the Tax Increment Fund (land and improvements) from the distribution center. Both entities participate in Tax Increment Reinvestment Zone (TIRZ) at a rate of 40%. Business personal property (equipment) is not included in the TIRZ contribution.

WinCo will receive 40% of the ad valorem tax contribution (land and improvements) into the Tax Increment Fund from the City and County, 60% of the City's portion of the ad valorem by the project (excluding land, inventory, vehicles and supplies) until the construction costs for Phase I public improvements are reimbursed. The anticipated full reimbursement will occur in approximately ten years, depending on how the zone develops. The first year after full reimbursement, the second term of the grant agreement shall commence, and will include only the 60% rebate of the City's ad valorem revenue for a period of four years. The ad valorem TIRZ grant payment calculation is based on the following:

| Description | Valuation | Not Eligible | Eligible |
|---|---|---|---|
| Building/Improvements | $55,454,968 | $0 | $55,454,968 |
| Land | $5,045,032 | $0 | $5,045,032 |
| Equipment | $21,175,530 | $21,175,530 | $0 |
| Inventory Less Freeport | $21,260,528 | $21,260,528 | $0 |
| Totals | $102,936,058 | $42,436,058 | $60,500,000 |



Attachment: 2021-118 ATTH 03 Denton- 2021-039 Prop. Tax Abatements Summary (3603 : 2021-118 RES Economic Development Agreement

The Agreement thresholds require a minimum valuation of $50 million in real property improvements and business personal property value. Since WinCo Foods met their threshold requirements, they will receive an ad valorem grant payment equal to 60% of the eligible amount. The total project costs for Phase I amounted to $7,154,641.55. Once WinCo has paid their City and County property taxes, the City will issue an incentive grant payment in the amount of $197,336. WinCo Foods' net property tax payment to the City less the rebate was $100,226.

If you have any questions, please do not hesitate to contact me at 349-7776.

cc: Jake Clerihew, Denton Central Appraisal District
Lori Gilbertson, WinCo Foods

Attachment: 2021-118 ATTH 03 Denton- 2021-039 Prop. Tax Abatements Summary (3603 : 2021-118 RES Economic Development Agreement

Economic Development Department
215 E. McKinney St., Denton, TX 76201 • (940) 349-7776

DATE: May 17, 2021

TO: Mayor and City Council Members
Sara Hensley, Interim City Manager
David Gaines, Assistant City Manager/Chief Financial Officer
Cassandra Ogden, Director of Finance

FROM: Erica Sullivan, Economic Development Analyst

SUBJECT: O'Reilly Hotel Partners Denton Chapter 380 Grant for 2020

This is the third year of the twenty-five year agreement for O'Reilly Hotel Partners Denton (OHPD). Under the Chapter 380 Agreement, OHPD will pay 100% of the property taxes owed to the City and will receive a grant equal to 100% of the building and equipment valuation of the hotel and convention center (excluding inventory, vehicles and supplies).

OHPD will receive 100% of the ad valorem tax, hotel occupancy tax, and sales tax generated by the project for a maximum of 25 years or until the combined principal amount of $28 million and interest payment of $26 million, for a total aggregate amount of $54 million, is reached, whichever comes first. The incentive is capped at $54 million.

The ad valorem grant payment calculation is based on the following:

| Description | Valuation | Not Eligible | Eligible |
|---|---|---|---|
| Building/Improvements | $28,752,973 | $0 | $28,752,973 |
| Land | $6,247,027 | $6,247,027 | $0 |
| Equipment | $2,980,178 | $31,000 | $2,949,178 |
| Totals | $37,980,178 | $6,278,027 | $31,702,151 |

*Table does not include the valuation for the missing Houlihan's 2019 account with an eligible valuation of 501,024.*

The Agreement thresholds require an investment of $80 and $20 million in real property improvements and business personal property value. Since OHPD met their threshold requirements, they will receive an ad valorem grant payment equal to 100% of the eligible amount plus a $2,958 adjustment for the Houlihan's 2019 account that was not captured. Once they have paid their property taxes, the City will issue an incentive grant payment in the amount of $190,145. OHPD's net property tax payment to the City less the rebate for 2020 is $37,069.

If you have any questions, please do not hesitate to contact me at 349-7776.

cc: Jake Clerihew, Denton Central Appraisal District
Courtney Brown, O'Reilly Hospitality Management

Attachment: 2021-118 ATTH 03 Denton- 2021-039 Prop. Tax Abatements Summary (3603 : 2021-118 RES Economic Development Agreement

CITY OF DENTON

**Economic Development Department**
401 N. Elm St., Denton, TX 76201 • (940) 349-7776

# MEMORANDUM

**DATE:** June 4, 2021

**TO:** The Honorable Mayor Hudspeth and Council Members
Sara Hensley, Interim City Manager
David Gaines, Assistant City Manager/Chief Financial Officer
Cassandra Ogden, Director of Finance

**FROM:** Erica Sullivan, Economic Development Analyst

**SUBJECT:** Tax Year 2020 Peterbilt Tax Abatement

This is the fourth year in the City of Denton's eight-year tax abatement with Peterbilt Motors. The Agreement provides a 70% abatement on the valuation of the building and equipment resulting from the expansion improvements to the existing facility building, new stand alone building, and on eligible personal property. The difference between the property tax improvements over the taxes of the 2015 base year valuation is eligible for the incentive and is deducted from the total valuation. The grant payment calculation is based on the following:

| Description | Valuation | Not Eligible | Eligible |
|---|---|---|---|
| Building/Improvements | $22,144,000 | $15,644,000 | $6,500,000 |
| Land | $4,356,000 | $4,356,000 | $0 |
| Equipment | 114,477,526 | $61,691,150 | $52,786,376 |
| Inventory Less Freeport | $11,911,283 | $11,911,283 | $0 |
| Totals | $152,888,809 | $93,602,433 | $59,286,376 |

Since Peterbilt Motors met the $18.5 million threshold of the grant agreement, they received the full 70% abatement amount of $245,041 Net City ad valorem taxes owed by Peterbilt (total less abatement) is $657,697.

If you have any questions, please do not hesitate to contact me at 349-7731.

cc: Jake Clerihew, Denton Central Appraisal District
Brian Roberts, Peterbilt Motors



Attachment: 2021-118 ATTH 03 Denton- 2021-039 Prop. Tax Abatements Summary (3603 : 2021-118 RES Economic Development Agreement

**Economic Development Department**
401 N. Elm St., Denton, TX 76201 • (940) 349-7776

# MEMORANDUM

**DATE:** June 4, 2021

**TO:** The Honorable Mayor Hudspeth and Council Members
Sara Hensley, Interim City Manager
David Gaines, Assistant City Manager/Chief Financial Officer
Cassandra Ogden, Director of Finance

**FROM:** Erica Sullivan, Economic Development Analyst

**SUBJECT:** Tax Year 2020 West Gate Business Park Tax Abatement

This is the second year of the City of Denton's ten-year tax abatement agreement with West Gate Business Park (WGBP). The Agreement provides a 60% abatement on the valuation of the real property improvements for buildings 2/Lot 2 and 3/Lot 3 in the business park. The agreement provides an additional 10% abatement for the location of a supplier to an existing primary industry and/or an additional 5% for the location of a national headquarters for a total abatement of up to 75%.

| Description | Valuation | Not Eligible | Eligible |
|---|---|---|---|
| Building/Improvements | $8,845,272 | $0 | $8,845,272 |
| Land | $1,119,492 | $1,119,492 | 0 |
| Equipment | 0 | 0 | 0 |
| Inventory less Freeport | 0 | 0 | 0 |
| Totals | $9,964,764 | $1,119,492 | $8,845,272 |

Since WGBP met their $3 million threshold and did not have a tenant that is a supplier to an existing primary industry and/or a national headquarters, they will receive a 60% abatement in the amount of $31,336. Net City ad valorem taxes owed by WGBP (total less the abatement) is $27,501.

If you have any questions, please do not hesitate to contact me at 349-7731.

cc: Jake Clerihew, Denton Central Appraisal District
Brandon Martino, WGBP Investments, LTD.



Attachment: 2021-118 ATTH 03 Denton- 2021-039 Prop. Tax Abatements Summary (3603 : 2021-118 RES Economic Development Agreement

**RESOLUTION NO. 2013-02-025 (R)**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF McKINNEY, TEXAS, APPROVING A CHAPTER 380 ECONOMIC DEVELOPMENT AGREEMENT BETWEEN THE CITY OF McKINNEY AND WINCO FOODS, LLC , A DELAWARE LIMITED LIABILITY COMPANY, AND PROVIDING AN EFFECTIVE DATE**

**WHEREAS,** the City Council of the City of McKinney, Texas, has determined the need to approve a Chapter 380 Economic Development Agreement to provide incentives to WinCo Foods, LLC , a Delaware limited liability company, and

**WHEREAS,** a Chapter 380 Economic Development Agreement is the binding, legal document governing the incentives and development of the site

**NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF McKINNEY, TEXAS, THAT**

Section 1 The City Council of the City of McKinney, Texas hereby approves the Chapter 380 Economic Development Agreement between the City of McKinney and WinCo Foods, LLC , a Delaware limited liability company, and

Section 2 The City Manager is authorized to execute the Chapter 380 Economic Development Agreement between the City of McKinney and WinCo Foods, LLC , a Delaware limited liability company, and

Section 3 This Resolution shall take effect immediately from and after the date of passage and is so resolved

**DULY PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF McKINNEY, TEXAS ON THE 19th DAY OF FEBRUARY, 2013.**

CITY OF McKINNEY, TEXAS

BRIAN LOUGHMILLER
Mayor

ATTEST

SANDY HART, TRMC, MMC
City Secretary
BLANCA I GARCIA
Assistant City Secretary

APPROVED AS TO FORM

MARK S HOUSER
City Attorney

Attachment: 2021-118 ATTH 04 McKinney- Winco Foods LLC - Chapter 380 Agrmt & Reso_1 (3603 : 2021-118 RES Economic Development Agreement with WinCo Foods)

# THE CITY OF MCKINNEY, TEXAS
# AND
# WINCO FOODS, LLC.
# CHAPTER 380 ECONOMIC DEVELOPMENT AGREEMENT

**WHEREAS**, ***WINCO FOODS, LLC,,*** a Delaware limited liability company (hereinafter "WINCO"), is entering into this Chapter 380 Economic Development Agreement (this "Agreement") pursuant to a program initiated by the ***CITY OF MCKINNEY, TEXAS*** (hereinafter "CITY") pursuant to Chapter 380 of the Texas Local Government Code, for the primary purpose of constructing, staffing, and operating a retail grocery facility (the "Project") located wholly within the City of McKinney, Texas, and

**WHEREAS,** the CITY has agreed to a conditional economic development grant to WINCO based on the timely completion of the Project, including but not limited to the construction of certain building and site improvements and other economic development criteria, to be funded by the CITY upon the timely performance of WINCO under this Agreement, and

**WHEREAS,** the CITY has the authority under Chapter 380 of the Texas Local Government Code to make loans or grants of CITY funds for the purposes of promoting local economic development and stimulating business and commercial activity within the CITY, and

**WHEREAS**, the CITY has determined the Project to be an eligible project for a conditional grant to WINCO of its funds which grant will serve the public purpose of promoting local economic development and enhancing business and commercial activity in the City of McKinney, Texas, and

**WHEREAS,** the CITY has concluded and hereby finds that this Agreement clearly promotes economic development in the City of McKinney and, as such, meets the requisites under Chapter 380 of the Texas Local Government Code and further, is in the best interests of the CITY and WINCO, and

**WHEREAS,** the City Council has considered and approved this Agreement authorizing the CITY pursuant to applicable law, and

**NOW, THEREFORE,** for and in consideration of the agreements contained herein and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, CITY and WINCO agree as follows

Attachment: 2021-118 ATTH 04 McKinney- Winco Foods LLC - Chapter 380 Agrmt & Reso_1 (3603 : 2021-118 RES Economic Development Agreement with

## SECTION 1. TERM

This Agreement shall be effective from the Effective Date until January 31, 2019, unless terminated sooner under the provisions herein.

## SECTION 2. DEFINITIONS

The following words shall have the following meanings when used in this Agreement

a Agreement. The word "Agreement" means this Chapter 380 Economic Development Agreement, together with all exhibits and schedules attached to this Agreement and specifically incorporated herein

b CITY. The word "CITY" means the City of McKinney, Texas. For purposes of this Agreement, CITY's address is 222 N Tennessee, McKinney, Texas 75069

c Comptroller The word "Comptroller" means the Office of the Texas Comptroller of Public Accounts, or any successor agency

d WINCO The words "WINCO" mean WinCo Foods, LLC, a Delaware limited liability company, having its corporate headquarters at 650 N Armstrong Place, Boise, ID 83704

e Grant The word "Grant" means a payment or payments to WINCO under the terms of this Agreement, including the Initial Grant and subsequent payments computed with reference to Sales and Use Taxes generated by WINCO

f Grant Submittal Package The words "Grant Submittal Package" mean the documentation required to be supplied to CITY as a condition of receipt of any Grant The words "Grant Submittal Package" mean the documentation required to be supplied to City on a quarterly basis as a condition of receipt of any Grant.

g Initial Grant. The words "Initial Grant" mean an incentive payment of Three Hundred Forty and No/100 Dollars ($340,000 00) payable upon the receipt of a Certificate of Occupancy

h Project The word "Project" means the grocery facility known as "WinCo Foods--McKinney", owned and operated by WINCO, including but not limited to, the real property, 94,403 square feet of building improvements, equipment, fixtures, business personal property, employee staffing and horizontal site improvements, located on an approximately 11 82 acre parcel at 1800 N Graves, McKinney, TX, 75069 Notwithstanding the foregoing, the "Project" and the "Property" shall not include Parcels B and



Attachment: 2021-118 ATTH 04 McKinney- Winco Foods LLC - Chapter 380 Agrmt & Reso_1 (3603 : 2021-118 RES Economic Development Agreement with

C as generally depicted on **Exhibit B** attached hereto and by this reference incorporated herein.

l Sales and Use Tax Grant. The words "Sales and Use Tax Grant" mean an amount of the City's general funds equal to the Sales and Use Taxes charged on taxable sales at the Project during the Term of the Agreement, however not exceeding in aggregate One Hundred Ninety Thousand and No/100 Dollars ($190,000 00)

j. Sales and Use Taxes The words "Sales and Use Taxes" mean the state and local sales and use taxes charged on the taxable sales made by WINCO on or after the date WINCO first opens to business to the general public at the Project, as reported to City by the Comptroller

**SECTION 3. GRANT FUNDING OBLIGATION OF CITY**

a During the term of this Agreement, CITY shall fund the Initial Grant in the amount of Three Hundred Forty Thousand and No/100 Dollars ($340,000.00) payable to WINCO upon WINCO's receipt of a certificate of occupancy for the Project and provided the express terms and conditions described in Section 4 below are satisfied Subject to WINCO's continuous satisfaction of Section 4 below, the CITY agrees to process the Initial Grant within thirty (30) days after receipt of WINCO's Initial Grant Submittal Package

b Subject to WINCO's satisfaction of the requirements of Section 4 below, the City agrees to process any Sales and Use Tax Grant payments to WINCO within thirty (30) days after receipt of the later of

(1) Sales and Use Tax funds from the State Comptroller's office, and

(2) WINCO's Grant Submittal Package for the applicable quarter

For each calendar quarter during the term of this Agreement and beginning in the second full or partial calendar quarter after the date WINCO first opens to business to the general public at the Project, the City's one (1%) percent Sales and Use Tax revenue, generated by and attributed solely to WINCO's sales from the Project in the immediately prior calendar quarter and received from the Comptroller by City, shall be tendered as Sales and Use Tax Grant by the City to WINCO on a quarterly basis upon WINCO's satisfaction of the requirements of Section 4 below. For clarity, the City's one (1%) percent Sales and Use Tax revenue is separate and distinct from the one (1%) percent Sales and Use Tax revenue currently split between the McKinney Community Development Corporation (a Type B economic development corporation under Texas law) and the McKinney Economic Development Corporation (a Type A



Attachment: 2021-118 ATTH 04 McKinney- Winco Foods LLC - Chapter 380 Agrmt & Reso_1 (3603 : 2021-118 RES Economic Development Agreement with

economic development corporation under Texas law). No Type B or Type A sales tax shall be included in any grant hereunder

## SECTION 4. OBLIGATIONS OF WINCO

While this Agreement is in effect, WINCO shall comply with the following terms and conditions to be eligible for any Grant(s), as such conditions are described or may apply:

a WINCO shall complete construction of the Project, consisting of approximately 94,403 square feet of improved, retail grocery space and receive a Certificate of Occupancy therefor on or before September 1, 2014

b The Project, including the real property, real property improvements and business personal property shall have an appraised value on January 1, 2015, as determined by the Collin County Appraisal District ("CCAD"), of not less than $11,200,000.00 WINCO may render the value of the property described in this subsection b to achieve compliance herewith

c. On or before the 28th day of the first calendar month after the month in which WINCO makes its final payment of Sales and Use Tax to Comptroller for its first full or partial calendar quarter of sales at the WINCO and continuing on or before the 28th day of the second calendar month after each successive calendar quarter thereafter, WINCO agrees to submit to the City a Sales and Use Tax Grant Submittal Package containing the following.

i WINCO's grant request letter (or email) stating the gross amount of the City's one (1%) percent Sales and Use Tax paid by WINCO for the applicable quarter,

ii. WINCO's certification of the documentation required by Section 4(c)(iii) below, evidencing the amount of Sales and Use Tax paid by WINCO to the Comptroller for the applicable quarter, and

iii WINCO's documentation identifying the taxable "sales and use tax-eligible" sales from the Project for the preceding quarter.

d Unless otherwise agreed by the City and WINCO, each Sales and Use Tax Grant Submittal Package shall be in the form attached hereto as **Exhibit A**. Unless determined otherwise by the Texas Attorney General in writing, the submitted documentation shall be considered confidential financial information contained in a public document (or other reproduction media) not subject to release to the public City shall seek a written opinion from the Texas Attorney General, raising any applicable exception to release, prior to any release to a third-party under the Texas



Attachment: 2021-118 ATTH 04 McKinney- Winco Foods LLC - Chapter 380 Agrmt & Reso_1 (3603 : 2021-118 RES Economic Development Agreement with

Public Information Act The parties agree that this Agreement, once consummated, shall not be considered confidential

e If WINCO shall fail to timely submit a Sales and Use Tax Grant Submittal Package for a particular quarter, then the City may give WINCO written notice of WINCO's failure to timely submit such Grant Submittal Package, and WINCO shall have thirty (30) calendar days calculated from the date on which such written notice is given in which to submit such Grant Submittal Package The City's determination of the amount of the Grant payment due to WINCO is final, provided, however WINCO may appeal to the City Manager within thirty (30) days of payment, the City Manager shall hear the appeal within thirty (30) days and the City Manager's determination of the amount of the Grant payment shall be final, provided, however, nothing herein shall limit (or be construed to limit) WINCO's rights and remedies as described in Section 6 below

f WINCO shall pay prior to delinquency (currently, by January 31st of each year) all the real and personal ad valorem taxes due for the previous tax year on the property subject of the Project WINCO shall have the right to contest the appraised value of the property subject of the Project as provided by law

g. WINCO shall submit an Initial Grant Submittal Package consisting of (i) a "Bills Paid Affidavit", as shown on **Exhibit C**, satisfactory to the CITY, covering all vendor/contractor payments and draws for the Project, and (ii) any other cost and payment documentation reasonably requested by CITY for the Project The CITY, or its designee, may verify that the expenditures were made in such amounts prior to the Initial Grant disbursement

h WINCO shall be in compliance with all applicable City of McKinney codes, state and federal laws, and local ordinances applicable to the Project

**SECTION 5. EVENTS OF DEFAULT.**

Each of the following shall constitute an event of default under this Agreement

a. CITY's failure to process a Grant payment to WINCO in accordance with Section 3 of this Agreement

b WINCO's violation or failure to perform any of the covenants contained in Section 4 hereinabove



Attachment: 2021-118 ATTH 04 McKinney- Winco Foods LLC - Chapter 380 Agrmt & Reso_1 (3603 : 2021-118 RES Economic Development Agreement with

c WINCO's sale or lease of the Property or Project to any third-party within three (3) years after its receipt of a Certificate of Occupancy, except to an approved affiliate

d WINCO's cessation of the Project as an ongoing use within three (3) years after its receipt of a Certificate of Occupancy

## SECTION 6 EFFECT OF AN EVENT OF DEFAULT

In the event of default under Section 5, the non-defaulting party shall give written notice to the other party of any default, and the defaulting party shall have thirty (30) days to cure said default Should said default remain uncured and the non-defaulting party is not otherwise in default, the non-defaulting party shall have the right to immediately terminate this Agreement

As long as it shall not be in default, WINCO shall further have the power to enforce specific performance to collect amounts owing upon CITY's default without terminating this Agreement No action shall lie for punitive damages, and no special or consequential damages shall be recovered by either party If WINCO defaults after its receipt of the Initial Grant and such default is not otherwise cured, CITY may seek repayment of the Initial Grant through all legal means, including suit for breach of this Agreement No Grant payment shall be due or owing by CITY to WINCO after termination

## SECTION 7. MISCELLANEOUS PROVISIONS

The following miscellaneous provisions are a part of this Agreement

a **Amendments** This Agreement constitutes the entire understanding and agreement of the parties as to the matters set forth in this Agreement No alteration of or amendment to this Agreement shall be effective unless given in writing and signed by all of the parties hereto

b **Use of Third Party Grant Funds** CITY and WINCO acknowledge and agree that the Initial Grant may be funded, in part, through the use of grant funds for which the City is eligible from HUD (Department of Housing and Urban Development) Notwithstanding the foregoing, City's obligations under this Agreement are not conditioned upon its eligibility therefor or the receipt of grant funds Upon its receipt under Section 3(a), WINCO agrees to apply the Initial Grant to its original acquisition costs for the Property

c **Applicable Law and Venue** This Agreement shall be governed by and construed in accordance with the laws of the State of Texas, and all obligations of the parties created hereunder are performable in Collin County, Texas Venue for any action arising under this Agreement shall lie in the state district courts of Collin County, Texas



Attachment: 2021-118 ATTH 04 McKinney- Winco Foods LLC - Chapter 380 Agrmt & Reso_1 (3603 : 2021-118 RES Economic Development Agreement with

d **Binding Obligation Only on Effective Date.** This Agreement shall become a binding obligation on the parties on the Effective Date CITY warrants and represents that the individual executing this Agreement on behalf of CITY has full authority to execute this Agreement and bind CITY to the same WINCO warrants and represents that the individual executing this Agreement on its behalf has full authority to execute this Agreement and bind it to the same.

e **No Waiver of Sovereign Immunity** The CITY shall not have waived any statutory or common law right to sovereign immunity by virtue of its execution hereof

f **Execution of Agreement.** The CITY has authorized its City Manager to execute this Agreement on behalf of the CITY

g **Severability** In the event any provision of this Agreement shall be determined by any court of competent jurisdiction to be invalid or unenforceable, the Agreement shall, to the extent reasonably possible, remain in force as to the balance of its provisions as if such invalid provision were not a part hereof

h **Notices Whenever a Part to this Agreement is** required or permitted under this Agreement to provide the other Party with any notice, submittal, request, demand, consent, or approval ("Notice"), the Notice will be given in writing and will be delivered to the other Party at the address or facsimile number set forth below (a) personally, (b) by a reputable overnight courier service, (c) by certified mail, postage prepaid, return receipt requested, or (d) by e-mail or facsimile transmission Either Party may change its address for Notice by written notice to the other Party delivered in the manner set forth above Notice will be deemed to have been duly given (i) on the date personally delivered, (ii) one (1) business day after delivery to an overnight courier service with next-day service requested, (iii) on the third (3rd) business day after mailing, if mailed using certified mail, or (iv) on the date sent when delivered by facsimile or e-mail (so long as delivered on a business day and the sender receives electronic confirmation of delivery and a copy of the Notice is sent by one of the other means permitted hereunder on or before the next business day)

IF TO WINCO

WinCo Foods, LLC
Attn Mark Lavin
650 N Armstrong Place
Boise, ID 83704
Telephone (208) 672-2086
Fax (208) 672-2146
E-mail Mark.Lavin@wincofoods.com



Attachment: 2021-118 ATTH 04 McKinney- Winco Foods LLC - Chapter 380 Agrmt & Reso_1 (3603 : 2021-118 RES Economic Development Agreement with

With a copy at the same address to

WinCo Foods, LLC
Attn Tammy Zokan
Telephone (208) 672-2064
Fax (208) 672-2146
E-mail Tammy Zokan@wincofoods.com

**REMAINDER OF PAGE LEFT BLANK**



Attachment: 2021-118 ATTH 04 McKinney- Winco Foods LLC - Chapter 380 Agrmt & Reso_1 (3603 : 2021-118 RES Economic Development Agreement with

IF TO CITY

City of McKinney, Texas
Attn Jason Gray, City Manager
222 N Tennessee Street
McKinney, TX 75069
Phone (972) 547-7520
Fax (972) 547-2607
E-mail jgray@mckinneytexas.org

h **Effective Date** The effective date (the "Effective Date") of this Agreement shall be the latter of the dates on which the WINCO and CITY have each executed this Agreement

1 **Counterparts** This Agreement may be executed in one or more counterparts, each of which shall be deemed an original and all of which shall constitute one and the same document

***WINCO FOODS, LLC,***
*a Delaware limited liability company*

By _____, its CFO

**Date Signed:** 2/11/13

***CITY OF MCKINNEY, TEXAS***

**By:** _____
**Name** JASON GRAY

**Title.** CITY MANAGER
**Date Signed:** 2-20-13



Attachment: 2021-118 ATTH 04 McKinney- Winco Foods LLC - Chapter 380 Agrmt & Reso_1 (3603 : 2021-118 RES Economic Development Agreement with

ATTEST

2/20/13

SANDY HART, TRMC, MMC
City Secretary

CITY OF McKINNEY
COLLIN COUNTY, TEXAS
TEXAS

APPROVED AS TO FORM

MARK S HOUSER
Attorney for City of McKinney

PREPARED IN THE OFFICES OF.
*BROWN & HOFMEISTER, L.L.P*
740 E Campbell Road, Suite 800
Richardson, Texas 75081
214/747 6100
214/747 6111 Fax



Attachment: 2021-118 ATTH 04 McKinney- Winco Foods LLC - Chapter 380 Agrmt & Reso_1 (3603 : 2021-118 RES Economic Development Agreement with

**EXHIBIT A**

**Form of Sales and Use Tax Grant Submittal Package**

**[See Attached]**



Attachment: 2021-118 ATTH 04 McKinney- Winco Foods LLC - Chapter 380 Agrmt & Reso_1 (3603 : 2021-118 RES Economic Development Agreement with

## *EXHIBIT A - GRANT SUBMITTAL*

FROM
WINCO FOODS, LLC
650 N Armstrong Place
Boise, Idaho 83704
Telephone._____
Fax _____

TO
CITY OF McKINNEY
Attn Rodney Rhoads, Finance Director
222 N Tennessee Street
McKinney, Texas 75069
Telephone (972)547-7500
Fax (972)547-2612

---

Re Grant as provided in the Chapter 380 Economic Development Agreement effective the ___ day of _____, 2013 for the WinCo Foods - McKinney grocery facility, located at 1800 N Graves, McKinney, Texas 75069

Date _____

Quarter ended _____

Eligible Taxable sales $_____

State sales and use tax paid (6.25%) $_____

Combined local sales and use tax paid [**includes** City of McKinney 1 00% below] (2 00%)

$_____

City of McKinney sales and use tax paid (1 00%)

$ _____

Amount due WinCo (1 00%) $_____

Date paid to Comptroller _____
Copy of check attached □ Yes □ No
Copy of Sales and Use Tax Return attached □ Yes □ No
Confirmation from Comptroller for amount of Sales and Use Tax paid attached □ Yes □ No

I hereby certify that the information contained herein is accurate and complete and is within my knowledge in my capacity stated below

WINCO FOODS, LLC



Attachment: 2021-118 ATTH 04 McKinney- Winco Foods LLC - Chapter 380 Agrmt & Reso_1 (3603 : 2021-118 RES Economic Development Agreement with

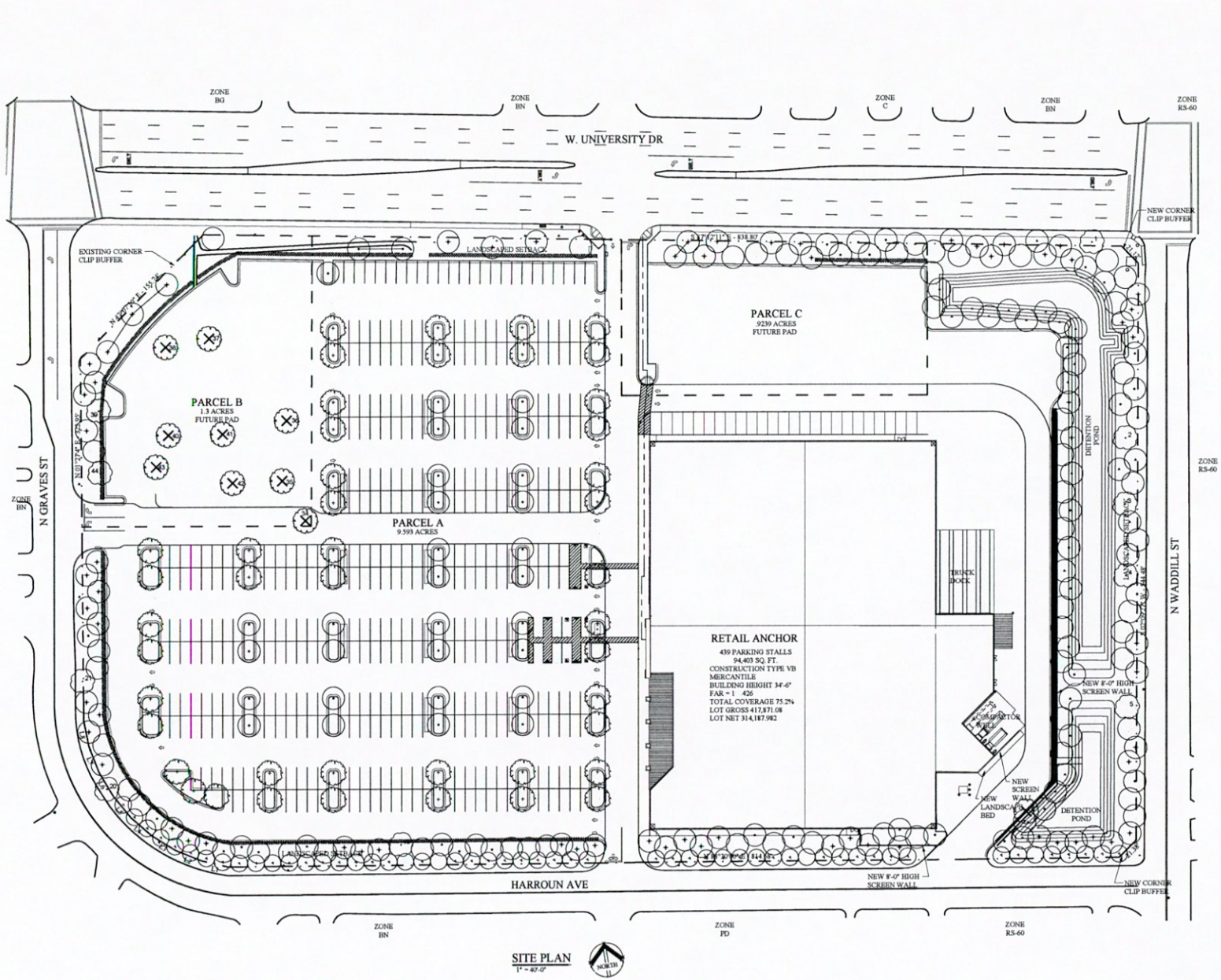
**EXHIBIT B**

**Depiction of Parcels B and C (NOT included in "Project" or "Property")**

[See attached]



Attachment: 2021-118 ATTH 04 McKinney- Winco Foods LLC - Chapter 380 Agrmt & Reso_1 (3603 : 2021-118 RES Economic Development Agreement with




SITE PLAN
1" = 40'-0"

| PROPERTY LINE TABLE | | |
|---|---|---|
| NO. | BEARING | DISTANCE |
| L1 | N 74°52'40" W | 25.00' |
| L2 | N 65°58'26" | 24.85' |
| L3 | N 56°35'01" W | 24.78' |
| L4 | N 47°22'24" W | 24.88' |
| L5 | N 37°47'26" W | 24.93' |
| L6 | N 29°04'14" W | 24.84' |
| L | N 19°21'33" W | 25.04' |

RECEIVED
By aglushko at 10:36 am, Dec 31, 2012

LEGAL DESCRIPTION
ABS A0837 BF STAPP SURVEY, TRACT 18, 11.817 ACRES

REVISIONS

| | |
|---|---|
| 11/26/12 | 12/04/12 |

WINCO FOODS STORE NO. 122
1800 NORTH GRAVES STREET
MCKINNEY TEXAS

WinCo FOODS

SHEET TITLE
RE-ZONE SITE PLAN

SHEET
SD1

2021-118 ATTH 04

8.7.e

Packet Pg. 649

Attachment: 2021-118 ATTH 04 McKinney- Winco Foods LLC - Chapter 380 Agrmt & Reso_1 (3603 : 2021-118 RES Economic Development Agreement with

**EXHIBIT C**

**"Bills Paid Affidavit"**

[See attached]



Attachment: 2021-118 ATTH 04 McKinney- Winco Foods LLC - Chapter 380 Agrmt & Reso_1 (3603 : 2021-118 RES Economic Development Agreement with

Attachment: 2021-118 ATTH 04 McKinney- Winco Foods LLC - Chapter 380 Agrmt & Reso_1 (3603 : 2021-118 RES Economic Development Agreement with

**Exhibit C**

# BILLS-PAID AFFIDAVIT

**Date:** _____

**Project Name** _____

**Owner Name.** _____

**Owner's Mailing Address**

_____
_____
_____
_____

**Contractor Name(s):** _____
_____
_____

**Contractor's Mailing Address(es):**

_____
_____
_____
_____

_____
_____
_____
_____

**Affiant's Name.** _____

**Affiant's Mailing Address.**

_____
_____
_____
_____

**Phase/Lots and Blocks.** _____
_____
_____
_____

**Improvements:** _____
_____
_____
_____

**THE STATE OF TEXAS** §

**COUNTY OF COLLIN** §

Before me, the undersigned, on this day personally appeared _____, known to me to be a credible person and officer of _____, a _____ (hereinafter called "Affiant"), and who, being duly sworn, upon his oath declares and acknowledged that the following statements are true and within the personal knowledge of Affiant

1 Affiant has personal knowledge of the facts stated in this affidavit Affiant has full authority to make the agreements in this affidavit on behalf of Owner(s) _____
_____
_____
_____ (hereinafter referred to as "Owner" whether one or more)

2 Affiant understands that the City of McKinney, Texas ("City") has required this affidavit as a condition of its grant of incentives under an economic development agreement involving the Property identified above in the City of McKinney, Collin County, Texas (the "Project")

3 Owner has constructed and installed, or caused to be constructed and installed certain private building improvements, public improvements and infrastructure required by the City and necessary to serve the Project

4 Affiant has actual knowledge that all bills owed by Owner to others for materials supplied or labor performed in connection with the Project have been fully paid and satisfied

5 **Owner agrees to indemnify and hold City harmless from and against any loss or expense resulting from false or incorrect information in this affidavit.**

Attachment: 2021-118 ATTH 04 McKinney- Winco Foods LLC - Chapter 380 Agrmt & Reso_1 (3603 : 2021-118 RES Economic Development Agreement with

OWNER

[INSERT OWNER'S NAME]
a [Insert type of business entity]

By _____
Name _____
Title _____

SUBSCRIBED AND SWORN TO before me on this ____ day of _____, 2013, by _____, in his/her capacity as _____, of _____a _____ (hereinafter called "Affiant")

_____
Notary Public, State of Texas

Attachment: 2021-118 ATTH 04 McKinney- Winco Foods LLC - Chapter 380 Agrmt & Reso_1 (3603 : 2021-118 RES Economic Development Agreement with

**Developing Perspectives and Goals Pending Approval by the City Council:**

| Perspectives | | Goals |
|---|---|---|
| Serve the Community | ☑ | Promote an Environmentally Sensitive & Livable Community |
| | ☐ | Provide a Safe Community |
| | ☑ | Deliver Quality Services |
| | ☑ | Foster a Healthy Community |
| Run the Operations | ☐ | Enhance Community Preparedness & Responsiveness |
| | ☑ | Maximize Partnership Opportunities |
| | ☐ | Provide Courteous & Responsive Customer Service |
| | ☑ | Model a Positive City Image |
| | ☐ | Deliver Efficient Services |
| | ☑ | Cultivate Community Involvement & Access |
| Manage the Resources | ☑ | Maintain Fiscal Strength |
| | ☑ | Maximize Utilization & Resources |
| | ☑ | Invest in Infrastructure & Transportation |
| Develop Personnel | ☐ | Develop a Skilled & Diverse Workforce |
| | ☐ | Create a Positive & Rewarding Work Culture |

**Perspectives and Goals Additional Comments:**

NONE

**Resource Impact:**

| | |
|---|---|
| Staff time required if item is approved: | Medium |

**Other Potential Impacts:**

NONE APPLICABLE

**Public Information Plan:**

| | | | |
|---|---|---|---|
| ☐ | Newspaper Notice (Required by Statute) | ☐ | Public Hearing (Required by Statute) |
| ☐ | Public Forum/Input Session | ☐ | Press Release |
| ☐ | E-News Distribution | ☐ | Website Notice |
| ☐ | Social Media (Twitter, Facebook, etc.) | ☐ | Special Mailing |
| ☐ | Flyers Posted | ☐ | Banners Posted |
| ☐ | Survey | ☐ | Automated Phone Call |
| ☑ | None Required | ☐ | |

Other:

Attachment: 2021-118 Goals & Perspectives (3603 : 2021-118 RES Economic Development Agreement with WinCo Foods)

# RESOLUTION NO. 2021-118

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF TEXARKANA, TEXAS, AUTHORIZING THE CITY MANAGER TO EXECUTE AN ECONOMIC DEVELOPMENT CHAPTER 380 AGREEMENT FUNDED BY THE CITY'S ECONOMIC DEVELOPMENT FUND WITH WINCO FOODS, LLC IN AN AMOUNT NOT TO EXCEED $350,000; AND ESTABLISHING AN EFFECTIVE DATE.**

**WHEREAS,** the City is a home-rule municipality operating under a municipal charter adopted as authorized by Article XI, Section 5, of the Texas Constitution and as recognized by Texas Local Government Code Section 5.004, and having full power of local self-government not inconsistent with the Texas Constitution, Texas general laws, or the municipal charter, and is fully empowered to execute this Economic Development Agreement with WinCo Foods for the purpose of aiding in economic growth and other useful purposes permitted by law and upon such terms and for such time as the parties may agree; and

**WHEREAS,** the City has furthermore adopted an economic development program as authorized under Chapter 380 of the Texas Local Government Code (the "Program"); and

**WHEREAS,** WinCo Foods, a national grocery chain, has applied for incentives with the City for the redevelopment of the existing vacant Sears building and approximately nine acres of land in Texarkana, Texas, to create a WinCo Foods grocery store (the "Development"); and

**WHEREAS,** WinCo Foods' decision to construct the Development was aided by its expected receipt of economic development rebates and incentives from the City to help defray costs to be incurred by WinCo Foods in constructing the Development and in recruiting and training staff; and

**WHEREAS,** the City believes such an incentive agreement will help revitalize the entire commercial mall property, provide over 90 new jobs, and increase the tax base; and

**WHEREAS,** the Development is expected to benefit the citizens of the City, provide vital economic growth, and aid in the economic development of the Texarkana area by adding jobs, adding tax value, and stimulating business and commercial activity in Texarkana; and

**WHEREAS,** pursuant to Resolution No. 2018-068 (the "Resolution"), the City agreed to support and work with the mission of AR-TX REDI (Regional Economic Development Incorporation) to connect prospective national and international business and industry contracts to build a stronger economy for the area; and

**WHEREAS,** under this resolution, the City Council approved considering the creation of a restricted fund to be used in accordance with City policies and programs to attract new business and industry for economic development and such fund was created; and

Attachment: 2021-118 RES Ch. 380 with WinCo Foods signed (3603 : 2021-118 RES Economic Development Agreement with WinCo Foods)

**WHEREAS,** the City is working in conjunction with AR-TX REDI to provide an initiative incentive to WinCo Foods; and

**WHEREAS,** the Development meets the objectives of the City to attract new business and industry critical to the growth of the Texarkana area; and

**WHEREAS**, the parties want to set forth in this agreement the terms and conditions of the rebates to WinCo Foods of certain City funds provided by the City as an incentive for WinCo Foods to construct the Development (the "Rebates"); and

**WHEREAS**, the parties recognize that this agreement and all terms and provisions hereof are subject to the laws of the State of Texas and all rules, regulations and interpretations of any agency or subdivision thereof at any time governing the subject matters hereof.

**NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF TEXARKANA, TEXAS:**

**SECTION 1:** The City Council authorizes the City Manager to enter into an economic development Chapter 380 agreement funded by the City's Economic Development Fund with WinCo Foods, LLC in an amount not to exceed $350,000.

**SECTION 2:** This Resolution shall be effective immediately upon passage and approval.

**PASSED AND APPROVED** in Regular Council Session on this the **10th day of January, 2022**.

ATTEST:

JENNIFER EVANS, CITY SECRETARY

BOB BRUGGEMAN, MAYOR

6:40 p.m.

Attachment: 2021-118 RES Ch. 380 with WinCo Foods signed (3603 : 2021-118 RES Economic Development Agreement with WinCo Foods)