

Meeting Location:
City Council Chambers
Allen City Hall
305 Century Parkway, Allen, Texas 75013

AGENDA
CITY COUNCIL REGULAR MEETING
Tuesday, August 25, 2026, 7:00 PM

1. Call to Order and Announce a Quorum is Present

2. Pledge of Allegiance

3. Public Recognition

4. Citizens' Comments

[The City Council invites citizens to speak to the Council on any topic not on the agenda or not already scheduled for Public Hearing. Prior to the meeting, please complete a "Public Meeting Appearance Card" and present it to the City Secretary. The time limit is three minutes per speaker, not to exceed a total of fifteen minutes for all speakers.]

5. Consent Agenda

[Routine Council business. Consent Agenda is approved by a single majority vote. Items may be removed for open discussion by a request from a Councilmember or member of staff.]

- 5.1 Approve Minutes of the August 11, 2026, Regular City Council Meeting.
- 5.2 Adopt an Ordinance approving a negotiated settlement between the Atmos Cities Steering Committee and Atmos Energy Corporation, Mid-Tex Division regarding the company's 2026 Rate Review Mechanism Filing.
- 5.3 Authorize the City Manager to execute a contract with RLC Controls, Inc., for integration of City-wide Supervisory Control and Data Acquisition (SCADA) upgrades for the SCADA Upgrade Project for \$851,008.
- 5.4 Authorize the City Manager to execute a Change Order with Jim Bowman Construction Co., LP, for the 2026 Street and Alley Rehabilitation Project, for an amount not to exceed \$350,000.
- 5.5 Authorize the City Manager to execute a Standard Form of Agreement with Central North Construction, LLC, for the construction of the TxDOT Green Ribbon U.S. 75 Enhanced Landscaping Project for \$889,773.60.

6. Regular Agenda

7. Other Business

[Board announcements regarding local civic and charitable events, meetings, and fundraisers.]

- 7.1 Calendar.
- 7.2 Items of Interest.

8. Executive Session

Legal, Section 551.071.

As authorized by Section 551.071(2) of the Texas Government Code, the Workshop Meeting and/or the Regular Agenda may be Convened into Closed Executive Session for the Purpose of Seeking Confidential Legal Advice from the City Attorney on any Agenda Item Listed Herein, and for any Executive Session listed below. (Closed to Public as Provided in the Texas Government Code.)

8.1 Reconvene and consider action on items resulting from Executive Session.

9. Adjournment

This notice was posted at Allen City Hall, 305 Century Parkway, Allen, Texas, at a place convenient and readily accessible to the public at all times, in accordance with state law.

Shelley B. George, City Secretary

Allen City Hall is wheelchair accessible. Access to the building and special parking are available at the entrance facing Century Parkway. Requests for sign interpreters or special services must be received forty-eight (48) hours prior to the meeting time by calling the City Secretary at 214.509.4105.

Date Posted: August 18, 2026

PLANNING AND ZONING REGULAR MEETING AGENDA COMMUNICATION

AGENDA DATE:	Tuesday, August 25, 2026, 7:00 PM
AGENDA CAPTION:	Approve Minutes of the August 11, 2026, Regular City Council Meeting.
STAFF RESOURCE:	Shelley B. George, City Secretary
BOARD/COMMISSION ACTION:	None.
PREVIOUS COUNCIL ACTION:	None.

MOTION:

I make a motion to approve the August 11, 2026, Planning and Zoning Commission Regular Meeting Minutes.

Attachments

[Minutes](#)

ALLEN CITY COUNCIL

REGULAR MEETING

AUGUST 11, 2026

Present:

Chris A. Schulmeister, Mayor

Allen City Council:

Carl Clemencich, Mayor Pro Tem

Michael Schaeffer

Tommy Baril

Ken Cook

Amy Gnad

Ben Trahan

City Staff:

Eric Ellwanger, City Manager

Eric Strong, Deputy City Manager

Rebecca Vice, Assistant City Manager

Shelley B. George, City Secretary

Rocio Gonzalez, Deputy City Secretary

Chelsey Aprill, Director, Public and Media Relations

Pete Smith, City Attorney

Workshop Session

1. Call to Order and Announce a Quorum is Present

With a quorum of the Allen City Council present, the Workshop of the Allen City Council was called to order by Mayor Schulmeister at 6:00 p.m. on Tuesday, August 11, 2026, in Basement Meeting Rooms A and B at Allen City Hall, 305 Century Parkway, Allen, Texas.

2. Discussion Items

2.1 2027-2031 Capital Improvement Program.

Mayor Schulmeister recessed the Workshop Session at 6:50 p.m. and announced the Workshop Session would reconvene following adjournment of the Regular Meeting.

Regular Meeting

1. Call to Order and Announce a Quorum is Present

With a quorum of the Allen City Council present, the Regular Meeting of the Allen City Council was called to order by Mayor Schulmeister at 7:00 p.m. on Tuesday, August 11, 2026, in the Council Chambers at Allen City Hall, 305 Century Parkway, Allen, Texas.

2. Pledge of Allegiance

Mayor Schulmeister invited Councilmember Cook to lead the Pledge of Allegiance. Following the pledge, Mayor Schulmeister asked those in attendance to join the Allen City Council in a moment of silence.

3. Public Recognition

3.1 Presentation of Proclamations by the Office of the Mayor.

- Noah Solomon Day

3.2 Allen Police Youth Boxing Program.

- Allen Police Youth Boxing Program Month

4. Citizens' Comments

- Avni Mukkawar, a resident of Allen, Texas, spoke about the celebration of 250 years of American freedom.

5. Consent Agenda

MOTION: Upon a motion made by Mayor Pro Tem Clemencich and a second by Councilmember Schaeffer, the Council voted seven (7) for and none (0) opposed to approve all items on the Consent Agenda as follows:

5.1 Approve minutes of the July 23, 2026, City Council Special Called Workshop.

5.2 Approve minutes of the July 28, 2026, City Council Regular Meeting.

5.3 Authorize the City Manager to execute an agreement with North Rock Construction & Associates, LLC, for the construction of Veterans' Memorial Improvements project for \$307,316.

5.4 Authorize payments from the Tax Increment Financing Reinvestment (TIF) Zone No. 1 Fund of \$581,682.81 from the City Tax Increment, \$214,536.73 from the County Tax Increment to TL GPG Watters Creek Owner, LLC, and \$17,000 to the City of Allen for administrative costs and legal expenses, as recommended by the TIF No. 1 Board of Directors.

5.5 Transmit the Proposed 2026-2027 City of Allen Budget and the Proposed 2027-2031 Capital Improvement Program.

5.6 Receive the Quarterly Financial Report for Period Ending June 30, 2026.

5.7 Receive the Quarterly Investment Report for the period ending June 30, 2026.

The motion carried.

6. Regular Agenda

- 6.1 Award bid and authorize the City Manager to execute a contract with Garret Shields Infrastructure, LLC, for the CSJ 0918-24-296, the Rowlett Trail Extension Project for \$4,188,969.**

MOTION: Upon a motion made by Councilmember Gnadt and a second by Councilmember Cook, the Council voted seven (7) for and none (0) opposed to award bid and authorize the City Manager to execute a contract with Garret Shields Infrastructure, LLC, for the CSJ 0918-24-296, the Rowlett Trail Extension Project. The motion carried.

- 6.2 Conduct a Public Hearing and adopt an Ordinance to amend Planned Development No. 58 with a base zoning of Shopping Center, regulating the development and use of Lot 1, Block A, Cornerstone/Allen Addition. [BMK Pharmacy - Additional Land Uses]**

Mayor Schulmeister opened the public hearing and asked anyone registered to speak for or against this item to do so at this time.

With no one speaking, Mayor Schulmeister closed the Public Hearing.

ORDINANCE NO. 4234-8-26: AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF ALLEN, COLLIN COUNTY, TEXAS, AMENDING THE ALLEN LAND DEVELOPMENT CODE ZONING REGULATIONS AND ZONING MAP, AS PREVIOUSLY AMENDED, BY AMENDING THE USE AND DEVELOPMENT REGULATIONS OF TRACT 1 OF PLANNED DEVELOPMENT "PD" NO. 58 RELATING TO THE USE AND DEVELOPMENT OF LOT 1, BLOCK A, CORNERSTONE/ALLEN ADDITION, LOCATED WITHIN; PROVIDING FOR A CONFLICTS RESOLUTION CLAUSE; PROVIDING FOR A SEVERABILITY CLAUSE; PROVIDING FOR A SAVINGS CLAUSE; PROVIDING FOR A PENALTY OF FINE NOT TO EXCEED THE SUM OF TWO THOUSAND DOLLARS (\$2,000) FOR EACH OFFENSE; AND PROVIDING FOR AN EFFECTIVE DATE.

MOTION: Upon a motion made by Councilmember Baril and a second by Councilmember Gnadt, the Council voted seven (7) for and none (0) opposed to adopt Ordinance No. 4234-8-26, as previously captioned, amending Planned Development No. 58 with a base zoning of Shopping Center, regulating the development and use of Lot 1, Block A, Cornerstone/Allen Addition. The motion carried.

- 6.3 Set September 8, 2026, as the Public Hearing date and vote regarding the Fiscal Year 2026-2027 City Budget.**

MOTION: Upon a motion made by Councilmember Baril and a second by Mayor Pro Tem Clemencich, the Council voted seven (7) for and none (0) opposed to set Tuesday, September 8, 2026, at 7:00 P.M. at Allen City Hall, 305 Century Parkway, Allen, Texas as the date, time and place for the Public Hearing on the City's Proposed Fiscal Year 2026-2027 Budget in accordance with Article IV, Section 4.04 of the City Charter. The motion carried.

- 6.4 Set September 8, 2026, as the Public Hearing date and vote regarding the Fiscal Year 2026-2027 City Tax Rate.**

MOTION: Upon a motion made by Councilmember Cook and a second by Councilmember Gnadt, the Council voted seven (7) for and none (0) opposed to set Tuesday, September 8, 2026, at 7:00

P.M., at Allen City Hall, 305 Century Parkway, Allen, Texas as the date, time, and place for the Public Hearing and vote on the proposed City Tax Rate for the Fiscal Year 2026-2027.
The motion carried.

7. Other Business

7.1 Calendar.

- August 21-23 | Council Budget Workshop Sessions | Starlight III Ballroom |at the Marriott Dallas Allen Convention Center.
- Councilmember Baril wished area students a great school year.
- Councilmember Gnadt highlighted upcoming community events, including The SaxoGram Band performance, and the Fourth Annual Bags for Gold Cornhole Tournament supporting Special Olympics Texas, listed in the MyAllen app.

7.2 Items of Interest.

- Mayor Schulmeister and the Allen City Council wished a happy birthday to Mayor Pro Tem Clemencich and Councilmember Gnadt.
- Mayor Pro Tem Clemencich congratulated Mayor Schulmeister and his wife on their 46th wedding anniversary.
- Mayor Schulmeister highlighted Allen's first Downtown mural and encouraged residents to view the mural on the Chloe Mae Studios building.

8. Executive Session

The Executive Session was not held.

9. Adjournment

Mayor Schulmeister adjourned the Regular Meeting of the Allen City Council at 7:44 p.m. on Tuesday, August 11, 2026.

Mayor Schulmeister announced the Council will reconvene the Workshop Session in the Basement Meeting Rooms at Allen City Hall at 7:50 p.m.

Workshop Session

The Allen City Council reconvened into the Workshop Session at 7:53 p.m. on Tuesday, August 11, 2026, in the Basement Meeting Rooms A and B of the Allen City Hall, 305 Century Parkway, Allen, Texas.

2. Discussion Items

2.1 2027-2031 Capital Improvement Program.

2.2 Committee updates from City Council Liaisons.

2.3 Questions on the current agenda.

Agenda Item 2.3 was not discussed.

3. Executive Session

An Executive Session was not held.

4. Adjournment

With no further discussion, Mayor Schulmeister adjourned the Workshop Session of the Allen City Council at 9:12 p.m. on Tuesday, August 11, 2026, in Basement Meeting Rooms A and B at Allen City Hall, 305 Century Parkway, Allen, Texas.

These minutes were approved on the 25th day of August 2026.

APPROVED:

Chris A. Schulmeister, MAYOR

ATTEST:

Shelley B. George, TRMC, CITY SECRETARY

CITY COUNCIL REGULAR MEETING AGENDA COMMUNICATION
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AGENDA DATE:	Tuesday, August 25, 2026, 7:00 PM
AGENDA CAPTION:	Adopt an Ordinance approving a negotiated settlement between the Atmos Cities Steering Committee and Atmos Energy Corporation, Mid-Tex Division regarding the company's 2026 Rate Review Mechanism Filing.
STAFF RESOURCE:	Rebecca Vice, Assistant City Manager
BOARD/COMMISSION ACTION:	None
PREVIOUS COUNCIL ACTION:	September 23, 2025 - Ordinance No. 4179-9-25 - approving a negotiated settlement agreement between the Atmos Cities Steering Committee and Atmos Energy Corporation, Mid-Tex Division regarding the company's 2025 Rate Review Mechanism (RRM) filing.

BACKGROUND:

The City, along with 181 other Mid-Texas cities served by Atmos Energy Corporation, Mid-Tex Division (“Atmos Mid-Tex” or “Company”), is a member of the Atmos Cities Steering Committee (“ACSC”). In 2007, ACSC and Atmos Mid-Tex settled a rate application filed by the Company pursuant to Section 104.301 of the Texas Utilities Code for an interim rate adjustment commonly referred to as a GRIP filing (arising out of the Gas Reliability Infrastructure Program legislation). That settlement created a substitute rate review process, referred to as Rate Review Mechanism (“RRM”), as a substitute for future filings under the GRIP statute.

Since 2007, there have been several modifications to the original RRM Tariff. The most recent iteration of an RRM Tariff was reflected in an ordinance adopted by ACSC members in 2018. On or about April 1, 2026, the Company filed a rate request pursuant to the RRM Tariff adopted by ACSC members. The Company claimed that its cost-of-service in a test year ending December 31, 2025, entitled it to additional system-wide revenues of \$291.1 million.

Application of the standards set forth in ACSC’s RRM Tariff reduces the Company’s request to \$273.6 million. After reviewing the filing and conducting discovery, ACSC’s consultants concluded that the system-wide deficiency under the RRM regime should be \$253.4 million instead of the claimed \$291.1 million.

After several settlement meetings, the parties have agreed to settle the case for \$260.5 million. This is a reduction of over \$30 million to the Company’s initial request. This includes payment of ACSC’s expenses. The Effective Date for new rates is October 1, 2026. ACSC members should take action approving the Resolution/Ordinance before October 1, 2026.

RATE TARIFFS

Atmos generated rate tariffs attached to the Resolution/Ordinance that will generate \$260.5 million in additional revenues. Atmos also prepared a Proof of Revenues supporting the settlement figures. ACSC consultants have agreed that Atmos’ Proof of Revenues is accurate.

BILL IMPACT

The impact of the settlement on average residential rates is an increase of \$13.37 on a monthly basis, or 14.15%. The increase for average commercial usage will be \$44.82 or 9.90%. Atmos provided bill impact comparisons containing these figures.

SUMMARY OF ACSC’S OBJECTION TO THE UTILITIES CODE SECTION 104.301 GRIP PROCESS

ACSC strongly opposed the GRIP process because it constitutes piecemeal ratemaking by ignoring declining expenses and increasing revenues while rewarding the Company for increasing capital investment on an annual basis. The GRIP process does not allow any review of the reasonableness of capital investment and does not allow cities to participate in the Railroad Commission’s review of annual GRIP filings or allow recovery of Cities’ rate case expenses. The Railroad Commission undertakes a mere administrative review of GRIP filings (instead of a full hearing) and rate increases go into effect without any material adjustments. In ACSC’s view, the GRIP process unfairly raises customers’ rates without any regulatory oversight. In contrast, the RRM process has allowed for a more comprehensive rate review and annual evaluation of expenses and revenues, as well as capital investment.

RRM SAVINGS OVER GRIP

While residents outside municipal limits must pay rates governed by GRIP, there are some cities served by Atmos Mid-Tex that chose to remain under GRIP rather than adopt RRM. Additionally, the City of Dallas adopted a variation of RRM which is referred to as DARR. When new rates become effective on October 1, 2026, ACSC residents will maintain an economic monthly advantage over GRIP and will be comparable to DARR rates.

Comparison to Other Mid-Tex Rates (Residential)

	Average Bill	Compared to RRM Cities
RRM Cities	\$66.18	--
DARR	\$66.07	\$0.11
ATM Cities	\$67.02	\$0.84
Environs	\$66.07	\$0.11

Note: ATM Cities and Environs rates are as-filed. Also note that DARR uses a test year ending in September rather than December.

EXPLANATION OF “BE IT RESOLVED” PARAGRAPHS:

1. This section approves all findings in the Resolution/Ordinance.
2. This section adopts the RRM rate tariffs and finds the adoption of the new rates to be just, reasonable, and in the public interest.
3. This section makes it clear that Cities may challenge future costs associated with gas leaks.
4. This section finds that existing rates are unreasonable. Such finding is a necessary predicate to establishment of new rates. The new tariffs will permit Atmos Mid-Tex to recover an additional \$260.5 million on a system-wide basis.
5. This section approves an exhibit that establishes a benchmark for pensions and retiree medical benefits to be used in future rate cases or RRM filings.
6. This section requires the Company to reimburse the City for expenses associated with review of the RRM filing, settlement discussions, and adoption of the Resolution/Ordinance approving new rate tariffs.
7. This section repeals any resolution or ordinance that is inconsistent with the Resolution/Ordinance.

8. This section finds that the meeting was conducted in compliance with the Texas Open Meetings Act, Texas Government Code, Chapter 551.

9. This section is a savings clause, which provides that if any section is later found to be unconstitutional or invalid, that finding shall not affect, impair, or invalidate the remaining provisions of this Resolution/Ordinance. This section further directs that the remaining provisions of the Resolution/Ordinance are to be interpreted as if the offending section or clause never existed.

10. This section provides for an effective date upon passage.

11. This section directs that a copy of the signed Resolution/Ordinance be sent to a representative of the Company and legal counsel for ACSC.

CONCLUSION

The Legislature's GRIP process allowed gas utilities to receive annual rate increases associated with capital investments. The RRM process has proven to result in a more efficient and less costly (both from a consumer rate impact perspective and from a ratemaking perspective) than the GRIP process. Given Atmos Mid-Tex's claim that its historic cost of service should entitle it to recover \$291.1 million in additional system-wide revenues, the RRM settlement at \$260.5 million for ACSC members reflects substantial savings to ACSC cities. Settlement at \$260.5 million is fair and reasonable. The ACSC Executive Committee consisting of city employees of 18 ACSC members urges all ACSC members to pass the Resolution/Ordinance before October 1, 2026. New rates become effective October 1, 2026.

STAFF RECOMMENDATION:

Staff recommends approval.

MOTION:

I make a motion to adopt Ordinance No. _____ approving a negotiated settlement between Atmos Cities Steering Committee and Atmos Energy Corporation, Mid-Tex Division, regarding the company's 2026 Rate Review Mechanism (RRM) filing.

Attachments

[Ordinance](#)

[CY25 MTX RRM - Average Bill](#)

ORDINANCE NO. _____

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF ALLEN, TEXAS, APPROVING A NEGOTIATED SETTLEMENT BETWEEN THE ATMOS CITIES STEERING COMMITTEE (“ACSC”) AND ATMOS ENERGY CORP., MID-TEX DIVISION REGARDING THE COMPANY’S 2026 RATE REVIEW MECHANISM FILING; DECLARING EXISTING RATES TO BE UNREASONABLE; ADOPTING TARIFFS THAT REFLECT RATE ADJUSTMENTS CONSISTENT WITH THE NEGOTIATED SETTLEMENT; FINDING THE RATES TO BE SET BY THE ATTACHED SETTLEMENT TARIFFS TO BE JUST AND REASONABLE AND IN THE PUBLIC INTEREST; APPROVING AN ATTACHMENT ESTABLISHING A BENCHMARK FOR PENSIONS AND RETIREE MEDICAL BENEFITS; REQUIRING THE COMPANY TO REIMBURSE ACSC’S REASONABLE RATEMAKING EXPENSES; DETERMINING THAT THIS ORDINANCE WAS PASSED IN ACCORDANCE WITH THE REQUIREMENTS OF THE TEXAS OPEN MEETINGS ACT; ADOPTING A SAVINGS CLAUSE; DECLARING AN EFFECTIVE DATE; AND REQUIRING DELIVERY OF THIS ORDINANCE TO THE COMPANY AND THE ACSC’S LEGAL COUNSEL.

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

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

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

WHEREAS, the current RRM tariff was adopted by the City in a rate ordinance in 2018; and,

WHEREAS, on about April 1, 2026, Atmos Mid-Tex filed its 2026 RRM rate request with ACSC Cities based on a test year ending December 31, 2025; and,

WHEREAS, ACSC coordinated its review of the Atmos Mid-Tex 2026 RRM filing through its Executive Committee, assisted by ACSC’s attorneys and consultants, to resolve issues identified in the Company’s RRM filing; and,

WHEREAS, the Executive Committee, as well as ACSC’s counsel and consultants, recommend that ACSC Cities approve an increase in base rates for Atmos Mid-Tex of \$260.5 million on a system-wide basis with an Effective Date of October 1, 2026; and,

WHEREAS, ACSC agrees that Atmos plant-in-service is reasonable; and,

WHEREAS, with the exception of approved plant-in-service, ACSC is not foreclosed from future reasonableness evaluation of costs associated with incidents related to gas leaks; and,

WHEREAS, the attached tariffs (Attachment 1) implementing new rates are consistent with the recommendation of the ACSC Executive Committee, are agreed to by the Company, and are just, reasonable, and in the public interest; and,

WHEREAS, the settlement agreement sets a new benchmark for pensions and retiree medical benefits (Attachment 2); and,

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

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF ALLEN, COLLIN COUNTY, TEXAS, THAT:

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

SECTION 2. That, without prejudice to future litigation of any issue identified by ACSC, the City Council finds that the settled amount of an increase in revenues of \$260.5 million on a system-wide basis represents a comprehensive settlement of gas utility rate issues affecting the rates, operations, and services offered by Atmos Mid-Tex within the municipal limits arising from Atmos Mid-Tex's 2026 RRM filing, is in the public interest, and is consistent with the City's authority under SECTION 103.001 of the Texas Utilities Code.

SECTION 3. That despite finding Atmos Mid-Tex's plant-in-service to be reasonable, ACSC is not foreclosed in future cases from evaluating the reasonableness of costs associated with incidents involving leaks of natural gas.

SECTION 4. That the existing rates for natural gas service provided by Atmos Mid-Tex are unreasonable. The new tariffs attached hereto and incorporated herein as Attachment 1, are just and reasonable, and are designed to allow Atmos Mid-Tex to recover annually an additional \$260.5 million on a system-wide basis, over the amount allowed under currently approved rates. Such tariffs are hereby adopted.

SECTION 5. That the ratemaking treatment for pensions and retiree medical benefits in Atmos Mid-Tex's next RRM filing shall be as set forth on Attachment 2, attached hereto and incorporated herein.

SECTION 6. That Atmos Mid-Tex shall reimburse the reasonable ratemaking expenses of ACSC in processing the Company's 2026 RRM filing.

SECTION 7. That to the extent any resolution or ordinance previously adopted by the Council is inconsistent with this Ordinance, it is hereby repealed.

SECTION 8. That the meeting at which this Ordinance was approved was in all things conducted in strict compliance with the Texas Open Meetings Act, Texas Government Code, Chapter 551.

SECTION 9. That if any one or more SECTIONs or clauses of this Ordinance is adjudged to be unconstitutional or invalid, such judgment shall not affect, impair, or invalidate the remaining provisions of this Ordinance, and the remaining provisions of the Ordinance shall be interpreted as if the offending SECTION or clause never existed.

SECTION 10. That consistent with the City Ordinance that established the RRM process, this Ordinance shall become effective from and after its passage with rates authorized by attached tariffs to be effective for bills rendered on or after October 1, 2026.

SECTION 11. That a copy of this Ordinance shall be sent to Atmos Mid-Tex, care of Chris Felan, Vice President of Rates and Regulatory Affairs Mid-Tex Division, Atmos Energy Corporation, 5420 LBJ Freeway,

Suite 1862, Dallas, Texas 75240, and to Thomas Brocato, General Counsel to ACSC, at Lloyd Gosselink Rochelle & Townsend, P.C., 816 Congress Avenue, Suite 1900, Austin, Texas 78701.

**DULY PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF ALLEN,
COLLIN COUNTY, TEXAS, ON THIS THE 8TH DAY OF SEPTEMBER 2026.**

APPROVED:

Chris A. Schulmeister, MAYOR

APPROVED AS TO FORM:

ATTEST:

Peter G. Smith, CITY ATTORNEY

Shelley B. George, CITY SECRETARY

ATMOS ENERGY CORP., MID-TEX DIVISION
MID-TEX RATE REVIEW MECHANISM
AVERAGE BILL COMPARISON - BASE RATES
TEST YEAR ENDING DECEMBER 31, 2025

Line No.	Description	Average Volumes	Current Rates	Proposed Rates	Current Average Bill	Proposed Average Bill	Amount Change	Percent Change
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)
1	<u>Rate R @ 40.7 Ccf</u>							
2	Base Rates:							
3	Customer Charge		\$ 23.65	\$ 24.35	\$ 23.65	\$ 24.35	\$ 0.70	
4	Consumption Charge (Ccf)	40.7	\$ 0.74748	\$ 1.03839	30.44	42.29	11.85	
5	Total Base Rates				\$ 54.09	\$ 66.64	\$ 12.55	23.20%
6								
7	Gas Cost:							
8	Rider GCR Part A (Ccf)	40.7	\$ 0.26375	\$ 0.26375	\$ 10.74	\$ 10.74	\$ -	
9	Rider GCR Part B (Ccf)	40.7	\$ 0.58642	\$ 0.58642	23.88	23.88	-	
10	Total Gas Cost				\$ 34.62	\$ 34.62	\$ -	0.00%
11								
12	Total Base with Gas Cost				\$ 88.71	\$ 101.26	\$ 12.55	
13	Rider FF & Rider TAX		0.06509	0.06509	5.77	6.59	0.82	14.15%
14								
15	Total Residential Average Bill				\$ 94.48	\$ 107.85	\$ 13.37	14.15%
16								
17	<u>Rate C @ 372.6 Ccf</u>							
18	Base Rates:							
19	Customer Charge		\$ 94.00	\$ 115.50	\$ 94.00	\$ 115.50	\$ 21.50	
20	Consumption Charge (Ccf)	372.6	\$ 0.22261	\$ 0.27784	82.95	103.53	20.58	
21	Total Base Rates				\$ 176.95	\$ 219.03	\$ 42.08	23.78%
22								
23	Gas Cost:							
24	Rider GCR Part A	372.6	\$ 0.26375	\$ 0.26375	\$ 98.28	\$ 98.28	\$ -	
25	Rider GCR Part B	372.6	\$ 0.40258	\$ 0.40258	150.02	150.02	-	
26	Total Gas Cost				\$ 248.30	\$ 248.30	\$ -	0.00%
27								
28	Total Base with Gas Cost				\$ 425.25	\$ 467.33	\$ 42.08	
29	Rider FF & Rider TAX		0.06509	0.06509	27.68	30.42	2.74	9.90%
30								
31	Total Commercial Average Bill				\$ 452.93	\$ 497.75	\$ 44.82	9.90%
32								

ATMOS ENERGY CORP., MID-TEX DIVISION
MID-TEX RATE REVIEW MECHANISM
AVERAGE BILL COMPARISON - BASE RATES
TEST YEAR ENDING DECEMBER 31, 2025

Line No.	Description	Average Volumes	Current Rates	Proposed Rates	Current Average Bill	Proposed Average Bill	Amount Change	Percent Change
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)
33	<u>Rate I at 1263 MMBTU</u>							
34	Base Rates:							
35	Customer Charge		\$1,848.75	\$ 2,304.50	\$ 1,848.75	\$ 2,304.50	\$ 455.75	
36	Block 1 - Consumption Charge (MMBtu)	1,263	\$ 0.7678	\$ 0.9582	969.87	1,210.38	240.51	
37	Block 2 - Consumption Charge (MMBtu)	-	\$ 0.5623	\$ 0.7018	-	-	-	
38	Block 3 - Consumption Charge (MMBtu)	-	\$ 0.1206	\$ 0.1505	-	-	-	
39	Total Base Rates	<u>1,263</u>			<u>\$ 2,818.62</u>	<u>\$ 3,514.88</u>	<u>\$ 696.26</u>	24.70%
40								
41	Gas Cost:							
42	Rider GCR Part A (MMBtu)	1,263	\$ 2.63750	\$ 2.63750	\$ 3,331.65	\$ 3,331.65	\$ -	
43	Rider GCR Part B (MMBtu)	1,263	\$ 0.90813	\$ 0.90813	1,147.13	1,147.13	-	
44	Total Gas Cost				<u>\$ 4,478.78</u>	<u>\$ 4,478.78</u>	<u>\$ -</u>	0.00%
45								
46	Total Base with Gas Cost				\$ 7,297.41	\$ 7,993.67	\$ 696.26	
47	Rider FF and Rider TAX		0.06509	0.06509	475.01	520.33	45.32	9.54%
48								
49	Total Industrial Average Bill				<u>\$ 7,772.42</u>	<u>\$ 8,514.00</u>	<u>\$ 741.58</u>	<u>9.54%</u>
50								
51	<u>Rate T at 4935 MMBTU</u>							
52	Base Rates:							
53	Customer Charge		\$1,848.75	\$ 2,304.50	\$ 1,848.75	\$ 2,304.50	\$ 455.75	
54	Block 1 - Consumption Charge (MMBtu)	1,500	\$ 0.7678	\$ 0.9582	1,151.70	1,437.30	285.60	
55	Block 2 - Consumption Charge (MMBtu)	3,435	\$ 0.5623	\$ 0.7018	1,931.41	2,410.57	479.16	
56	Block 3 - Consumption Charge (MMBtu)	-	\$ 0.1206	\$ 0.1505	-	-	-	
57	Total Base Rates	<u>4,935</u>			<u>\$ 4,931.86</u>	<u>\$ 6,152.37</u>	<u>\$ 1,220.51</u>	24.75%
58								
59	Gas Cost:							
60	Rider GCR Part B (MMBtu)	4,935	\$ 0.90813	\$ 0.90813	\$ 4,481.46	\$ 4,481.46	\$ -	
61	Total Gas Cost				<u>\$ 4,481.46</u>	<u>\$ 4,481.46</u>	<u>\$ -</u>	0.00%
62								
63	Total Base with Gas Cost				\$ 9,413.33	\$ 10,633.84	\$ 1,220.51	
64	Rider FF and Rider TAX		0.06509	0.06509	612.74	692.19	79.45	12.97%
65								
66	Total Transportation Average Bill				<u>\$ 10,026.07</u>	<u>\$ 11,326.02</u>	<u>\$ 1,299.96</u>	<u>12.97%</u>

CITY COUNCIL REGULAR MEETING AGENDA COMMUNICATION

AGENDA DATE:	Tuesday, August 25, 2026, 7:00 PM
AGENDA CAPTION:	Authorize the City Manager to execute a contract with RLC Controls, Inc., for integration of City-wide Supervisory Control and Data Acquisition (SCADA) upgrades for the SCADA Upgrade Project for \$851,008.
STAFF RESOURCE:	Chris Flanigan, Engineering Director
BOARD/COMMISSION ACTION:	None
PREVIOUS COUNCIL ACTION:	January 28, 2026 - authorized a Professional Services Contract with Kimley-Horn and Associates, Inc., for the design of building improvements at Stacy Pump Station and integration of City-wide SCADA upgrades for the SCADA Upgrade Project.

BACKGROUND:

Supervisory Control and Data Acquisition (SCADA) is a system of data monitors and controls, used to monitor and control the performance of existing critical water and wastewater delivery infrastructure. The Community Services Department has identified the need to update the components of the existing SCADA system installed in 2015, because the outdated software and hardware that is no longer supported. The benefits of upgrading SCADA include vendor-supported and higher-security software, better functionality, improved graphic interface, and ability to integrate with supportive programs.

The proposed SCADA improvements include updating equipment for six wastewater lift stations, five elevated storage tanks, and two pump stations. Additionally, the proposed SCADA improvements include installation of two new servers, one to be installed at Stacy Pump Station and the other at the Municipal Service Center. These two servers provide redundancy in the event of a power outage or server failure, allowing the continued operation of this critical infrastructure.

PROCUREMENT / SELECTION PROCESS:

Proposals were solicited through Ionwave, Request for Proposal #2026-2-32. Four (4) proposals were received on 4/23/2026 and a score was assigned for each by City staff to identify and select proposer that best satisfies the project requirements. Scoring was finalized following interviews with the candidates having the two highest scores. Total score, calendar days, and amount bid for each vendor are summarized in the table below.

Bid 2026-2-32

Vendor	SCORE	Calendar Days	Bid Amount
RLC CONTROLS INC.	79	300	\$ 775,462
SOAP ENGINEERING, LLC	77	153	\$ 439,666
MAVERICK TECH SOLUTIONS, LLC	67	180	\$ 625,000

DEMARA ENTERPRISES INC.	58	180	\$ 960,975
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WA2601 –SCADA Upgrades Project Award Itemization	
BID AMOUNT – RLC CONTROLS INC.	\$ 775,462
CONTINGENCY (10 %)	\$ 77,546
TOTAL AWARD AMOUNT	\$ 851,008

BUDGETARY IMPACT:

This expense is funded by annual cash transfer from the Water and Sewer Fund into the Capital Improvement Program, approved within the FY2026 Annual Budget. The allocation for this project can be found on page U-04 of the current 2026-2030 Capital Improvement Plan (CIP). The timing of this expense has been advanced earlier than anticipated and published in the current CIP. This change will be recognized in the publication of the new CIP document when adopted with the FY2027 Annual Budget. As presented at Council Workshop on August 11, this expense was deemed a priority in timing over the Stacy & Custer Rehabilitation Project (U-05), so the timing was inverted between the two projects. Project U-05 will be slated for FY27 instead of FY26 in the updated CIP for 2027-2031.

STAFF RECOMMENDATION:

Staff recommends approval.

MOTION:

I make a motion to authorize the City Manager to execute a contract with RLC Controls, Inc., for the SCADA Upgrade Project for \$851,008.

Attachments

[Location Map](#)



LEGEND

 ELEVATED STORAGE TANK

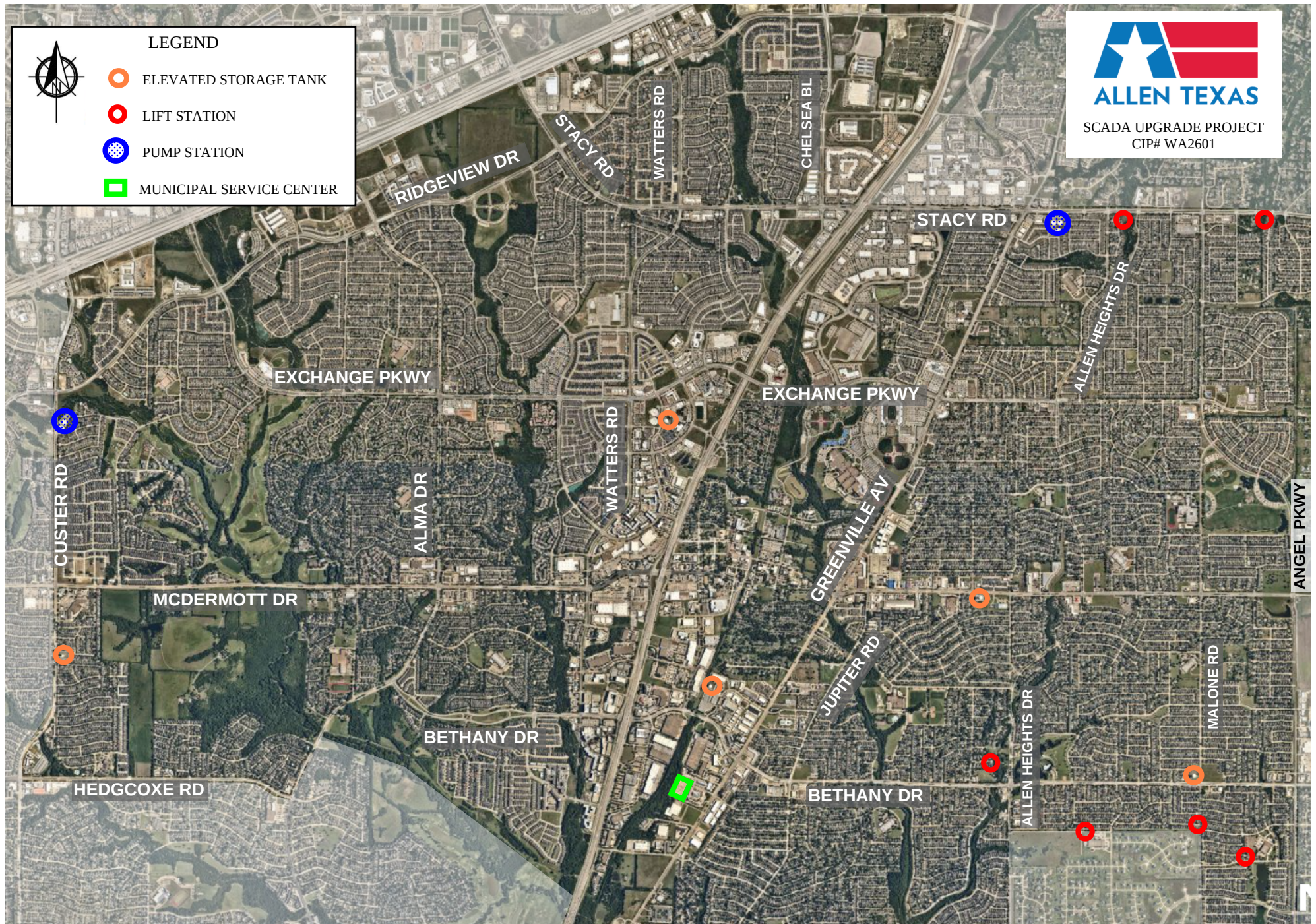
 LIFT STATION

 PUMP STATION

 MUNICIPAL SERVICE CENTER



SCADA UPGRADE PROJECT
CIP# WA2601



CITY COUNCIL REGULAR MEETING AGENDA COMMUNICATION

AGENDA DATE:

AGENDA CAPTION:

Authorize the City Manager to execute a Change Order with Jim Bowman Construction Co., LP, for the 2026 Street and Alley Rehabilitation Project, for an amount not to exceed \$350,000.

STAFF RESOURCE:

Chris Flanigan, Engineering Director

BOARD/COMMISSION ACTION:

None

PREVIOUS COUNCIL ACTION:

February 24, 2026 - Awarded Bid and Authorized a contract with Jim Bowman Construction Co., LP.

BACKGROUND:

Consistent with the 2022 Pavement Condition Survey, concrete pavement along eastbound Bethany Drive, between Greenville Avenue to Allen Heights Drive, were completed in 2025. Eastbound and westbound directions of Bethany Drive, between Allen Heights Drive and Angel Parkway were completed recently in 2026. However, staff has identified approximately 2,050 square yards of deteriorated concrete pavement in the westbound direction, west of Allen Heights Drive that exhibits severe cracking and differential settlement, that was not identified for panel replacement. The timely repair of deteriorated pavement is necessary to prevent damage to adjacent pavement in good condition, which extends the service life of the entire section.

Furthermore, these locations are within the limits identified for a new asphalt overlay. Having structural repairs to the concrete roadway done in advance of this overlay is critical. This is the best opportunity to implement the overlay, from a timing perspective. The additional measure of protection is a cost-effective, protective wearing surface, which will also increase the service life of the existing pavement. It is proposed to replace the additional identified deteriorated pavement as part of the current 2026 Streets & Alleys Capital Project already underway, in order to capitalize on current contract pricing and the ideal timing to implement quickly in advance of the planned overlay. As a change order to the existing contract with Jim Bowman Construction, the cost is an additional \$350,000 to complete. If no action is taken, an asphalt overlay cannot be constructed prior to completing permanent repair of the deteriorated concrete pavement in the westbound direction along Bethany Drive.

PROCUREMENT / SELECTION PROCESS:

The Contractor, Jim Bowman Construction Co. will perform the additional repairs needed along Bethany Dr for their original unit prices bid in early 2026. This additional work will be requested to be authorized via change order, which if approved, will amount to approximately 8% increase of the original award amount.

BUDGETARY IMPACT:

The total budget and proposed funding sources for this project in the 2026-2030 CIP Book, found on page PW-02 and PW-03. Budget and funding sources are within the allocations approved with the FY26 annual budget and a contribution from solid waste fund accounts for the \$350,000 contingency increase.

**ST2601 – 2026 Street and Alley Rehabilitation Project
(Various Locations) Award Itemization**

ORIGINAL AWARD AMOUNT	\$ 4,873,703
CONTINGENCY INCREASE (8%)	\$ 350,000
NEW AWARD AMOUNT	\$ 5,223,703

STAFF RECOMMENDATION:

Staff recommends approval.

MOTION:

I make a motion to authorize the City Manager to execute a Change Order with Jim Bowman Construction Co., LP, for the 2026 Street and Alley Rehabilitation Project, for an amount not to exceed \$350,000.

Attachments

[Bethany Dr Location Map](#)



LEGEND



LIMITS OF ADDITIONAL
PAVEMENT REPAIR ON
BETHANY DR



2026 STREET AND ALLEY
REHABILITATION PROJECT
CIP# ST2601

US-75

GREENVILLE AV

JUPITER RD

BETHANY DR

CHAPARRAL RD

ALLEN HEIGHTS DR

1000 ft

CITY COUNCIL REGULAR MEETING AGENDA COMMUNICATION
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AGENDA DATE:	Tuesday, August 25, 2026, 7:00 PM
AGENDA CAPTION:	Authorize the City Manager to execute a Standard Form of Agreement with Central North Construction, LLC, for the construction of the TxDOT Green Ribbon U.S. 75 Enhanced Landscaping Project for \$889,773.60.
STAFF RESOURCE:	Chris Flanigan, Engineering Director
BOARD/COMMISSION ACTION:	None
PREVIOUS COUNCIL ACTION:	August 26, 2025 - approved the design for US75 Enhanced Landscaping Project.

BACKGROUND:

The US 75 Enhanced Landscaping Project consists of improving landscape, hardscape, erosion control, and irrigation along the US 75 corridor at three intersections: Stacy Road, McDermott Drive, and Bethany Drive. The last time these areas received improvement was the completion of the US75 expansion project (adding a fourth lane) back in 2017. The project will replace existing dead or diseased trees/shrubs with new shade trees, ornamental trees, and decorative rock in enhanced landscaping beds. This project will also reduce the amount of landscape maintenance required and address existing erosion issues, while improving the aesthetics of the corridor.

On June 24, 2025, the Texas Department of Transportation (TxDOT) awarded the City of Allen an Advanced Funding Agreement (AFA) under the Green Ribbon Program for the construction of enhanced landscaping along US75 at the intersections of Stacy Rd, McDermott Dr, and Bethany Dr. The construction of the project is 100% funded by TxDOT and Federal funds with a total budget of \$1.3 million.

On August 27, 2025, the City of Allen executed a contract with Huitt Zollars for the design of the Enhanced Landscaping Project. In April of 2026, TxDOT and the City of Allen approved the 100% Design Construction Plans for the project.

On July 23, 2026, Bids were received and tabulation for the construction phase of the project. A Bid Recommendation Letter was submitted to TxDOT for lowest responsive and responsible bidder, Central North Construction, LLC, for a total of \$889,773.60. On August 10, 2026, TxDOT awarded the Construction Concurrence for Central North Construction, LLC. Central North Construction has worked for the City of Allen on past projects for both the Parks & Recreation Department and Engineering Department.

PROCUREMENT / SELECTION PROCESS:

The Purchasing Division advertised an Invitation for Bid 2026-6-58 & Allen Green Ribbon and opened on July 23, 2026, to provide TxDOT Green Ribbon US75 Enhanced Landscaping Project. There were six (6) responsive bids received. We recommend the City Council award this solicitation to the lowest responsive and responsible bidder by entirety.

BUDGETARY IMPACT:

The total estimated expense for this project is funded by the TxDOT AFA grant, is found in the 2026-2030 Capital Improvement Program on page PW-07, and is within the overall total project estimated expenditure.

STAFF RECOMMENDATION:

Staff recommends approval.

MOTION:

I make a motion to authorize the City Manager to execute a Standard Form of Agreement with Central North Construction, LLC for the construction of the TxDOT Green Ribbon US75 Enhanced Landscaping Project for \$889,773.60.

Attachments

[Location Map](#)

Location Map CIP # ST2504

Green Ribbon TXDOT Design

