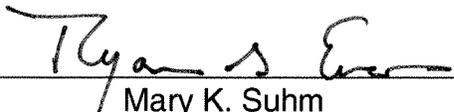
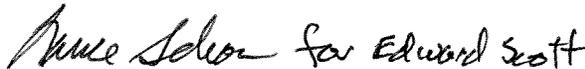


**FEBRUARY 6, 2008 CITY COUNCIL BRIEFING AGENDA  
CERTIFICATION**

This certification is given pursuant to Chapter XI, Section 9 of the City Charter for the City Council Briefing Agenda dated February 6, 2008. We hereby certify, as to those contracts, agreements, or other obligations on this Agenda authorized by the City Council for which expenditures of money by the City are required, that all of the money required for those contracts, agreements, and other obligations is in the City treasury to the credit of the fund or funds from which the money is to be drawn, as required and permitted by the City Charter, and that the money is not appropriated for any other purpose.

  
\_\_\_\_\_  
Mary K. Suhm  
City Manager

2-1-08  
Date

  
\_\_\_\_\_  
Edward Scott  
City Controller

2/1/08  
Date



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CITY SECRETARY  
DALLAS, TEXAS



# COUNCIL BRIEFING AGENDA

February 6, 2008

---

DATE

(FOR GENERAL INFORMATION AND RULES OF COURTESY PLEASE SEE OPPOSITE SIDE.)

(LA INFORMACIÓN GENERAL Y REGLAS DE CORTESÍA QUE DEBEN OBSERVARSE  
DURANTE LAS ASAMBLEAS DEL CONSEJO MUNICIPAL APARECEN EN EL LADO OPUESTO, FAVOR DE LEERLAS.)

## General Information

The Dallas City Council regularly meets on Wednesdays beginning at 9:00 a.m. in the Council Chambers, 6th floor, City Hall, 1500 Marilla. Council agenda meetings are broadcast live on WRR-FM radio (101.1 FM) and on AT&T CityCable Channel 6B. Briefing meetings are held the first and third Wednesdays of each month. Council agenda (voting) meetings are held on the second and fourth Wednesdays. Anyone wishing to speak at a meeting should sign up with the City Secretary's Office by calling (214) 670-3738 before 9:00 a.m. on the meeting date. Citizens can find out the name of their representative and their voting district by calling the City Secretary's Office.

Sign interpreters are available upon request with a 48-hour advance notice by calling (214) 670-5208 V/TDD. The City of Dallas is committed to compliance with the Americans with Disabilities Act. **The Council agenda is available in alternative formats upon request.**

If you have any questions about this agenda or comments or complaints about city services, call 311.

## Rules of Courtesy

City Council meetings bring together citizens of many varied interests and ideas. To insure fairness and orderly meetings, the Council has adopted rules of courtesy which apply to all members of the Council, administrative staff, news media, citizens and visitors. These procedures provide:

- That no one shall delay or interrupt the proceedings, or refuse to obey the orders of the presiding officer.
- All persons should refrain from private conversation, eating, drinking and smoking while in the Council Chamber.
- Posters or placards must remain outside the Council Chamber.
- No cellular phones or audible beepers allowed in Council Chamber while City Council is in session.

"Citizens and other visitors attending City Council meetings shall observe the same rules of propriety, decorum and good conduct applicable to members of the City Council. Any person making personal, impertinent, profane or slanderous remarks or who becomes boisterous while addressing the City Council or while attending the City Council meeting shall be removed from the room if the sergeant-at-arms is so directed by the presiding officer, and the person shall be barred from further audience before the City Council during that session of the City Council. If the presiding officer fails to act, any member of the City Council may move to require enforcement of the rules, and the affirmative vote of a majority of the City Council shall require the presiding officer to act." Section 3.3(c) of the City Council Rules of Procedure.

## Informacion General

El Ayuntamiento de la Ciudad de Dallas se reúne regularmente los miércoles en la Cámara del Ayuntamiento en el sexto piso de la Alcaldía, 1500 Marilla, a las 9 de la mañana. Las reuniones informativas se llevan a cabo el primer y tercer miércoles del mes. Estas audiencias se transmiten en vivo por la estación de radio WRR-FM 101.1 y por cablevisión en la estación AT&T CityCable Canal 6B. El Ayuntamiento Municipal se reúne el segundo y cuarto miércoles del mes para tratar asuntos presentados de manera oficial en la agenda para su aprobación. Toda persona que desee hablar durante la asamblea del Ayuntamiento, debe inscribirse llamando a la Secretaría Municipal al teléfono (214) 670-3738, antes de las 9 de la mañana del día de la asamblea. Para enterarse del nombre de su representante en el Ayuntamiento Municipal y el distrito donde usted puede votar, favor de llamar a la Secretaría Municipal.

Intérpretes para personas con impedimentos auditivos están disponibles si lo solicita con 48 horas de anticipación llamando al (214) 670-5208 (aparato auditivo V/TDD). La Ciudad de Dallas se esfuerza por cumplir con el decreto que protege a las personas con impedimentos, *Americans with Disabilities Act*. **La agenda del Ayuntamiento está disponible en formatos alternos si lo solicita.**

Si tiene preguntas sobre esta agenda, o si desea hacer comentarios o presentar quejas con respecto a servicios de la Ciudad, llame al 311.

## Reglas de Cortesía

Las asambleas del Ayuntamiento Municipal reúnen a ciudadanos de diversos intereses e ideologías. Para asegurar la imparcialidad y el orden durante las asambleas, el Ayuntamiento ha adoptado ciertas reglas de cortesía que aplican a todos los miembros del Ayuntamiento, al personal administrativo, personal de los medios de comunicación, a los ciudadanos, y a visitantes. Estos reglamentos establecen lo siguiente:

- Ninguna persona retrasará o interrumpirá los procedimientos, o se negará a obedecer las órdenes del oficial que preside la asamblea.
- Todas las personas deben abstenerse de entablar conversaciones, comer, beber y fumar dentro de la cámara del Ayuntamiento.
- Anuncios y pancartas deben permanecer fuera de la cámara del Ayuntamiento.
- No se permite usar teléfonos celulares o enlaces electrónicos (*paggers*) audibles en la cámara del Ayuntamiento durante audiencias del Ayuntamiento Municipal.

"Los ciudadanos y visitantes presentes durante las asambleas del Ayuntamiento Municipal deben obedecer las mismas reglas de comportamiento, decoro y buena conducta que se aplican a los miembros del Ayuntamiento Municipal. Cualquier persona que haga comentarios impertinentes, utilice vocabulario obsceno o difamatorio, o que al dirigirse al Ayuntamiento lo haga en forma escandalosa, o si causa disturbio durante la asamblea del Ayuntamiento Municipal, será expulsada de la cámara si el oficial que esté presidiendo la asamblea así lo ordena. Además, se le prohibirá continuar participando en la audiencia ante el Ayuntamiento Municipal. Si el oficial que preside la asamblea no toma acción, cualquier otro miembro del Ayuntamiento Municipal puede tomar medidas para hacer cumplir las reglas establecidas, y el voto afirmativo de la mayoría del Ayuntamiento Municipal precisará al oficial que esté presidiendo la sesión a tomar acción." Según la sección 3.3(c) de las reglas de procedimientos del Ayuntamiento.

AGENDA  
CITY COUNCIL BRIEFING MEETING  
WEDNESDAY, FEBRUARY 6, 2008  
CITY HALL  
1500 MARILLA  
DALLAS, TEXAS 75201  
9:00 A.M.

9:00 am      Invocation and Pledge of Allegiance      6ES

                  Special Presentations

                  Open Microphone Speakers

VOTING AGENDA      6ES

1.      Approval of Minutes of the January 16, 2008 City Council Meeting
2.      Consideration of appointments to boards and commissions and the evaluation and duties of board and commission members (List of nominees is available in the City Secretary's Office)

Briefings      6ES

- A.      City of Dallas Gas Drilling & Production Leases

ITEMS FOR INDIVIDUAL CONSIDERATION

**Business Development & Procurement Services**

3.      Authorize **(1)** a thirty-six-month lease agreement for City of Dallas south properties (list attached) with XTO Energy, Inc., in the amount of \$14,380,867 and a 26% royalty on hydrocarbons produced, **(2)** a thirty-six-month lease agreement, with one thirty-six-month renewal option, for City of Dallas north/Trinity River properties (list attached) with Trinity East Energy, LLC, in the amount of \$19,045,376 and a 25% royalty on hydrocarbons produced, and **(3)** a thirty-six-month lease agreement, with one thirty-six-month renewal option, for City of Dallas Love Field properties (list attached) with Trinity East Energy, LLC, in the amount of \$1,455,072 and a 15% royalty on hydrocarbons produced for natural gas drilling and production lease rights, most advantageous proposers of two - Estimated Revenue \$34,881,315

**City Attorney's Office**

4.      Authorize Supplemental Agreement No. 1 to the professional services contract with the law firm of Moses, Palmer & Howell, L.L.P., for additional legal services necessary in connection with oil and gas leasing activities - Not to exceed \$20,000, from \$25,000 to \$45,000 - Financing: Current Funds

AGENDA  
CITY COUNCIL BRIEFING MEETING  
WEDNESDAY, FEBRUARY 6, 2008

ITEMS FOR INDIVIDUAL CONSIDERATION (Continued)

**Office of Financial Services**

5. Authorize a professional services contract with the law firm of Mounce, Green, Myers, Safi, Paxson & Galatzan, P.C. for legal services in matters related to the Railroad Commission of Texas Gas Utilities Docket (GUD) No. 9762, Atmos Energy Corp., Mid-Tex Division Environs Case and Petition for De Novo Review from Dallas City Council action taken on January 23, 2008, on Atmos Dallas Municipal Gas Distribution Rate Statement of Intent dated September 20, 2007 - Not to exceed \$200,000 - Financing: Current Funds (The full amount is reimbursable by Atmos Gas Corporation subject to approval by the Railroad Commission of Texas)
6. Authorize Supplemental Agreement No. 1 to the professional services contract with Diversified Utility Consultants, Inc., for expert consulting services and testimony in matters related to the statement of intent of Atmos Energy to change rates dated September 20, 2007 - Not to exceed \$90,000, from \$70,000 to \$160,000 - Financing: Current Funds (to be fully reimbursed by Atmos Energy)

Briefings (Continued)

6ES

- B. City of Dallas' Philosophy / Overview on Workforce Strategies

Lunch

- C. Oncor Maintenance Overview
- D. Dallas Police Department Property Room: Issues, Status & Timelines
- E. FY 2007-08 Community Development Block Grant Extensions and Reprogramming

**Lessee: Trinity East Energy**  
**North/Trinity River Properties**  
 Agenda Item # 3

| <u>Group</u> | <u>Acres</u> | <u>Address</u>              | <u>Council District</u> |
|--------------|--------------|-----------------------------|-------------------------|
| 1            | 0.11         | 11900 Ford Rd               | 6                       |
| 1            | 6.93         | 2113 N I E                  | N/A                     |
| 1            | 9.22         | 2113 N IH 35E               | N/A                     |
| 1            | 21.27        | 2300 Sandy Lake Rd          | 6                       |
| 1            | 10.44        | 2320 Sandy Lake D           | 6                       |
| 1            | 8.93         | 1700 Whitlock Ln            | N/A                     |
| 1            | 27.77        | 1500 W Northwest Hwy        | 6                       |
| 1            | 123.31       | 1700 Royal Ln               | 6                       |
| 1            | 11.07        | 2000 Royal Ln               | N/A                     |
| 1            | 8.27         | 2300 Crown Rd               | 6                       |
| 1            | 9.99         | 2320 Crown Rd               | 6                       |
| 1            | 0.50         | 2265 Wisconsin St           | 6                       |
| 1            | 211.84       | 1700 Royal Ln               | 6                       |
| 1            | 75.78        | 1700 Royal Ln               | 6                       |
| 1            | 48.41        | 1700 Royal Ln               | 6                       |
| 1            | 18.93        | 1700 Royal Ln               | 6                       |
| 1            | 9.75         | 1700 Royal Ln               | 6                       |
| 1            | 5.00         | 1700 Royal Ln               | 6                       |
| 1            | 4.38         | 1700 Royal Ln               | 6                       |
| 1            | 0.13         | 1700 Royal Ln               | 6                       |
| 1            | 4.34         | 10912 Luna Rd               | 6                       |
| 1            | 9.20         | 11300 Tantor Rd             | 6                       |
| 1            | 0.35         | 2488 Fabens Rd              | 6                       |
| 1            | 0.44         | 2476 Glenda Ln              | 6                       |
| 1            | 0.49         | 2487 Glenda Ln              | 6                       |
| 1            | 0.24         | 2450 Merrell Rd             | 6                       |
| 1            | 0.37         | 2452 Southwell Rd           | 6                       |
| 1            | 0.76         | 2453 Merrell Rd             | 6                       |
| 1            | 2.98         | 2100 Walnut Hill Ln         | 6                       |
| 1            | 44.30        | 2171 Manana Dr              | 6                       |
| 1            | 22.91        | 2171 Manana Dr              | 6                       |
| 1            | 0.25         | 10542 Luna Rd               | 6                       |
| 1            | 3.92         | 1633 California Crossing Rd | 6                       |
| 1            | 46.25        | 1775 California Crossing Rd | 6                       |
| 1            | 0.28         | 10536 Luna Rd               | 6                       |
| 1            | 2.36         | 10704 Luna Rd               | 6                       |
| 1            | 10.00        | 1550 W Northwest Hwy        | 6                       |
| 1            | 6.59         | 1600 W Northwest Hwy        | 6                       |
| 1            | 0.93         | 1680 W Northwest Hwy        | 6                       |
| 1            | 65.24        | 1700 Royal Ln               | 6                       |
| 1            | 4.55         | 10700 Manana Dr             | 6                       |
| 1            | 6.58         | 10400 Wildwood Dr           | 6                       |

**Lessee: Trinity East Energy  
North/Trinity River Properties  
Agenda Item # 3 (Continued)**

| <u>Group</u> | <u>Acres</u> | <u>Address</u>             | <u>Council District</u> |
|--------------|--------------|----------------------------|-------------------------|
| 1            | 62.00        | 10401 Wildwood Dr          | 6                       |
| 1            | 3.45         | 10401 Wildwood Dr          | 6                       |
| 1            | 2.60         | 2500 Manana Dr             | 6                       |
| 1            | 1.84         | 2529 Manana Dr             | 6                       |
| 1            | 0.53         | 2550 Manana Dr             | 6                       |
| 1            | 1.41         | 2550 Walnut Hill Ln        | 6                       |
| 1            | 51.25        | 10400 Wildwood Dr          | 6                       |
| 1            | 96.58        | 10401 Wildwood Dr          | 6                       |
| 1            | 21.93        | 10401 Wildwood Dr          | 6                       |
| 1            | 2.86         | 10405 Wildwood Dr          | N/A                     |
| 1            | 1.60         | 1901 Sandy Ln              | 6                       |
| 1            | 0.33         | 2100 Sandy Ln              | 6                       |
| 1            | 1.33         | 2104 Sandy Ln              | 6                       |
| 1            | 1.33         | 2108 Sandy Ln              | 6                       |
| 1            | 4.00         | 2110 Sandy Ln              | 6                       |
| 1            | 8.28         | 2112 Sandy Ln              | 6                       |
| 1            | 5.64         | 2116 Sandy Ln              | 6                       |
| 1            | 15.99        | 1203 Storey Ln             | 6                       |
| 1            | 29.70        | 3599 N Walton Walker Blvd  | 6                       |
| 1            | 19.04        | 3599 N Walton Walker Blvd  | 6                       |
| 1            | 43.00        | 10400 Wildwood Dr          | 6                       |
| 1            | 35.00        | 10400 Wildwood Dr          | 6                       |
| 1            | 2.44         | 10700 Finnell St           | 6                       |
| 1            | 7.53         | 2260 W Northwest Hwy       | 6                       |
| 1            | 4.75         | 2276 W Northwest Hwy       | 6                       |
| 1            | 5.11         | 2277 W Northwest Hwy       | 6                       |
| 1            | 14.26        | 3590 N Walton Walker Blvd  | 6                       |
| 1            | 16.14        | 3592 N Walton Walker Blvd  | 6                       |
| 1            | 17.09        | 11532 Dennis Rd            | 13                      |
| 1            | 1.12         | 2848 Royal Ln              | 6                       |
| 1            | 0.31         | 10800 Channel Dr           | 13                      |
| 1            | 0.22         | 11061 Shady Trl            | 6                       |
| 1            | 0.19         | 11105 Shady Trl            | 6                       |
| 1            | 8.01         | 3424 Walnut Hill Ln        | 6                       |
| 1            | 6.35         | 3525 Walnut Hill Ln        | 13                      |
| 1            | 1.14         | 10428 Denton Dr            | 6                       |
| 1            | 3.24         | 10621 Harry Hines Blvd     | 6                       |
| 1            | 0.91         | 2844 Lombardy Ln           | 6                       |
| 1            | 0.44         | 3434 Webb Chapel Extension | 6                       |
| 1            | 7.42         | 3440 Webb Chapel Extension | 6                       |
| 1            | 1.84         | 9655 Webb Chapel Extension | 6                       |
| 1            | 0.99         | 10300 Overlake Dr          | 6                       |

**Lessee: Trinity East Energy  
North/Trinity River Properties  
Agenda Item # 3 (Continued)**

| <u>Group</u> | <u>Acres</u> | <u>Address</u>             | <u>Council District</u> |
|--------------|--------------|----------------------------|-------------------------|
| 1            | 2.55         | 3001 Community Dr          | 6                       |
| 1            | 0.28         | 3361 Community Dr          | 6                       |
| 1            | 0.17         | 3440 Webb Chapel Extension | 6                       |
| 1            | 8.82         | 3700 Shorecrest Dr         | 6                       |
| 1            | 1.62         | 4401 Irving Blvd           | 6                       |
| 1            | 12.40        | 1200 Storey Ln             | 6                       |
| 1            | 12.00        | 1204 Storey Ln             | 6                       |
| 1            | 18.77        | 1430 Storey Ln             | 6                       |
| 1            | 0.83         | 1431 Storey Ln             | 6                       |
| 1            | 5.27         | 1432 Storey Ln             | 6                       |
| 1            | 3.00         | 1434 Storey Ln             | 6                       |
| 1            | 29.20        | 9801 Harry Hines Blvd      | 6                       |
| 1            | 0.55         | 9819 Harry Hines Blvd      | 6                       |
| 1            | 31.13        | 1440 Storey Ln             | 6                       |
| 1            | 30.00        | 1444 Storey Ln             | 6                       |
| 1            | 234.00       | 2500 W Northwest Hwy       | 6                       |
| 1            | 1.71         | 2900 W Northwest Hwy       | 6                       |
| 1            | 0.01         | 9400 Ovella Ave            | 6                       |
| 1            | 0.15         | 3501 Putnam Dr             | 14                      |
| 1            | 0.18         | 3503 Wylie Dr              | 14                      |
| 1            | 0.21         | 3514 Shorecrest Dr         | 14                      |
| 1            | 3.60         | 1001 Trinity River Dr      | 6                       |
| 1            | 3.48         | 9000 Harry Hines Blvd      | 2                       |
| 1            | 1.92         | 9000 Harry Hines Blvd      | 2                       |
| 1            | 87.42        | 9300 N Stemmons Fwy        | 6                       |
| 1            | 49.03        | 9500 Harry Hines Blvd      | 2                       |
| 1            | 10.37        | 2502 Shorecrest Dr         | 14                      |
| 1            | 0.21         | 3512 Shorecrest Dr         | 14                      |
| 1            | 1.43         | 8114 Denton Dr             | 14                      |
| 1            | 3.50         | 9000 N Stemmons Fwy        | 6                       |
| 1            | 66.92        | 1001 Trinity River Dr      | 6                       |
| 1            | 0.44         | 7511 Hines Pl              | 2                       |
| 1            | 0.92         | 500 Profit Dr              | 6                       |
| 1            | 0.03         | 910 W Mockingbird Ln       | 6                       |
| 1            | 0.88         | 7161 Envoy Ct              | 6                       |
| 1            | 1.62         | 7000 John W Carpenter Fwy  | 6                       |
| 1            | 0.60         | 1501 Record Crossing Rd    | 2                       |
| 1            | 1.51         | 4151 Halifax St            | 6                       |
| 1            | 0.63         | 1258 Sleepy Hollow Dr      | 2                       |
| 1            | 1.40         | 3040 Irving Blvd           | 6                       |
| 1            | 2.71         | 3031 Pegasus Park Dr       | 6                       |
| 1            | 1.94         | 5400 Riverside Dr          | 2                       |

**Lessee: Trinity East Energy  
North/Trinity River Properties  
Agenda Item # 3 (Continued)**

| <u>Group</u> | <u>Acres</u> | <u>Address</u>          | <u>Council District</u> |
|--------------|--------------|-------------------------|-------------------------|
| 1            | 0.43         | 6904 Mohawk Dr          | 2                       |
| 1            | 0.16         | 5523 Arlington Park Dr  | 2                       |
| 1            | 0.06         | 5511 Arlington Park Dr  | 2                       |
| 1            | 0.16         | 1708 Briar Cliff Rd     | 2                       |
| 1            | 0.11         | 1714 Briar Cliff Rd     | 2                       |
| 1            | 9.00         | 1700 Royal Ln           | 6                       |
| 1            | 2.82         | 7600 Harry Hines Blvd   | 2                       |
| 1            | 16.15        | 7700 Harry Hines Blvd   | 2                       |
| 1            | 1.91         | 7700 Harry Hines Blvd   | 2                       |
| 1            | 1.47         | 7911 Mohawk Dr          | 2                       |
| 1            | 10.90        | 1505 Record Crossing Rd | 2                       |
| 2A           | 12.23        | 10001 Trinity River Dr  | 6                       |
| 2A           | 8.40         | 4400 Canada Dr          | 6                       |
| 2A           | 11.18        | 4901 Irving Blvd        | 6                       |
| 2A           | 2.76         | 4971 Irving Blvd        | 6                       |
| 2A           | .89          | 4953 Irving Blvd        | 6                       |
| 2A           | 83.63        | 1001 Trinity River Dr   | 6                       |
| 2A           | .42          | 1001 Trinity River Dr   | 6                       |
| 2A           | 2            | 3100 Proctor St         | N/A                     |
| 2A           | 34.43        | 1001 Trinity River Dr   | 6                       |
| 2A           | 6.37         | 1001 Trinity River Dr   | 6                       |
| 2A           | 30.16        | 1001 Trinity River Dr   | 6                       |
| 2A           | 7.53         | 1001 Trinity River Dr   | 6                       |
| 2A           | 6.75         | 1001 Trinity River Dr   | 6                       |
| 2A           | .09          | 1001 Trinity River Dr   | 6                       |
| 2A           | 23.40        | 1001 N Westmoreland Rd  | 6                       |
| 2A           | 98.62        | 200 W Mockingbird Ln    | 6                       |
| 2A           | 8.89         | 200 Inwood Rd           | 6                       |
| 2A           | 00.14        | 4500 N Hampton Rd       | 6                       |
| 2A           | .70          | 1001 Trinity River Dr   | 6                       |
| 2A           | .05          | 3400 Doug Dr            | 6                       |
| 2A           | 4.12         | 4961 Irving Blvd        | 6                       |

**Listing of Properties is based on City research. No warranty is provided. Potential Lessee is responsible for Deed and Title work.**

**Lessee: XTO Energy**  
**South Properties**  
 Agenda Item #3 (Continued)

| <u>Group</u> | <u>Acres</u> | <u>Address</u>            | <u>Council District</u> |
|--------------|--------------|---------------------------|-------------------------|
| 2            | 1.86         | 6400 Singleton Blvd       | 6                       |
| 2            | 12.45        | 3700 Bernal Dr            | 6                       |
| 2            | 0.24         | 3014 Pluto St             | 6                       |
| 2            | 3.23         | 2600 Chalk Hill Dr        | 3                       |
| 2            | 0.71         | 2800 Norwich St           | 3                       |
| 2            | 0.30         | 3604 Bedford St           | 3                       |
| 2            | 0.46         | 3607 Bedford St           | 3                       |
| 2            | 0.11         | 2709 Shadrack Dr          | 3                       |
| 2            | 0.27         | 2803 Shadrack Dr          | 3                       |
| 2            | 0.12         | 2807 Shadrack Dr          | 3                       |
| 2            | 0.12         | 2817 Shadrack Dr          | 3                       |
| 2            | 0.13         | 3557 Singleton Blvd       | 3                       |
| 2            | 59.34        | 6100 IH 30                | 6                       |
| 2            | 99.00        | 8200 W Jefferson Blvd     | 3                       |
| 2            | 20.60        | 9150 W Jefferson Blvd     | 3                       |
| 2            | 242.09       | 9010 W Jefferson Blvd     | 3                       |
| 2            | 85.00        | 1400 W Jefferson Blvd     | 3                       |
| 2            | 94.00        | 1100 W Jefferson Blvd     | 3                       |
| 2            | 14.15        | 1402 W Jefferson Blvd     | 3                       |
| 2            | 117.76       | 1402 W Jefferson Blvd     | 3                       |
| 2            | 36.60        | 2852 W Jefferson Blvd     | 3                       |
| 2            | 0.66         | 2856 W Jefferson Blvd     | 3                       |
| 2            | 3.52         | 1000 N Walton Walker Blvd | 6                       |
| 2            | 28.25        | 5303 Keeneland Pkwy       | 3                       |
| 2            | 2.19         | 5304 Keeneland Pkwy       | 3                       |
| 2            | 3.67         | 1300 Cavalcade Dr         | 3                       |
| 2            | 3.78         | 1200 Cherry Laurel Ln     | 3                       |
| 2            | 17.99        | 2001 Mountain Creek Pkwy  | 3                       |
| 2            | 108.56       | 2101 Mountain Creek Pkwy  | 3                       |
| 2            | 35.25        | 1301 S Walton Walker Blvd | 3                       |
| 2            | 62.34        | 5400 Eagle Ford Dr        | 3                       |
| 2            | 3.07         | 6102 Mountain Creek Pkwy  | 3                       |
| 2            | 50.46        | 3200 Mountain Creek Pkwy  | 3                       |
| 2            | 3.52         | 6100 Eagle Ford Dr        | 3                       |
| 2            | 36.40        | 5701 Fm Rd 1382           | 3                       |
| 2            | 5.65         | 6102 Mountain Creek Pkwy  | 3                       |
| 2            | 3.12         | 6300 Eagle Ford Dr        | 3                       |
| 2            | 5.68         | 8400 Foxhaven Dr          | 3                       |
| 2            | 296.97       | 8611 County View Rd       | 3                       |
| 2            | 8.69         | 2101 Mountain Creek Pkwy  | 3                       |
| 2            | 5.92         | 5800 Sportsmans Pkwy      | 3                       |
| 2            | 1.97         | 6000 Sportsmans Pkwy      | 3                       |

**Lessee: XTO Energy  
South Properties**  
Agenda Item #3 (Continued)

| <b><u>Group</u></b> | <b><u>Acres</u></b> | <b><u>Address</u></b> | <b><u>Council District</u></b> |
|---------------------|---------------------|-----------------------|--------------------------------|
| 2                   | 10.16               | 6000 Sportsmans Pkwy  | 3                              |
| 2                   | 10.00               | 5516 Arcadia Dr       | 3                              |
| 2                   | 1.24                | 5312 S Arcadia Dr     | 3                              |
| 2                   | 1.81                | 5316 S Arcadia Dr     | 3                              |
| 2                   | 2.40                | 5323 S Arcadia Dr     | 3                              |
| 2                   | 35.09               | 1350 Skyline Rd       | 3                              |

**Listing of Properties is based on City research. No warranty is provided.  
Potential Lessee is responsible for Deed and Title work.**

**Lessee: Trinity East Energy  
Love Field Airport Property  
Agenda Item #3 (Continued)**

| <b><u>Group</u></b> | <b><u>Acres</u></b> | <b><u>Address</u></b> | <b><u>Council District</u></b> |
|---------------------|---------------------|-----------------------|--------------------------------|
| 3                   | 1322.79             | 001 W Mockingbird Ln  | 14                             |

**Listing of Properties is based on City research. No warranty is provided.  
Potential Lessee is responsible for Deed and Title work.**

AGENDA  
CITY COUNCIL BRIEFING MEETING  
WEDNESDAY, FEBRUARY 6, 2008

Closed Session

6ES

Attorney Briefings (Sec. 551.071 T.O.M.A.)

- Theron Green v. Ronald Matlock, Civil Action No. 3:07-CV-0016-N
- City of Dallas v. Weir Brothers Partnership, Cause No. cc-04-07686-c
- City of Dallas v. Weir Brothers Partners, L.L.C., et al., Cause No. 05-06517-J
- City of Dallas v. TCI West End, Inc., Cause No. 06-04868-H
- Legal issues involving the possible acquisition, including the exercise of eminent domain if necessary, of part or all of tracts of land totaling approximately 1,418 acres north and south of S. Loop 12 immediately east of the Trinity River owned by Metropolitan Sand & Gravel Co., LLC.
- City of Dallas v. Horace Elam, et al., Cause No. 05-06467-B
- Meredith and William Barnes et al. v. City of Dallas, Cause No. 06-06917-C

Real Property Deliberations (Sec. 551.072 T.O.M.A.)

- Legal issues involving the possible acquisition, including the exercise of eminent domain if necessary, of part or all of tracts of land totaling approximately 1,418 acres north and south of S. Loop 12 immediately east of the Trinity River owned by Metropolitan Sand & Gravel Co., LLC.

Open Microphone Speakers

6ES

The above schedule represents an estimate of the order for the indicated briefings and is subject to change at any time. Current agenda information may be obtained by calling (214) 670-3100 during working hours.

Note: An expression of preference or a preliminary vote may be taken by the Council on any of the briefing items.

A closed executive session may be held if the discussion of any of the above agenda items concerns one of the following:

1. Contemplated or pending litigation, or matters where legal advice is requested of the City Attorney. Section 551.071 of the Texas Open Meetings Act.
2. The purchase, exchange, lease or value of real property, if the deliberation in an open meeting would have a detrimental effect on the position of the City in negotiations with a third person. Section 551.072 of the Texas Open Meetings Act.
3. A contract for a prospective gift or donation to the City, if the deliberation in an open meeting would have a detrimental effect on the position of the City in negotiations with a third person. Section 551.073 of the Texas Open Meetings Act.
4. Personnel matters involving the appointment, employment, evaluation, reassignment, duties, discipline or dismissal of a public officer or employee or to hear a complaint against an officer or employee. Section 551.074 of the Texas Open Meetings Act.
5. The deployment, or specific occasions for implementation of security personnel or devices. Section 551.076 of the Texas Open Meetings Act.
6. Deliberations regarding economic development negotiations. Section 551.087 of the Texas Open Meetings Act.

**PUBLIC MEETINGS FOR FEBRUARY 1 - FEBRUARY 14, 2008**

**Thursday, February 7, 2008**

Community Development Commission  
6:00 p.m.  
City Hall, Room 6ES





## AGENDA ITEM # 3

**KEY FOCUS AREA:** Economic Vibrancy

**AGENDA DATE:** February 6, 2008

**COUNCIL DISTRICT(S):** 2, 3, 6, 13, 14, Outside City Limits

**DEPARTMENT:** Business Development & Procurement Services  
Aviation  
Office of Financial Services

**CMO:** Dave Cook, 670-7804  
Ramon F. Miguez, P.E., 670-3308

**MAPSCO:** 1B V, Y 2 T 12 Z 21B V 22 E-G, J, K, M, N, P, Q, S, T, V,  
X-Z 23 B, E, F, J, R-U, X, Y 24 X 32 R, Y, Z 33 A-H, J, M,  
R-Z 34 K, N, S, W 42 C, D, G, H, J, M, Q 43 B-D, H, N, P  
44 A 45 P 51A G, H, K, L, Q 51 B 51B J 52 A, F, G, J, N  
61A Z 61B A 71A D, H 71B J

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### SUBJECT

Authorize **(1)** a thirty-six-month lease agreement for City of Dallas south properties (list attached) with XTO Energy, Inc., in the amount of \$14,380,867 and a 26% royalty on hydrocarbons produced, **(2)** a thirty-six-month lease agreement, with one thirty-six-month renewal option, for City of Dallas north/Trinity River properties (list attached) with Trinity East Energy, LLC, in the amount of \$19,045,376 and a 25% royalty on hydrocarbons produced, and **(3)** a thirty-six-month lease agreement, with one thirty-six-month renewal option, for City of Dallas Love Field properties (list attached) with Trinity East Energy, LLC, in the amount of \$1,455,072 and a 15% royalty on hydrocarbons produced for natural gas drilling and production lease rights, most advantageous proposers of two - Estimated Revenue \$34,881,315

### BACKGROUND

The City issued a Request for Proposal (RFP) in July of 2007 for companies interested in leasing City owned property for natural gas drilling and production. The RFP included City owned properties located on the western edge of the City and within the Barnett Shale area. The City unbundled the lease properties into the following groups:

- Group 1 - Dallas North Properties - 2031.11 acres
- Group 2 - Dallas South Properties - 1536.91 acres
- Group 2A - Trinity River - 1613.48 acres
- Group 3 - Dallas Love Field - 1322.79 acres
- Group 4 - Dallas Executive Airport - 1176.32 acres

## **BACKGROUND (Continued)**

July 20, 2007 the RFP was published on the City's procurement website and e-mail notifications were sent to all vendors registered under commodities related to oil and gas. Phone calls were then made to the State's top 30 gas production companies as well as additional companies solicited by other Cities and/or participated in lease solicitations, and on July 26-27, 2007 another phone call was made to targeted companies.

The RFP established a Minimum Bid:

- A minimum lease bonus of \$4,000 per acre and 25% royalty was established for the North, South, and Trinity River Properties
- No minimum bid for the airport properties was set due to their location on the far eastern boundary of the Barnett Shale

The City also engaged outside counsel, Moses, Palmer, & Howell, L.L.P., to review and advise on all aspects of gas drilling and production in the City, including the ordinance, RFP documents, lease agreement, and lease negotiation.

Proposals were received on November 9, 2007 with Trinity East Energy, LLC. proposing on all groups except Dallas Executive Airport, and XTO Energy, Inc. proposing on only the Dallas South properties. Subsequently, a request for a best and final offer from both proposers on the South properties yielded an increase in both offers, with the highest proposal from XTO Energy, Inc.

As part of the bid process, 656 vendor notices were sent electronically by the City's web based procurement system. In an effort to secure more bids, notifications were sent by the Business Development and Procurement Services' ResourceLINK Team (RLT) to 25 chambers of commerce, and two advocacy groups (i.e. DFW Minority Business Council and Women's Business Council – Southwest).

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

This item has no prior action.

## **FISCAL INFORMATION**

\$34,881,314.07 - Estimated Revenue

**FISCAL INFORMATION (Continued)**

| <u>Council District</u> | <u>Amount</u>        |
|-------------------------|----------------------|
| 2                       | \$ 562,448.93        |
| 3                       | \$13,656,530.96      |
| 6                       | \$18,716,083.56      |
| 13                      | \$ 144,921.51        |
| 14                      | \$ 1,531,579.91      |
| Outside City Limits     | <u>\$ 269,749.20</u> |
| Total                   | \$34,881,314.07      |

**M/WBE INFORMATION**

141 - Vendors contacted  
141 - No response  
0 - Response (Bid)  
0 - Response (No bid)  
0 - Successful

656 - M/WBE and Non-M/WBE vendors were contacted

The recommended awardee has fulfilled the good faith requirements set forth in the Good Faith Effort Plan adopted by Council Resolution #84-3501 as amended.

**ETHNIC COMPOSITION**

Trinity East Energy, LLC

|                 |   |               |   |
|-----------------|---|---------------|---|
| Hispanic Female | 0 | Hispanic Male | 0 |
| Black Female    | 0 | Black Male    | 0 |
| Other Female    | 0 | Other Male    | 0 |
| White Female    | 2 | White Male    | 2 |

XTO Energy, Inc.

|                 |     |               |      |
|-----------------|-----|---------------|------|
| Hispanic Female | 79  | Hispanic Male | 135  |
| Black Female    | 42  | Black Male    | 41   |
| Other Female    | 21  | Other Male    | 51   |
| White Female    | 538 | White Male    | 1401 |

## **PROPOSAL INFORMATION**

The following proposals were received from solicitation number BEZ0713A1 and opened on November 9, 2007. This revenue contract is being awarded to the most advantageous proposers by group.

\*Denotes successful proposers

| <b><u>Proposers</u></b>   | <b><u>Address</u></b>                            | <b><u>Amount of Proposal</u></b> |
|---------------------------|--|----------------------------------|
| *Trinity East Energy, LLC | 777 Main St., Suite 3100<br>Fort Worth, TX 76102 | Multiple Groups                  |
| *XTO Energy, Inc.         | 810 Houston St.<br>Fort Worth, TX 76102          | Multiple Groups                  |

## **OWNERS**

### **Trinity East Energy, LLC**

D. Stephen Fort, President  
Thomas B. Blanton, CEO  
Irene Sullivent, Secretary/Treasurer  
Phillip Pearce, CFO

### **XTO Energy, Inc.**

Keith A. Hutton, President  
Louis G. Baldwin, Vice President

## **MAP**

Attached

Lessee: Trinity East Energy  
North/Trinity River Properties

| GROUP | ACRES  | ADDRESS                  |     | CITY           | DALLAS CAD ACCT # | COUNCIL DISTRICT | MAPSCO         |
|-------|--------|--------------------------|-----|----------------|-------------------|------------------|----------------|
| 1     | 0.11   | 11900 FORD               | RD  | DALLAS         | 00000604927100000 | 6                | 12-Z (DALLAS)  |
| 1     | 6.93   | 2113 N IH 35E            |     | CARROLLTON     | 65016623510000000 | n/a              | 1B-V (DALLAS)  |
| 1     | 9.22   | 2113 N IH 35E            |     | CARROLLTON     | 65016623510000100 | n/a              | 1B-V (DALLAS)  |
| 1     | 21.27  | 2300 SANDY LAKE          | RD  | DALLAS         | 00000811327000000 | 6                | 1B-Y (DALLAS)  |
| 1     | 10.44  | 2320 SANDY LAKE          | RD  | DALLAS         | 00000811330000000 | 6                | 1B-Y (DALLAS)  |
| 1     | 8.93   | 1700 WHITLOCK            | LN  | CARROLLTON     | 140406100A0010000 | n/a              | 2-T (DALLAS)   |
| 1     | 27.77  | 1500 W NORTHWEST         | HWY | DALLAS         | 00837300000060000 | 6                | 21B-V (DALLAS) |
| 1     | 123.31 | 1700 ROYAL               | LN  | DALLAS         | 00000815776000000 | 6                | 22-E (DALLAS)  |
| 1     | 11.07  | 2000 ROYAL               | LN  | FARMERS BRANCH | 65027912510040000 | n/a              | 22-F (DALLAS)  |
| 1     | 8.27   | 2300 CROWN               | RD  | DALLAS         | 00000604507000000 | 6                | 22-G (DALLAS)  |
| 1     | 9.99   | 2320 CROWN               | RD  | DALLAS         | 00000604006000000 | 6                | 22-G (DALLAS)  |
| 1     | 0.50   | 2265 WISCONSIN           | ST  | DALLAS         | 00000604003000000 | 6                | 22-G (DALLAS)  |
| 1     | 211.84 | 1700 ROYAL               | LN  | DALLAS         | 00000815806000000 | 6                | 22-J (DALLAS)  |
| 1     | 75.78  | 1700 ROYAL               | LN  | DALLAS         | 00000815824000000 | 6                | 22-J (DALLAS)  |
| 1     | 48.41  | 1700 ROYAL               | LN  | DALLAS         | 00000815815000000 | 6                | 22-J (DALLAS)  |
| 1     | 18.93  | 1700 ROYAL               | LN  | DALLAS         | 00000815812000000 | 6                | 22-J (DALLAS)  |
| 1     | 9.75   | 1700 ROYAL               | LN  | DALLAS         | 00000815788000000 | 6                | 22-J (DALLAS)  |
| 1     | 5.00   | 1700 ROYAL               | LN  | DALLAS         | 00000815818000000 | 6                | 22-J (DALLAS)  |
| 1     | 4.38   | 1700 ROYAL               | LN  | DALLAS         | 00000815827000000 | 6                | 22-J (DALLAS)  |
| 1     | 0.13   | 1700 ROYAL               | LN  | DALLAS         | 00000815833000000 | 6                | 22-J (DALLAS)  |
| 1     | 4.34   | 10912 LUNA               | RD  | DALLAS         | 00651000000010000 | 6                | 22-K (DALLAS)  |
| 1     | 9.20   | 11300 TANTOR             | RD  | DALLAS         | 00654000000030000 | 6                | 22-K (DALLAS)  |
| 1     | 0.35   | 2488 FABENS              | RD  | DALLAS         | 00000603299000000 | 6                | 22-M (DALLAS)  |
| 1     | 0.44   | 2476 GLENDA              | LN  | DALLAS         | 00000603145000000 | 6                | 22-M (DALLAS)  |
| 1     | 0.49   | 2487 GLENDA              | LN  | DALLAS         | 00000603177000000 | 6                | 22-M (DALLAS)  |
| 1     | 0.24   | 2450 MERRELL             | RD  | DALLAS         | 00000602929000000 | 6                | 22-M (DALLAS)  |
| 1     | 0.37   | 2452 SOUTHWELL           | RD  | DALLAS         | 00000602899000100 | 6                | 22-M (DALLAS)  |
| 1     | 0.76   | 2453 MERRELL             | RD  | DALLAS         | 00000603119000000 | 6                | 22-N (DALLAS)  |
| 1     | 2.98   | 2100 WALNUT HILL         | LN  | DALLAS         | 00000601873000000 | 6                | 22-P (DALLAS)  |
| 1     | 44.30  | 2171 MANANA              | DR  | DALLAS         | 00000601948000400 | 6                | 22-Q (DALLAS)  |
| 1     | 22.91  | 2171 MANANA              | DR  | DALLAS         | 00000601948000500 | 6                | 22-Q (DALLAS)  |
| 1     | 0.25   | 10542 LUNA               | RD  | DALLAS         | 00000806848000000 | 6                | 22-S (DALLAS)  |
| 1     | 3.92   | 1633 CALIFORNIA CROSSING | RD  | DALLAS         | 00000806872000000 | 6                | 22-S (DALLAS)  |
| 1     | 46.25  | 1775 CALIFORNIA CROSSING | RD  | DALLAS         | 00000806866000000 | 6                | 22-S (DALLAS)  |
| 1     | 0.28   | 10536 LUNA               | RD  | DALLAS         | 00000806824000000 | 6                | 22-S (DALLAS)  |
| 1     | 2.36   | 10704 LUNA               | RD  | DALLAS         | 00837400000010000 | 6                | 22-S (DALLAS)  |
| 1     | 10.00  | 1550 W NORTHWEST         | HWY | DALLAS         | 00000806899000000 | 6                | 22-S (DALLAS)  |
| 1     | 6.59   | 1600 W NORTHWEST         | HWY | DALLAS         | 00000806896000000 | 6                | 22-S (DALLAS)  |
| 1     | 0.93   | 1680 W NORTHWEST         | HWY | DALLAS         | 00000806875000000 | 6                | 22-S (DALLAS)  |
| 1     | 65.24  | 1700 ROYAL               | LN  | DALLAS         | 00000815785000000 | 6                | 22-S (DALLAS)  |
| 1     | 4.55   | 10700 MANANA             | DR  | DALLAS         | 00000601813000000 | 6                | 22-T (DALLAS)  |
| 1     | 6.58   | 10400 WILDWOOD           | DR  | DALLAS         | 00000806791000000 | 6                | 22-T (DALLAS)  |
| 1     | 62.00  | 10401 WILDWOOD           | DR  | DALLAS         | 00000806803000000 | 6                | 22-T (DALLAS)  |
| 1     | 3.45   | 10401 WILDWOOD           | DR  | DALLAS         | 00000806812000000 | 6                | 22-T (DALLAS)  |
| 1     | 2.60   | 2500 MANANA              | DR  | DALLAS         | 00000601916000000 | 6                | 22-V (DALLAS)  |
| 1     | 1.84   | 2529 MANANA              | DR  | DALLAS         | 00000601937000000 | 6                | 22-V (DALLAS)  |
| 1     | 0.53   | 2550 MANANA              | DR  | DALLAS         | 00000601477000000 | 6                | 22-V (DALLAS)  |
| 1     | 1.41   | 2550 WALNUT HILL         | LN  | DALLAS         | 00650900000000100 | 6                | 22-V (DALLAS)  |
| 1     | 51.25  | 10400 WILDWOOD           | DR  | DALLAS         | 00000806785000000 | 6                | 22-X (DALLAS)  |
| 1     | 96.58  | 10401 WILDWOOD           | DR  | DALLAS         | 00000806809000000 | 6                | 22-X (DALLAS)  |
| 1     | 21.93  | 10401 WILDWOOD           | DR  | DALLAS         | 00000806806000000 | 6                | 22-X (DALLAS)  |
| 1     | 2.86   | 10405 WILDWOOD           | DR  | IRVING         | 65093481510150000 | n/a              | 22-X (DALLAS)  |
| 1     | 1.60   | 1901 SANDY               | LN  | DALLAS         | 00000601297000000 | 6                | 22-Y (DALLAS)  |
| 1     | 0.33   | 2100 SANDY               | LN  | DALLAS         | 00000806710000000 | 6                | 22-Y (DALLAS)  |
| 1     | 1.33   | 2104 SANDY               | LN  | DALLAS         | 00000806713000000 | 6                | 22-Y (DALLAS)  |
| 1     | 1.33   | 2108 SANDY               | LN  | DALLAS         | 00000806716000000 | 6                | 22-Y (DALLAS)  |
| 1     | 4.00   | 2110 SANDY               | LN  | DALLAS         | 00000806722000000 | 6                | 22-Y (DALLAS)  |
| 1     | 8.28   | 2112 SANDY               | LN  | DALLAS         | 00000806725000000 | 6                | 22-Y (DALLAS)  |

Lessee: Trinity East Energy  
North/Trinity River Properties

| GROUP | ACRES  | ADDRESS                    | CITY   | DALLAS CAD ACCT # | COUNCIL DISTRICT | MAPSCO        |
|-------|--------|----------------------------|--------|-------------------|------------------|---------------|
| 1     | 5.64   | 2116 SANDY LN              | DALLAS | 00000806725000100 | 6                | 22-Y (DALLAS) |
| 1     | 15.99  | 1203 STOREY LN             | DALLAS | 00000806689000000 | 6                | 22-Y (DALLAS) |
| 1     | 29.70  | 3599 N WALTON WALKER BLVD  | DALLAS | 00000806701000000 | 6                | 22-Y (DALLAS) |
| 1     | 19.04  | 3599 N WALTON WALKER BLVD  | DALLAS | 00000806698000000 | 6                | 22-Y (DALLAS) |
| 1     | 43.00  | 10400 WILDWOOD DR          | DALLAS | 00000806728000000 | 6                | 22-Y (DALLAS) |
| 1     | 35.00  | 10400 WILDWOOD DR          | DALLAS | 00000806731000000 | 6                | 22-Y (DALLAS) |
| 1     | 2.44   | 10700 FINNELL ST           | DALLAS | 00649500080030200 | 6                | 22-Z (DALLAS) |
| 1     | 7.53   | 2260 W NORTHWEST HWY       | DALLAS | 00000601585000000 | 6                | 22-Z (DALLAS) |
| 1     | 4.75   | 2276 W NORTHWEST HWY       | DALLAS | 00000601519000000 | 6                | 22-Z (DALLAS) |
| 1     | 5.11   | 2277 W NORTHWEST HWY       | DALLAS | 00000601588000000 | 6                | 22-Z (DALLAS) |
| 1     | 14.26  | 3590 N WALTON WALKER BLVD  | DALLAS | 00000601600000000 | 6                | 22-Z (DALLAS) |
| 1     | 16.14  | 3592 N WALTON WALKER BLVD  | DALLAS | 00000601603000000 | 6                | 22-Z (DALLAS) |
| 1     | 17.09  | 11532 DENNIS RD            | DALLAS | 0065950A0016A0000 | 13               | 23-B (DALLAS) |
| 1     | 1.12   | 2848 ROYAL LN              | DALLAS | 00000600237500000 | 6                | 23-E (DALLAS) |
| 1     | 0.31   | 10800 CHANNEL DR           | DALLAS | 00000608123000200 | 13               | 23-F (DALLAS) |
| 1     | 0.22   | 11061 SHADY TRL            | DALLAS | 00000602107000100 | 6                | 23-J (DALLAS) |
| 1     | 0.19   | 11105 SHADY TRL            | DALLAS | 00000602056500100 | 6                | 23-J (DALLAS) |
| 1     | 8.01   | 3424 WALNUT HILL LN        | DALLAS | 00000520819000000 | 6                | 23-R (DALLAS) |
| 1     | 6.35   | 3525 WALNUT HILL LN        | DALLAS | 00000585964000000 | 13               | 23-R (DALLAS) |
| 1     | 1.14   | 10428 DENTON DR            | DALLAS | 00000433537000000 | 6                | 23-R (DALLAS) |
| 1     | 3.24   | 10621 HARRY HINES BLVD     | DALLAS | 00000600502000000 | 6                | 23-S (DALLAS) |
| 1     | 0.91   | 2844 LOMBARDY LN           | DALLAS | 00000433534000000 | 6                | 23-T (DALLAS) |
| 1     | 0.44   | 3434 WEBB CHAPEL EXTENSION | DALLAS | 005775000A16C0000 | 6                | 23-U (DALLAS) |
| 1     | 7.42   | 3440 WEBB CHAPEL EXTENSION | DALLAS | 005775000A16A0000 | 6                | 23-U (DALLAS) |
| 1     | 1.84   | 9655 WEBB CHAPEL EXTENSION | DALLAS | 005775000A16B0000 | 6                | 23-U (DALLAS) |
| 1     | 0.99   | 10300 OVERLAKE DR          | DALLAS | 00000433582000000 | 6                | 23-X (DALLAS) |
| 1     | 2.55   | 3001 COMMUNITY DR          | DALLAS | 00000433595000000 | 6                | 23-Y (DALLAS) |
| 1     | 0.28   | 3361 COMMUNITY DR          | DALLAS | 00000432970000000 | 6                | 23-Y (DALLAS) |
| 1     | 0.17   | 3440 WEBB CHAPEL EXTENSION | DALLAS | 005775000A0000000 | 6                | 23-Y (DALLAS) |
| 1     | 8.82   | 3700 SHORECREST DR         | DALLAS | 00000322747000000 | 6                | 24-X (DALLAS) |
| 1     | 1.62   | 4401 IRVING BLVD           | DALLAS | 00000766262000000 | 6                | 32-Z (DALLAS) |
| 1     | 12.40  | 1200 STOREY LN             | DALLAS | 00000806686000000 | 6                | 33-A (DALLAS) |
| 1     | 12.00  | 1204 STOREY LN             | DALLAS | 00000806692000000 | 6                | 33-A (DALLAS) |
| 1     | 18.77  | 1430 STOREY LN             | DALLAS | 00000806680000000 | 6                | 33-A (DALLAS) |
| 1     | 0.83   | 1431 STOREY LN             | DALLAS | 00000806683000000 | 6                | 33-A (DALLAS) |
| 1     | 5.27   | 1432 STOREY LN             | DALLAS | 00000806674000000 | 6                | 33-A (DALLAS) |
| 1     | 3.00   | 1434 STOREY LN             | DALLAS | 00000806677000000 | 6                | 33-A (DALLAS) |
| 1     | 29.20  | 9801 HARRY HINES BLVD      | DALLAS | 005797000A0070000 | 6                | 33-B (DALLAS) |
| 1     | 0.55   | 9819 HARRY HINES BLVD      | DALLAS | 00000434188000000 | 6                | 33-B (DALLAS) |
| 1     | 31.13  | 1440 STOREY LN             | DALLAS | 00000434200000000 | 6                | 33-B (DALLAS) |
| 1     | 30.00  | 1444 STOREY LN             | DALLAS | 00000434206000000 | 6                | 33-B (DALLAS) |
| 1     | 234.00 | 2500 W NORTHWEST HWY       | DALLAS | 00000322738000000 | 6                | 33-C (DALLAS) |
| 1     | 1.71   | 2900 W NORTHWEST HWY       | DALLAS | 00000433837000000 | 6                | 33-C (DALLAS) |
| 1     | 0.01   | 9400 OVELLA AVE            | DALLAS | 0057890A0001A0000 | 6                | 33-C (DALLAS) |
| 1     | 0.15   | 3501 PUTNAM DR             | DALLAS | 00000334093000000 | 14               | 33-D (DALLAS) |
| 1     | 0.18   | 3503 WYLIE DR              | DALLAS | 00000333886000000 | 14               | 33-D (DALLAS) |
| 1     | 0.21   | 3514 SHORECREST DR         | DALLAS | 00000333880000000 | 14               | 33-D (DALLAS) |
| 1     | 3.60   | 1001 TRINITY RIVER DR      | DALLAS | 00000818282000000 | 6                | 33-E (DALLAS) |
| 1     | 3.48   | 9000 HARRY HINES BLVD      | DALLAS | 00606900000000000 | 2                | 33-F (DALLAS) |
| 1     | 1.92   | 9000 HARRY HINES BLVD      | DALLAS | 00606900000000100 | 2                | 33-F (DALLAS) |
| 1     | 87.42  | 9300 N STEMMONS FWY        | DALLAS | 00000322717000000 | 6                | 33-F (DALLAS) |
| 1     | 49.03  | 9500 HARRY HINES BLVD      | DALLAS | 00000322732000000 | 2                | 33-G (DALLAS) |
| 1     | 10.37  | 2502 SHORECREST DR         | DALLAS | 004682000001A0000 | 14               | 33-G (DALLAS) |
| 1     | 0.21   | 3512 SHORECREST DR         | DALLAS | 00000333883000000 | 14               | 33-G (DALLAS) |
| 1     | 1.43   | 8114 DENTON DR             | DALLAS | 00000214909000000 | 14               | 33-H (DALLAS) |
| 1     | 3.50   | 9000 N STEMMONS FWY        | DALLAS | 00000818280000000 | 6                | 33-H (DALLAS) |
| 1     | 66.92  | 1001 TRINITY RIVER DR      | DALLAS | 00000818284000000 | 6                | 33-J (DALLAS) |
| 1     | 0.44   | 7511 HINES PL              | DALLAS | 00000502930000000 | 2                | 33-M (DALLAS) |

Lessee: Trinity East Energy  
North/Trinity River Properties

| GROUP        | ACRES          | ADDRESS               |      | CITY    | DALLAS CAD ACCT # | COUNCIL DISTRICT | MAPSCO        |
|--------------|----------------|-----------------------|------|---------|-------------------|------------------|---------------|
| 1            | 0.92           | 500 PROFIT            | DR   | DALLAS  | 00000779464000000 | 6                | 33-S (DALLAS) |
| 1            | 0.03           | 910 W MOCKINGBIRD     | LN   | DALLAS  | 00000778538000000 | 6                | 33-T (DALLAS) |
| 1            | 0.88           | 7161 ENVOY            | CT   | DALLAS  | 00000778510000000 | 6                | 33-U (DALLAS) |
| 1            | 1.62           | 7000 JOHN W CARPENTER | FWY  | DALLAS  | 00000778438000000 | 6                | 33-U (DALLAS) |
| 1            | 0.60           | 1501 RECORD CROSSING  | RD   | DALLAS  | 00000778072000100 | 2                | 33-V (DALLAS) |
| 1            | 1.51           | 4151 HALIFAX          | ST   | DALLAS  | 00000766216000000 | 6                | 33-W (DALLAS) |
| 1            | 0.63           | 1258 SLEEPY HOLLOW    | DR   | DALLAS  | 00000423232000000 | 2                | 33-Y (DALLAS) |
| 1            | 1.40           | 3040 IRVING           | BLVD | DALLAS  | 00000575963000100 | 6                | 33-Z (DALLAS) |
| 1            | 2.71           | 3031 PEGASUS PARK     | DR   | DALLAS  | 00000575977000000 | 6                | 33-Z (DALLAS) |
| 1            | 1.94           | 5400 RIVERSIDE        | DR   | DALLAS  | 00000778860000000 | 2                | 33-Z (DALLAS) |
| 1            | 0.43           | 6904 MOHAWK           | DR   | DALLAS  | 00000214585000000 | 2                | 34-N (DALLAS) |
| 1            | 0.16           | 5523 ARLINGTON PARK   | DR   | DALLAS  | 00000776788500000 | 2                | 34-S (DALLAS) |
| 1            | 0.06           | 5511 ARLINGTON PARK   | DR   | DALLAS  | 00000776794000000 | 2                | 34-W (DALLAS) |
| 1            | 0.16           | 1708 BRIAR CLIFF      | RD   | DALLAS  | 00000777840000000 | 2                | 34-W (DALLAS) |
| 1            | 0.11           | 1714 BRIAR CLIFF      | RD   | DALLAS  | 00000777870000000 | 2                | 34-W (DALLAS) |
| 1            | 9.00           | 1700 ROYAL            | LN   | DALLAS  | 00000815830000000 | 6                | 22-J (DALLAS) |
| 1            | 2.82           | 7600 HARRY HINES      | BLVD | DALLAS  | 00000335134000000 | 2                | 33-R (DALLAS) |
| 1            | 16.15          | 7700 HARRY HINES      | BLVD | DALLAS  | 00000335116000000 | 2                | 33-M (DALLAS) |
| 1            | 1.91           | 7700 HARRY HINES      | BLVD | DALLAS  | 004708000E0010000 | 2                | 33-M (DALLAS) |
| 1            | 1.47           | 7911 MOHAWK           | DR   | DALLAS  | 00000333061000000 | 2                | 33-M (DALLAS) |
| 1            | 10.90          | 1505 RECORD CROSSING  | RD   | DALLAS  | 00000778072000000 | 2                | 33-V (DALLAS) |
| 2A           | 12.23          | 10001 TRINITY RIVER   | DR   | DALLAS  | 00000818266200000 | 6                | 33-Z (DALLAS) |
| 2A           | 8.40           | 4400 CANADA           | DR   | DALLAS  | 00000687067000000 | 6                | 42-H (DALLAS) |
| 2A           | 11.18          | 4901 IRVING           | BLVD | DALLAS  | 00000818245000000 | 6                | 32-Y (DALLAS) |
| 2A           | 12.76          | 4971 IRVING           | BLVD | DALLAS  | 00000818260000000 | 6                | 32-Y (DALLAS) |
| 2A           | 8.89           | 4953 IRVING           | BLVD | DALLAS  | 00000818257000000 | 6                | 32-Y (DALLAS) |
| 2A           | 283.63         | 1001 TRINITY RIVER    | DR   | DALLAS  | 00000818275000000 | 6                | 32-R (DALLAS) |
| 2A           | 1.42           | 1001 TRINITY RIVER    | DR   | DALLAS  | 00000818272000000 | 6                | 32-R (DALLAS) |
| 2A           | 7.72           | 3100 PROCTOR          | ST   | NO TOWN | 65084501510020100 | n/a              | 32-R (DALLAS) |
| 2A           | 334.43         | 1001 TRINITY RIVER    | DR   | DALLAS  | 00000818221000000 | 6                | 42-C (DALLAS) |
| 2A           | 16.37          | 1001 TRINITY RIVER    | DR   | DALLAS  | 00000818239000000 | 6                | 42-C (DALLAS) |
| 2A           | 130.16         | 1001 TRINITY RIVER    | DR   | DALLAS  | 00000818236000000 | 6                | 42-D (DALLAS) |
| 2A           | 17.53          | 1001 TRINITY RIVER    | DR   | DALLAS  | 00000818233000000 | 6                | 42-D (DALLAS) |
| 2A           | 56.75          | 1001 TRINITY RIVER    | DR   | DALLAS  | 00000818227000000 | 6                | 42-G (DALLAS) |
| 2A           | 1.09           | 1001 TRINITY RIVER    | DR   | DALLAS  | 00000818224000000 | 6                | 42-G (DALLAS) |
| 2A           | 223.40         | 1001 N WESTMORELAND   | RD   | DALLAS  | 00000818218000000 | 6                | 43-B (DALLAS) |
| 2A           | 298.62         | 200 W MOCKINGBIRD     | LN   | DALLAS  | 00000818212000000 | 6                | 43-C (DALLAS) |
| 2A           | 48.89          | 200 INWOOD            | RD   | DALLAS  | 00000818209000000 | 6                | 43-D (DALLAS) |
| 2A           | 100.14         | 4500 N HAMPTON        | RD   | DALLAS  | 00000818198000000 | 6                | 43-H (DALLAS) |
| 2A           | 25.70          | 1001 TRINITY RIVER    | DR   | DALLAS  | 00000818197000000 | 6                | 44-A (DALLAS) |
| 2A           | 0.05           | 3400 DOUG             | DR   | DALLAS  | 0063640L000010000 | 6                | 43-B (DALLAS) |
| 2A           | 14.12          | 4961 IRVING           | BLVD | DALLAS  | 00000818248000000 | 6                | 42-C (DALLAS) |
| <b>TOTAL</b> | <b>3644.59</b> |                       |      |         |                   |                  |               |

Listing of Properties is based on City research. No warranty is provided. Potential Lessee is responsible for Deed and Title work.

Lessee: XTO Energy  
South Properties

| GROUP | ACRES   | ADDRESS                   | CITY   | DALLAS CAD ACCT # | COUNCIL DISTRICT | MAPSCO         |
|-------|---------|---------------------------|--------|-------------------|------------------|----------------|
| 2     | 1.86    | 6400 SINGLETON BLVD       | DALLAS | 0071710000070000  | 6                | 42-J (DALLAS)  |
| 2     | 12.45   | 3700 BERNAL DR            | DALLAS | 00000686473100000 | 6                | 42-M (DALLAS)  |
| 2     | 0.24    | 3014 PLUTO ST             | DALLAS | 00000688951000000 | 6                | 42-M (DALLAS)  |
| 2     | 3.23    | 2600 CHALK HILL DR        | DALLAS | 00000699991000000 | 3                | 42-Q (DALLAS)  |
| 2     | 0.71    | 2800 NORWICH ST           | DALLAS | 00000700254000000 | 3                | 43-N (DALLAS)  |
| 2     | 0.30    | 3604 BEDFORD ST           | DALLAS | 00000700720000000 | 3                | 43-P (DALLAS)  |
| 2     | 0.46    | 3607 BEDFORD ST           | DALLAS | 00000700651000000 | 3                | 43-P (DALLAS)  |
| 2     | 0.11    | 2709 SHADRACK DR          | DALLAS | 00000700702000100 | 3                | 43-P (DALLAS)  |
| 2     | 0.27    | 2803 SHADRACK DR          | DALLAS | 00000700714000000 | 3                | 43-P (DALLAS)  |
| 2     | 0.12    | 2807 SHADRACK DR          | DALLAS | 00000700705000100 | 3                | 43-P (DALLAS)  |
| 2     | 0.12    | 2817 SHADRACK DR          | DALLAS | 00000700717000100 | 3                | 43-P (DALLAS)  |
| 2     | 0.13    | 3557 SINGLETON BLVD       | DALLAS | 00000684209000000 | 3                | 43-P (DALLAS)  |
| 2     | 59.34   | 6100 IH 30                | DALLAS | 00000697501240000 | 6                | 45-P (DALLAS)  |
| 2     | 99.00   | 8200 W JEFFERSON BLVD     | DALLAS | 00000513541000000 | 3                | 51A-G (DALLAS) |
| 2     | 20.60   | 9150 W JEFFERSON BLVD     | DALLAS | 00000513535000000 | 3                | 51A-G (DALLAS) |
| 2     | 242.09  | 9010 W JEFFERSON BLVD     | DALLAS | 00000513562000000 | 3                | 51A-H (DALLAS) |
| 2     | 85.00   | 1400 W JEFFERSON BLVD     | DALLAS | 00000513538000000 | 3                | 51A-K (DALLAS) |
| 2     | 94.00   | 1100 W JEFFERSON BLVD     | DALLAS | 00000513523000000 | 3                | 51A-L (DALLAS) |
| 2     | 14.15   | 1402 W JEFFERSON BLVD     | DALLAS | 00611302060000000 | 3                | 51A-L (DALLAS) |
| 2     | 117.76  | 1402 W JEFFERSON BLVD     | DALLAS | 00000513529000000 | 3                | 51A-Q (DALLAS) |
| 2     | 36.60   | 2852 W JEFFERSON BLVD     | DALLAS | 00000513550000000 | 3                | 51B-J (DALLAS) |
| 2     | 0.66    | 2856 W JEFFERSON BLVD     | DALLAS | 00000513547000000 | 3                | 51B-J (DALLAS) |
| 2     | 3.52    | 1000 N WALTON WALKER BLVD | DALLAS | 00000802942000000 | 6                | 52-A (DALLAS)  |
| 2     | 28.25   | 5303 KEENELAND PKWY       | DALLAS | 00000760682050200 | 3                | 52-F (DALLAS)  |
| 2     | 2.19    | 5304 KEENELAND PKWY       | DALLAS | 00000760682050500 | 3                | 52-F (DALLAS)  |
| 2     | 3.67    | 1300 CAVALCADE DR         | DALLAS | 00000761686500000 | 3                | 52-J (DALLAS)  |
| 2     | 3.78    | 1200 CHERRY LAUREL LN     | DALLAS | 00000760698500000 | 3                | 52-J (DALLAS)  |
| 2     | 17.99   | 2001 MOUNTAIN CREEK PKWY  | DALLAS | 00000513502000000 | 3                | 52-N (DALLAS)  |
| 2     | 108.56  | 2101 MOUNTAIN CREEK PKWY  | DALLAS | 00000513511000000 | 3                | 52-N (DALLAS)  |
| 2     | 35.25   | 1301 S WALTON WALKER BLVD | DALLAS | 00000513506500000 | 3                | 52-N (DALLAS)  |
| 2     | 62.34   | 5400 EAGLE FORD DR        | DALLAS | 00868300000031000 | 3                | 61A-Z (DALLAS) |
| 2     | 3.07    | 6102 MOUNTAIN CREEK PKWY  | DALLAS | 00868200010010000 | 3                | 61A-Z (DALLAS) |
| 2     | 50.46   | 3200 MOUNTAIN CREEK PKWY  | DALLAS | 00000513522000000 | 3                | 61B-A (DALLAS) |
| 2     | 3.52    | 6100 EAGLE FORD DR        | DALLAS | 00868400000000000 | 3                | 71A-D (DALLAS) |
| 2     | 36.40   | 5701 FM RD 1382           | DALLAS | 00000818590000100 | 3                | 71A-D (DALLAS) |
| 2     | 5.65    | 6102 MOUNTAIN CREEK PKWY  | DALLAS | 00868300000030600 | 3                | 71A-D (DALLAS) |
| 2     | 3.12    | 6300 EAGLE FORD DR        | DALLAS | 00000818590001000 | 3                | 71A-H (DALLAS) |
| 2     | 5.68    | 8400 FOXHAVEN DR          | DALLAS | 00861100000000000 | 3                | 71A-H (DALLAS) |
| 2     | 296.97  | 8611 COUNTY VIEW RD       | DALLAS | 00000816078000000 | 3                | 71B-J (DALLAS) |
| 2     | 8.69    | 2101 MOUNTAIN CREEK PKWY  | DALLAS | 00000513511000100 | 3                | 52-N (DALLAS)  |
| 2     | 5.92    | 5800 SPORTSMANS PKWY      | DALLAS | 00000760697750000 | 3                | 52-J (DALLAS)  |
| 2     | 1.97    | 6000 SPORTSMANS PKWY      | DALLAS | 00000761687000000 | 3                | 52-J (DALLAS)  |
| 2     | 10.16   | 6000 SPORTSMANS PKWY      | DALLAS | 00000760705000000 | 3                | 51-B (DALLAS)  |
| 2     | 10.00   | 5516 ARCADIA DR           | DALLAS | 00000804778000000 | 3                | 52-G (DALLAS)  |
| 2     | 1.24    | 5312 S ARCADIA DR         | DALLAS | 00000805933000000 | 3                | 52-F (DALLAS)  |
| 2     | 1.81    | 5316 S ARCADIA DR         | DALLAS | 00000805936000000 | 3                | 52-F (DALLAS)  |
| 2     | 2.40    | 5323 S ARCADIA DR         | DALLAS | 00000805939000000 | 3                | 52-F (DALLAS)  |
| 2     | 35.09   | 1350 SKYLINE RD           | DALLAS | 00611300000000000 | 3                | 51A-K (DALLAS) |
| TOTAL | 1536.91 |                           |        |                   |                  |                |

Listing of Properties is based on City research. No warranty is provided. Potential Lessee is responsible for Deed and Title work.

Lessee: XTO Energy  
South Properties

| GROUP | ACRES   | ADDRESS                   | CITY   | DALLAS CAD ACCT # | COUNCIL DISTRICT | MAPSCO         |
|-------|---------|---------------------------|--------|-------------------|------------------|----------------|
| 2     | 1.86    | 6400 SINGLETON BLVD       | DALLAS | 0071710000070000  | 6                | 42-J (DALLAS)  |
| 2     | 12.45   | 3700 BERNAL DR            | DALLAS | 00000686473100000 | 6                | 42-M (DALLAS)  |
| 2     | 0.24    | 3014 PLUTO ST             | DALLAS | 00000688951000000 | 6                | 42-M (DALLAS)  |
| 2     | 3.23    | 2600 CHALK HILL DR        | DALLAS | 00000699991000000 | 3                | 42-Q (DALLAS)  |
| 2     | 0.71    | 2800 NORWICH ST           | DALLAS | 00000700254000000 | 3                | 43-N (DALLAS)  |
| 2     | 0.30    | 3604 BEDFORD ST           | DALLAS | 00000700720000000 | 3                | 43-P (DALLAS)  |
| 2     | 0.46    | 3607 BEDFORD ST           | DALLAS | 00000700651000000 | 3                | 43-P (DALLAS)  |
| 2     | 0.11    | 2709 SHADRACK DR          | DALLAS | 00000700702000100 | 3                | 43-P (DALLAS)  |
| 2     | 0.27    | 2803 SHADRACK DR          | DALLAS | 00000700714000000 | 3                | 43-P (DALLAS)  |
| 2     | 0.12    | 2807 SHADRACK DR          | DALLAS | 00000700705000100 | 3                | 43-P (DALLAS)  |
| 2     | 0.12    | 2817 SHADRACK DR          | DALLAS | 00000700717000100 | 3                | 43-P (DALLAS)  |
| 2     | 0.13    | 3557 SINGLETON BLVD       | DALLAS | 00000684209000000 | 3                | 43-P (DALLAS)  |
| 2     | 59.34   | 6100 IH 30                | DALLAS | 00000697501240000 | 6                | 45-P (DALLAS)  |
| 2     | 99.00   | 8200 W JEFFERSON BLVD     | DALLAS | 00000513541000000 | 3                | 51A-G (DALLAS) |
| 2     | 20.60   | 9150 W JEFFERSON BLVD     | DALLAS | 00000513535000000 | 3                | 51A-G (DALLAS) |
| 2     | 242.09  | 9010 W JEFFERSON BLVD     | DALLAS | 00000513562000000 | 3                | 51A-H (DALLAS) |
| 2     | 85.00   | 1400 W JEFFERSON BLVD     | DALLAS | 00000513538000000 | 3                | 51A-K (DALLAS) |
| 2     | 94.00   | 1100 W JEFFERSON BLVD     | DALLAS | 00000513523000000 | 3                | 51A-L (DALLAS) |
| 2     | 14.15   | 1402 W JEFFERSON BLVD     | DALLAS | 00611302060000000 | 3                | 51A-L (DALLAS) |
| 2     | 117.76  | 1402 W JEFFERSON BLVD     | DALLAS | 00000513529000000 | 3                | 51A-Q (DALLAS) |
| 2     | 36.60   | 2852 W JEFFERSON BLVD     | DALLAS | 00000513550000000 | 3                | 51B-J (DALLAS) |
| 2     | 0.66    | 2856 W JEFFERSON BLVD     | DALLAS | 00000513547000000 | 3                | 51B-J (DALLAS) |
| 2     | 3.52    | 1000 N WALTON WALKER BLVD | DALLAS | 00000802942000000 | 6                | 52-A (DALLAS)  |
| 2     | 28.25   | 5303 KEENELAND PKWY       | DALLAS | 00000760682050200 | 3                | 52-F (DALLAS)  |
| 2     | 2.19    | 5304 KEENELAND PKWY       | DALLAS | 00000760682050500 | 3                | 52-F (DALLAS)  |
| 2     | 3.67    | 1300 CAVALCADE DR         | DALLAS | 00000761686500000 | 3                | 52-J (DALLAS)  |
| 2     | 3.78    | 1200 CHERRY LAUREL LN     | DALLAS | 00000760698500000 | 3                | 52-J (DALLAS)  |
| 2     | 17.99   | 2001 MOUNTAIN CREEK PKWY  | DALLAS | 00000513502000000 | 3                | 52-N (DALLAS)  |
| 2     | 108.56  | 2101 MOUNTAIN CREEK PKWY  | DALLAS | 00000513511000000 | 3                | 52-N (DALLAS)  |
| 2     | 35.25   | 1301 S WALTON WALKER BLVD | DALLAS | 00000513506500000 | 3                | 52-N (DALLAS)  |
| 2     | 62.34   | 5400 EAGLE FORD DR        | DALLAS | 00868300000031000 | 3                | 61A-Z (DALLAS) |
| 2     | 3.07    | 6102 MOUNTAIN CREEK PKWY  | DALLAS | 00868200010010000 | 3                | 61A-Z (DALLAS) |
| 2     | 50.46   | 3200 MOUNTAIN CREEK PKWY  | DALLAS | 00000513522000000 | 3                | 61B-A (DALLAS) |
| 2     | 3.52    | 6100 EAGLE FORD DR        | DALLAS | 00868400000000000 | 3                | 71A-D (DALLAS) |
| 2     | 36.40   | 5701 FM RD 1382           | DALLAS | 00000818590000100 | 3                | 71A-D (DALLAS) |
| 2     | 5.65    | 6102 MOUNTAIN CREEK PKWY  | DALLAS | 00868300000030600 | 3                | 71A-D (DALLAS) |
| 2     | 3.12    | 6300 EAGLE FORD DR        | DALLAS | 00000818590001000 | 3                | 71A-H (DALLAS) |
| 2     | 5.68    | 8400 FOXHAVEN DR          | DALLAS | 00861100000000000 | 3                | 71A-H (DALLAS) |
| 2     | 296.97  | 8611 COUNTY VIEW RD       | DALLAS | 00000816078000000 | 3                | 71B-J (DALLAS) |
| 2     | 8.69    | 2101 MOUNTAIN CREEK PKWY  | DALLAS | 00000513511000100 | 3                | 52-N (DALLAS)  |
| 2     | 5.92    | 5800 SPORTSMANS PKWY      | DALLAS | 00000760697750000 | 3                | 52-J (DALLAS)  |
| 2     | 1.97    | 6000 SPORTSMANS PKWY      | DALLAS | 00000761687000000 | 3                | 52-J (DALLAS)  |
| 2     | 10.16   | 6000 SPORTSMANS PKWY      | DALLAS | 00000760705000000 | 3                | 51-B (DALLAS)  |
| 2     | 10.00   | 5516 ARCADIA DR           | DALLAS | 00000804778000000 | 3                | 52-G (DALLAS)  |
| 2     | 1.24    | 5312 S ARCADIA DR         | DALLAS | 00000805933000000 | 3                | 52-F (DALLAS)  |
| 2     | 1.81    | 5316 S ARCADIA DR         | DALLAS | 00000805936000000 | 3                | 52-F (DALLAS)  |
| 2     | 2.40    | 5323 S ARCADIA DR         | DALLAS | 00000805939000000 | 3                | 52-F (DALLAS)  |
| 2     | 35.09   | 1350 SKYLINE RD           | DALLAS | 00611300000000000 | 3                | 51A-K (DALLAS) |
| TOTAL | 1536.91 |                           |        |                   |                  |                |

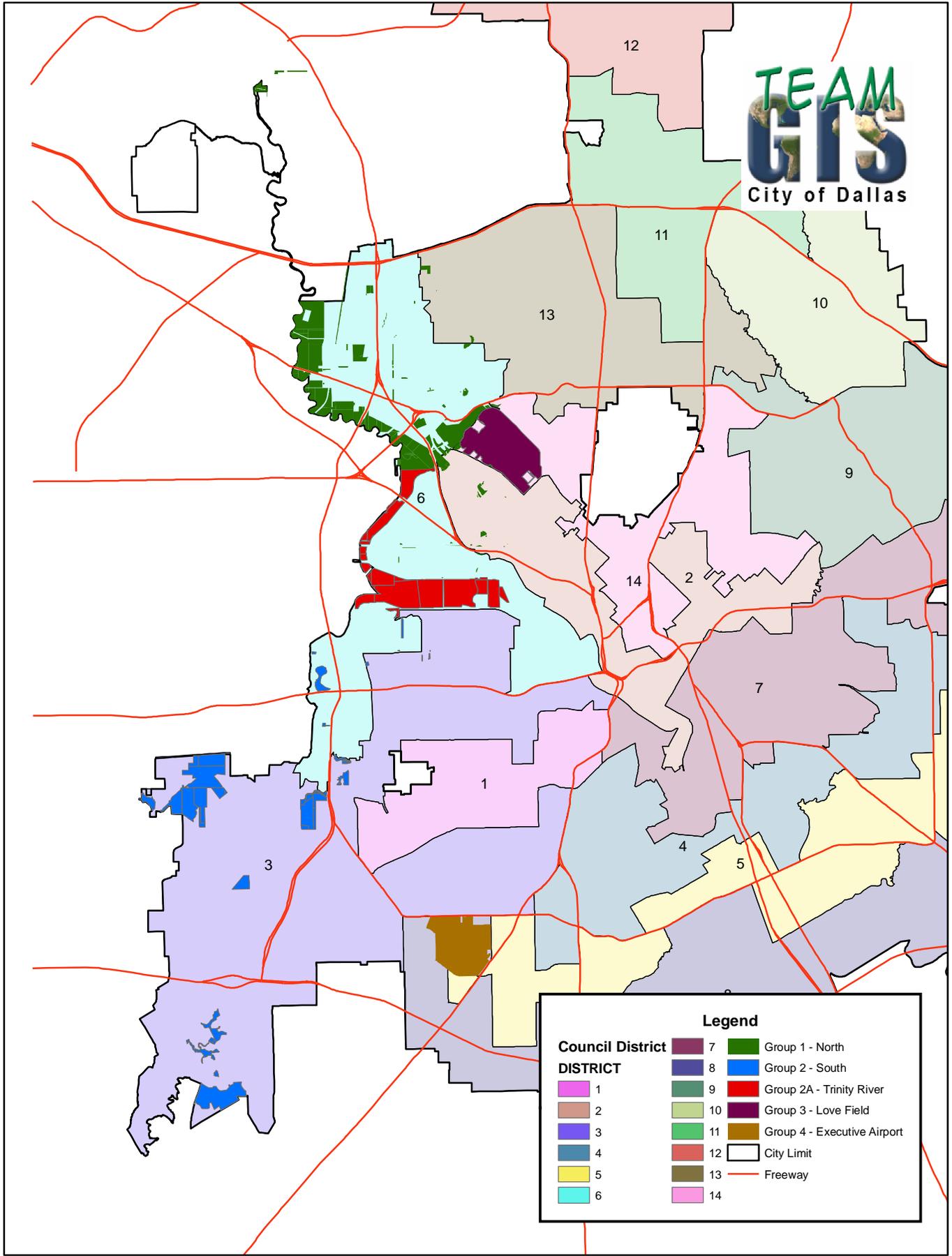
Listing of Properties is based on City research. No warranty is provided. Potential Lessee is responsible for Deed and Title work.

Lessee: Trinity East Energy  
Love Field Airport Property

| GROUP | ACRES   | ADDRESS               | CITY   | DALLAS CAD ACCT # | COUNCIL DISTRICT | MAPSCO        |
|-------|---------|-----------------------|--------|-------------------|------------------|---------------|
| 3     | 1322.79 | 3001 W MOCKINGBIRD LN | DALLAS | 00LOVEFLD00000000 | 14               | 34-K (DALLAS) |
| TOTAL | 1322.79 |                       |        |                   |                  |               |

Listing of Properties is based on City research. No warranty is provided. Potential Lessee is responsible for Deed and Title work.

# City - Owned Property Included in Gas Well Drilling and Production Leases RFP



| Legend                  |    |                             |
|-------------------------|----|-----------------------------|
| <b>Council District</b> | 7  | Group 1 - North             |
| <b>DISTRICT</b>         | 8  | Group 2 - South             |
| 1                       | 9  | Group 2A - Trinity River    |
| 2                       | 10 | Group 3 - Love Field        |
| 3                       | 11 | Group 4 - Executive Airport |
| 4                       | 12 | City Limit                  |
| 5                       | 13 | Freeway                     |
| 6                       | 14 |                             |

2 1 0 2 Miles



February 6, 2008

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

**Section 1.** That the City Manager is authorized to execute **(1)** a thirty-six-month lease agreement for City of Dallas south properties with XTO Energy, Inc., (VS0000028869) in the amount of \$14,380,866.87 and a 26% royalty on hydrocarbons produced, **(2)** a thirty-six-month lease agreement, with one thirty-six-month renewal option, for City of Dallas north/Trinity River properties with Trinity East Energy, LLC, (VS0000024429) in the amount of \$19,045,376.00 and a 25% royalty on hydrocarbons produced, and **(3)** a thirty-six-month lease agreement, with one thirty-six-month renewal option, for City of Dallas Love Field properties with Trinity East Energy, LLC, (VS0000024429) in the amount of \$1,455,071.20 and a 15% royalty on hydrocarbons produced for natural gas drilling and production lease rights - Estimated Revenue \$34,881,314.07, upon approval as to form by the City Attorney.

**Section 2.** That the City Controller is authorized to deposit all revenues received from XTO Energy, Inc. and Trinity East Energy, LLC, as follows:

| <u>Fund</u> | <u>Dept</u> | <u>Unit</u> | <u>Revenue Source</u> | <u>Amount</u>   |
|-------------|-------------|-------------|-----------------------|-----------------|
| 0001        | BMS         | 1991        | 8221                  | \$33,426,242.87 |
| 0130        | AVI         | 7725        | 8221                  | \$ 1,455,071.20 |

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

**DISTRIBUTION:**

Business Development and Procurement Services, 3FS  
 Office of Financial Services  
 Aviation



**AGENDA ITEM # 4**

**KEY FOCUS AREA:** Make Government More Efficient, Effective and Economical

**AGENDA DATE:** February 6, 2008

**COUNCIL DISTRICT(S):** N/A

**DEPARTMENT:** City Attorney's Office

**CMO:** Thomas P. Perkins, Jr., 670-3491

**MAPSCO:** N/A

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**SUBJECT**

Authorize Supplemental Agreement No. 1 to the professional services contract with the law firm of Moses, Palmer & Howell, L.L.P., for additional legal services necessary in connection with oil and gas leasing activities - Not to exceed \$20,000, from \$25,000 to \$45,000 - Financing: Current Funds

**BACKGROUND**

On August 9, 2007, pursuant to Administrative Action No. 07-2229, the City entered into a professional services contract with the law firm of Moses, Palmer & Howell, L.L.P., in an amount not to exceed \$25,000 for legal services necessary to provide legal advice and counsel to the City of Dallas in connection with oil and gas leasing activities. This item authorizes Supplemental Agreement No. 1 to the professional services contract with the law firm of Moses, Palmer & Howell, L.L.P., for additional legal services needed in this matter in an amount not to exceed \$20,000, increasing the original contract amount from \$25,000 to \$45,000.

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

This item has no prior action.

**FISCAL INFORMATION**

\$20,000 – Current Funds

**M/WBE INFORMATION**

See attached.

**ETHNIC COMPOSITION**

**Moses, Palmer & Howell, L.L.P.**

|                       |   |                         |   |
|-----------------------|---|-------------------------|---|
| White Male            | 4 | White Female            | 6 |
| African-American Male | 0 | African-American Female | 1 |
| Hispanic Male         | 0 | Hispanic Female         | 0 |
| Other Male            | 0 | Other Female            | 0 |

**OWNER**

**Moses, Palmer & Howell, L.L.P.**

Shayne D. Moses, Partner

## **GOOD FAITH EFFORT PLAN SUMMARY**

**PROJECT:** Authorize Supplemental Agreement No. 1 to the professional services contract with the law firm of Moses, Palmer & Howell, L.L.P., for additional legal services necessary in connection with oil and gas leasing activities - Not to exceed \$20,000, from \$25,000 to \$45,000 - Financing: Current Funds

Moses, Palmer & Howell, L.L.P. is a local, non-minority firm, has signed the "Good Faith Effort" documentation, and proposes to use their own workforce.

**PROJECT CATEGORY:** Professional Services

### **LOCAL/NON-LOCAL CONTRACT SUMMARY - THIS ACTION ONLY**

|                          | <u>Amount</u>      | <u>Percent</u> |
|--------------------------|--------------------|----------------|
| Local contracts          | \$20,000.00        | 100.00%        |
| Non-local contracts      | \$0.00             | 0.00%          |
| <b>TOTAL THIS ACTION</b> | <b>\$20,000.00</b> | <b>100.00%</b> |

### **LOCAL/NON-LOCAL M/WBE PARTICIPATION THIS ACTION**

#### **Local Contractors / Sub-Contractors**

None

#### **Non-Local Contractors / Sub-Contractors**

None

### **TOTAL M/WBE PARTICIPATION**

|                   | <u>This Action</u> |                | <u>Participation to Date</u> |                |
|-------------------|--------------------|----------------|------------------------------|----------------|
|                   | <u>Amount</u>      | <u>Percent</u> | <u>Amount</u>                | <u>Percent</u> |
| African American  | \$0.00             | 0.00%          | \$0.00                       | 0.00%          |
| Hispanic American | \$0.00             | 0.00%          | \$0.00                       | 0.00%          |
| Asian American    | \$0.00             | 0.00%          | \$0.00                       | 0.00%          |
| Native American   | \$0.00             | 0.00%          | \$0.00                       | 0.00%          |
| WBE               | \$0.00             | 0.00%          | \$0.00                       | 0.00%          |
| Total             | \$0.00             | 0.00%          | \$0.00                       | 0.00%          |



February 6, 2008

**WHEREAS**, on August 9, 2007, pursuant to Administrative Action No. 07-2229, the City entered into a professional services contract with the law firm of Moses, Palmer & Howell, L.L.P., for legal services necessary to provide legal advice and counsel to the City of Dallas in connection with oil and gas leasing activities in an amount not to exceed \$25,000; and

**WHEREAS**, the legal services of Moses, Palmer & Howell, L.L.P., continue to be necessary in this matter; **Now, Therefore,**

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

**SECTION 1.** That, following approval as to form by the City Attorney, the City Manager is hereby authorized to enter into Supplemental Agreement No. 1 to the professional services contract with the law firm of Moses, Palmer & Howell, L.L.P., for additional legal services necessary in connection with oil and gas leasing activities in an amount not to exceed \$20,000, increasing the original contract amount from \$25,000 to \$45,000.

**SECTION 2.** That the City Controller is authorized to disburse additional periodic payments in an amount not to exceed \$20,000 to Moses, Palmer & Howell, L.L.P., in accordance with the terms of the contract and Supplemental Agreement No. 1, from Fund 0192, Department ORM, Unit 3890, Obj. 3070, Encumbrance No. ATT38908C0104, Vendor No. VS0000023531.

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



**AGENDA ITEM # 5**

**KEY FOCUS AREA:** Make Government More Efficient, Effective and Economical

**AGENDA DATE:** February 6, 2008

**COUNCIL DISTRICT(S):** N/A

**DEPARTMENT:** Office of Financial Services

**CMO:** Dave Cook, 670-7804

**MAPSCO:** N/A

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**SUBJECT**

Authorize a professional services contract with the law firm of Mounce, Green, Myers, Safi, Paxson & Galatzan, P.C. for legal services in matters related to the Railroad Commission of Texas Gas Utilities Docket (GUD) No. 9762, Atmos Energy Corp., Mid-Tex Division Environs Case and Petition for De Novo Review from Dallas City Council action taken on January 23, 2008, on Atmos Dallas Municipal Gas Distribution Rate Statement of Intent dated September 20, 2007 - Not to exceed \$200,000 - Financing: Current Funds (The full amount is reimbursable by Atmos Gas Corporation subject to approval by the Railroad Commission of Texas)

**BACKGROUND**

On January 23, 2008, the City Council adopted the recommendation of the City Council's Finance, Audit & Accountability Committee, and approved reduced rates for Atmos Gas Corporation's Mid-Tex Division for residential, commercial, and industrial customers in the City. Atmos has advised staff that it will appeal from that action to the Railroad Commission. Staff also has learned that the Railroad Commission will consolidate that appeal with an already-pending rate case at the Commission (GUD No. 9762) wherein Atmos is seeking gas distribution rate increases for unincorporated areas in North Texas and for cities that have ceded their rate regulatory jurisdiction to the Commission. Such a proceeding is termed an "environs case." The environs case has been pending since October 26, 2007.

Since late October, staff had been actively discussing settlement with Atmos respecting the company's pending Dallas rate case. When it began to appear that settlement would not occur before the January 23, 2008, statutory deadline for the City Council to act on Atmos' Dallas rate filing, and that the City Council would set rates on January 23 that Atmos would appeal, and because certain findings and actions taken in the environs case could be used against the City, the City Attorney's Office authorized outside counsel (Mounce, Green, Myers, Safi, Paxson & Galatzan, P.C.) to intervene in the environs case. This early intervention was necessary because substantive hearings in the environs case were already scheduled for February 11, 2008.

**BACKGROUND (continued)**

Thus, for outside counsel to research, analyze, and argue Atmos' novel rate design theories, participate in depositions of experts, Atmos executives, and others, and prepare for the upcoming hearings, the firm had to commence work immediately.

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

On January 14, 2008, the City Council's Finance, Audit & Accountability Committee was briefed on Atmos' Statement of Intent to increase Dallas natural gas distribution rates and of the City's consultant's recommendations to deny that rate increase and to approve reduced rates. On January 23, 2008, the City Council approved rates for Atmos Gas Corporation's Mid-Tex Division for City residential, commercial, and industrial customers.

**FISCAL INFORMATION**

Funding for this item is budgeted in the current fiscal year.

\$200,000 - Current Funds (The full amount is reimbursable by Atmos Gas Corporation subject to approval by the Railroad Commission of Texas)

**M/WBE INFORMATION**

See attached.

**ETHNIC COMPOSITION**

Mounce, Green, Myers, Safi, Paxson & Galatzan P.C.

|                       |    |                         |    |
|-----------------------|----|-------------------------|----|
| White Male            | 14 | White Female            | 10 |
| African-American Male | 0  | African-American Female | 0  |
| Hispanic Male         | 7  | Hispanic Female         | 27 |
| Other Male            | 0  | Other Female            | 0  |

**OWNER**

**Mounce, Green, Myers, Safi, Paxson & Galatzan P.C.**

Norman J. Gordon, Member

## **GOOD FAITH EFFORT PLAN SUMMARY**

**PROJECT:** Authorize a professional services contract with the law firm of Mounce, Green, Myers, Safi, Paxson & Galatzan, P.C. for legal services in matters related to the Railroad Commission of Texas Gas Utilities Docket (GUD) No. 9762, Atmos Energy Corp., Mid-Tex Division Environs Case and Petition for De Novo Review from Dallas City Council action taken on January 23, 2008, on Atmos Dallas Municipal Gas Distribution Rate Statement of Intent dated September 20, 2007 - Not to exceed \$200,000 - Financing: Current Funds (The full amount is reimbursable by Atmos Gas Corporation subject to approval by the Railroad Commission of Texas)

Mounce, Green, Myers, Safi & Galatzan P.C. is a non-local, non-minority firm, has signed the "Good Faith Effort" documentation, and proposes to use their own workforce.  
**PROJECT CATEGORY:** Professional Services

### **LOCAL/NON-LOCAL CONTRACT SUMMARY**

|                           | <b><u>Amount</u></b> | <b><u>Percent</u></b> |
|---------------------------|----------------------|-----------------------|
| Total local contracts     | \$200,000.00         | 100.00%               |
| Total non-local contracts | \$0.00               | 0.00%                 |
| <b>TOTAL CONTRACT</b>     | <b>\$200,000.00</b>  | <b>100.00%</b>        |

### **LOCAL/NON-LOCAL M/WBE PARTICIPATION**

#### **Local Contractors / Sub-Contractors**

None

#### **Non-Local Contractors / Sub-Contractors**

None

### **TOTAL M/WBE CONTRACT PARTICIPATION**

|                   | <b><u>Local</u></b> | <b><u>Percent</u></b> | <b><u>Local &amp; Non-Local</u></b> | <b><u>Percent</u></b> |
|-------------------|---------------------|-----------------------|-------------------------------------|-----------------------|
| African American  | \$0.00              | 0.00%                 | \$0.00                              | 0.00%                 |
| Hispanic American | \$0.00              | 0.00%                 | \$0.00                              | 0.00%                 |
| Asian American    | \$0.00              | 0.00%                 | \$0.00                              | 0.00%                 |
| Native American   | \$0.00              | 0.00%                 | \$0.00                              | 0.00%                 |
| WBE               | \$0.00              | 0.00%                 | \$0.00                              | 0.00%                 |
| <b>Total</b>      | <b>\$0.00</b>       | <b>0.00%</b>          | <b>\$0.00</b>                       | <b>0.00%</b>          |



February 6, 2008

**WHEREAS**, the City of Dallas is involved in matters related to Railroad Commission of Texas Gas Utilities Docket No. 9762, which City staff anticipates will soon include Atmos Energy Corporation's appeal by petition for de novo review of the City Council's action approving reductions in Atmos natural gas distribution rates on January 23, 2008; and

**WHEREAS**, the law firm of Mounce, Green, Myers, Safi, Paxson & Galatzan, P.C., has the expertise necessary to represent the City in this matter; **Now, Therefore,**

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

**SECTION 1.** That, following approval as to form by the City Attorney, the City Manager is hereby authorized to enter into a professional services contract with the law firm of Mounce, Green, Myers, Safi, Paxson & Galatzan, P.C., for legal services in matters related to Railroad Commission of Texas Gas Utilities Docket No. 9762, including whether or not consolidated in that proceeding, any appeal or petition for review of the City Council's action on January 23, 2008 setting rates for Atmos Energy Corporation's distribution of natural gas within the City, in an amount not to exceed \$200,000.

**SECTION 2.** That the City Controller is authorized to disburse, in periodic payments to the law firm of Mounce, Green, Myers, Safi, Paxson & Galatzan, P.C., an amount not to exceed \$200,000 from Fund 0192, Department ORM, Unit 3890, Obj. 3070, Encumbrance No. ATT38908D0106, Vendor No. 513285.

**SECTION 3.** That the City Controller is authorized to deposit reimbursement received from Atmos Energy Corporation to Fund 0192, Department ORM, Unit 3890, Obj. 5110.

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



**AGENDA ITEM # 6**

**KEY FOCUS AREA:** Make Government More Efficient, Effective and Economical

**AGENDA DATE:** February 6, 2008

**COUNCIL DISTRICT(S):** N/A

**DEPARTMENT:** Office of Financial Services

**CMO:** Dave Cook, 670-7804

**MAPSCO:** N/A

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**SUBJECT**

Authorize Supplemental Agreement No. 1 to the professional services contract with Diversified Utility Consultants, Inc., for expert consulting services and testimony in matters related to the statement of intent of Atmos Energy to change rates dated September 20, 2007 - Not to exceed \$90,000, from \$70,000 to \$160,000 - Financing: Current Funds (to be fully reimbursed by Atmos Energy)

**BACKGROUND**

On September 20, 2007, Atmos Energy Corp., Mid-Tex Division (Atmos) filed with the City of Dallas (City) its "Statement of Intent to Increase Utility Rates in the Atmos Energy Corp. Mid-Tex Division Gas Utility System." Staff has reviewed the filing and determined that it is necessary to retain outside consultants with expertise in gas regulation issues to assist in reviewing the filing.

Diversified Utility Consultants, Inc. (DUCI) has expertise in gas regulatory matters and is currently assisting the City with gas related issues before the Railroad Commission of Texas and in state district court.

Atmos made this Show Cause Filing in manner that purports to be consistent with its prior City of Dallas Rate case which was litigated before the Railroad Commission and is now currently on appeal in State District Court. Because DUCI has intimate knowledge of that prior case and is currently assisting the City with its appeal, staff solicited a proposal from DUCI to review the current Filing.

The City adopted an Ordinance on January 23, 2008 which denied the rate request and ordered Atmos to lower its rates within the City of Dallas. Atmos has appealed that rate Ordinance to the Railroad Commission of Texas. This Supplemental Agreement is required so that DUCI can prepare testimony and assist the City in its appeal of the municipal rate order before the Railroad Commission of Texas.

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

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

Authorized a professional services contract with Diversified Utility Consultants, Inc. to conduct a review of Atmos Energy Corporation’s filing and make recommendations for fair and reasonable rates on October 24, 2007, Resolution No. 07-3156.

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

Adopted Ordinance No. 27070, setting rates to be charged by Atmos on January 23, 2008.

**FISCAL INFORMATION**

\$90,000 - Current Funds (to be fully reimbursed by Atmos Energy)

**M/WBE INFORMATION**

Diversified Utility Consultants, Inc., is performing services under this contract with its own employees. There are no subcontracting opportunities.

**ETHNIC COMPOSITION**

Diversified Utility Consultants, Inc.

|                       |    |                         |    |
|-----------------------|----|-------------------------|----|
| White Male            | 02 | White Female            | 01 |
| African-American Male | 00 | African-American Female | 00 |
| Hispanic Male         | 00 | Hispanic Female         | 00 |
| Other Male            | 00 | Other Female            | 00 |

**OWNER**

**Diversified Utility Consultants, Inc.**

Daniel J. Lawton, Vice President

## GOOD FAITH EFFORT PLAN SUMMARY

**PROJECT:** Authorize Supplemental Agreement No. 1 to the professional services contract with Diversified Utility Consultants, Inc., for expert consulting services and testimony in matters related to the statement of intent of Atmos Energy to change rates dated September 20, 2007 - Not to exceed \$90,000, from \$70,000 to 160,000 - Financing: Current Funds (to be fully reimbursed by Atmos Energy)

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

**PROJECT CATEGORY:** Professional Services

### LOCAL/NON-LOCAL CONTRACT SUMMARY - THIS ACTION ONLY

|                          | <u>Amount</u>      | <u>Percent</u> |
|--------------------------|--------------------|----------------|
| Local contracts          | \$70.50            | 0.08%          |
| Non-local contracts      | \$89,929.50        | 99.92%         |
| <b>TOTAL THIS ACTION</b> | <b>\$90,000.00</b> | <b>100.00%</b> |

### LOCAL/NON-LOCAL M/WBE PARTICIPATION THIS ACTION

#### Local Contractors / Sub-Contractors

| <u>Local</u>                   | <u>Certification</u> | <u>Amount</u>  | <u>Percent</u> |
|--------------------------------|----------------------|----------------|----------------|
| Reprographic Consultants, Inc. | WFDB3328840108       | \$70.50        | 100.00%        |
| <b>Total Minority - Local</b>  |                      | <b>\$70.50</b> | <b>100.00%</b> |

#### Non-Local Contractors / Sub-Contractors

None

### TOTAL M/WBE PARTICIPATION

|                   | <u>This Action</u> |                | <u>Participation to Date</u> |                |
|-------------------|--------------------|----------------|------------------------------|----------------|
|                   | <u>Amount</u>      | <u>Percent</u> | <u>Amount</u>                | <u>Percent</u> |
| African American  | \$0.00             | 0.00%          | \$0.00                       | 0.00%          |
| Hispanic American | \$0.00             | 0.00%          | \$0.00                       | 0.00%          |
| Asian American    | \$0.00             | 0.00%          | \$0.00                       | 0.00%          |
| Native American   | \$0.00             | 0.00%          | \$0.00                       | 0.00%          |
| WBE               | \$70.50            | 0.08%          | \$70.50                      | 0.04%          |
| <b>Total</b>      | <b>\$70.50</b>     | <b>0.08%</b>   | <b>\$70.50</b>               | <b>0.04%</b>   |



February 6, 2008

**WHEREAS**, Atmos Energy Corp., Mid-Tex Division filed its “Statement of Intent to Increase Utility Rates in the Atmos Energy Corp., Mid-Tex Division Gas Utility System” on September 20, 2007; and

**WHEREAS**, Diversified Utility Consultants, Inc. is currently assisting the City of Dallas with matters pertaining to the rates charged by Atmos Energy Corp. at the Railroad Commission of Texas and in State District Court; and

**WHEREAS**, Diversified Utility Consultants, Inc. has expertise in gas regulatory matters and gas utility cost of service; and

**WHEREAS**, Diversified Utility Consultants, Inc. submitted a proposal to assist the City in its review of the current “Statement of Intent to Increase Utility Rates”; and

**WHEREAS**, Diversified Utility Consultants, Inc. submitted a report detailing findings pertaining to the “Statement of Intent to Increase Utility Rates” to the City on January 16, 2008; and

**WHEREAS**, Diversified Utility Consultants, Inc. in its report, made recommendations pertaining to fair and reasonable rates to be charged by Atmos; and

**WHEREAS**, the City on January 23, 2008 adopted Ordinance No. 27070 setting rates to be charged by Atmos Energy Corp. as recommended by Diversified Utility Consultants, Inc.; and

**WHEREAS**, Atmos Energy Corp., Mid-Tex Division has appealed the City’s rate Order to the Railroad Commission of Texas; and

**WHEREAS**, the expert consulting services and testimony of Diversified Utility Consultants, Inc. are necessary in this matter;

**NOW, THEREFORE,**

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

**SECTION 1.** That following approval as to form by the City Attorney, the City Manager is hereby authorized to enter into Supplemental Agreement No. 1 to the professional services contract with Diversified Utility Consultants, Inc., for additional expert consulting services and testimony necessary in Matters Related to the Dallas Show Cause Filing, in an amount not to exceed \$90,000, increasing the contract amount from \$70,000 to \$160,000.

February 6, 2008

**SECTION 2.** That the City Controller is authorized to disburse, in periodic payments to Diversified Utility Consultants, Inc., an amount not to exceed \$90,000 from Fund 0001, Dept. BMS, Unit 1246, Obj. 3070, Encumbrance No. BMS1246D8038, Vendor No. 249678.

**SECTION 3.** That the City Controller is authorized to deposit reimbursement revenue received from Atmos Energy Corporation to Fund 0001, Dept. BMS, Unit 1246, Revenue Code 7501.

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