

# CITY COUNCIL

## MEETING AGENDA

APRIL 13, 2026, 7:00 PM



CITY COUNCIL SPECIAL MEETING

HISTORIC CHURCH BUILDING - 403 N 7TH STREET, SANGER, TEXAS

### CALL THE SPECIAL MEETING TO ORDER AND ESTABLISH A QUORUM

### INVOCATION AND PLEDGE

### CITIZENS COMMENTS

*This is an opportunity for citizens to address the Council on any matter. Comments related to public hearings will be heard when the specific hearing begins. Citizens are allowed 3 minutes to speak. Each speaker must complete the Speaker's Form and include the topic(s) to be presented. Citizens who wish to address the Council with regard to matters on the agenda will be received at the time the item is considered. The Council is not allowed to converse, deliberate or take action on any matter presented during citizen input.*

### SPECIAL PRESENTATIONS AND ANNOUNCEMENTS

*Mayoral proclamations, presentations of awards and certificates, and other acknowledgments of significant accomplishments or service to the community.*

1. Proclamation declaring April 2026 as Child Abuse Prevention Month

### CONSENT AGENDA

*All items on the Consent Agenda will be acted upon by one vote without being discussed separately unless requested by a Councilmember to remove the item(s) for additional discussion. Any items removed from the Consent Agenda will be taken up for individual consideration.*

2. Consideration and possible action on the minutes from the March 16, 2026, meeting.
3. Consideration and possible action on surplus items as listed in Exhibit A, and authorize disposal through auction.
4. Consideration and possible action on Resolution 2026-01, Responding to the Application of Atmos Energy Corporation – Midtex Division, to increase rates under the Gas Reliability Infrastructure Program; Suspending the Effective Date of this Rate Application for Forty-Five Days; authorizing the City to continue to participate in a coalition of cities known as the "Atmos Texas Municipalities;" determining that the

meeting at which the Resolution was adopted complied with The Texas Open Meetings Act; making such other findings and provisions related to the subject; and declaring an effective date.

5. Consideration and possible action on the purchase of real property, of five (5) lots in OT Sanger, Block 6 from Hollingsworth Revocable Living Trust.
6. Consideration and possible action on the purchase of real property, of two (2) lots in OT Sanger, Block 6 from Sr Bolivar Holdings LLC.

## **FUTURE AGENDA ITEMS**

*The purpose of this item is to allow the Mayor and Councilmembers to bring forward items they wish to discuss at a future meeting, A Councilmember may inquire about a subject for which notice has not been given. A statement of specific factual information or the recitation of existing policy may be given. Any deliberation shall be limited to a proposal to place the subject on an agenda for a subsequent meeting. Items may be placed on a future meeting agenda with a consensus of the Council or at the call of the Mayor.*

## **INFORMATIONAL ITEMS**

*Information Items are for informational purposes only. No action may be taken on items listed under this portion of the agenda.*

7. Rider GCR - Rate Filing under Docket No. OS-24-00019196 - March 26, 2026
8. Republic Services February 2026 Report

## **ADJOURN**

**NOTE:** The City Council reserves the right to adjourn into Executive Session as authorized by Texas Government Code, Section 551.001, et seq. (The Texas Open Meetings Act) on any item on its open meeting agenda in accordance with the Texas Open Meetings Act, including, without limitation Sections 551.071-551.087 of the Texas Open Meetings Act.

## **CERTIFICATION**

I certify that a copy of this meeting notice was posted on the bulletin board at City Hall that is readily accessible to the general public at all times and was posted on the City of Sanger website on April 6, 2026, by 2:45 PM.

**/s/Kelly Edwards**

Kelly Edwards, City Secretary

The Historical Church is wheelchair accessible. Request for additional accommodations or sign interpretation or other special assistance for disabled attendees must be requested 48 hours prior to the meeting by contacting the City Secretary's Office at 940.458.7930.



## Proclamation Child Abuse Prevention Month 2026

To all to whom these presents shall come,

WHEREAS, there were 642 children affected by abuse and neglect served by CASA of Denton County in 2025; and

WHEREAS, more than 202 volunteers from Denton County work with the organization annually by giving their time to ensure safety for our community's children; and

WHEREAS, Our youngest citizens need and deserve to be surrounded by love and positive relationships while being given guidance and protection; and

WHEREAS, the City of Sanger commends the work of CASA of Denton County volunteers and staff in advocating for children during this difficult time in their lives.

NOW, THEREFORE, I Thomas Muir mayor of Sanger and on behalf of the City Council, do hereby recognize the month of **April 2026** as:

**“CHILD ABUSE PREVENTION MONTH”**

IN WITNESS WHEREOF, I have hereunto set my hand and caused the Official Seal of the City of Sanger to be affixed this 13th day of April 2026.

---

Thomas E. Muir, Mayor



# CITY COUNCIL COMMUNICATION

**DATE:** April 13, 2026

**FROM:** Christy Dyer, Executive Administrative Assistant

**AGENDA ITEM:** Consideration and possible action on the minutes from the March 16, 2026, meeting.

**SUMMARY:**  
N/A

**FISCAL INFORMATION:**  
N/A

**RECOMMENDED MOTION OR ACTION:**  
Approve the March 16, 2026, meeting minutes.

**ATTACHMENTS:**  
Meeting minutes.

# CITY COUNCIL MEETING MINUTES



**MARCH 16, 2026, 6:00 PM**

**CITY COUNCIL REGULAR MEETING  
HISTORIC CHURCH BUILDING - 403 N 7TH STREET, SANGER, TEXAS**

## **CALL THE WORK SESSION TO ORDER AND ESTABLISH A QUORUM**

Mayor Pro Tem Bilyeu called the work session to order at 6:02 p.m.

## **COUNCILMEMBERS PRESENT**

Mayor Pro Tem, Place 2	Gary Bilyeu
Councilmember, Place 1	Marissa Barrett
Councilmember, Place 3	Josh Burrus
Councilmember, Place 4	Allen Chick
Councilmember, Place 5	Victor Gann

## **COUNCILMEMBERS ABSENT**

Mayor Thomas Muir

## **STAFF MEMBERS PRESENT:**

City Manager John Noblitt, Director of Development Services Ramie Hammonds, Assistant Fire Chief Casey Welborn, Police Chief Tyson Cheek, Lt. Justin Lewis, and Executive Administrative Assistant Christy Dyer.

## **EXECUTIVE SESSION**

Pursuant to the Open Meetings Act, Chapter 551, the City Council Will Meet in a Closed Executive Session in Accordance with the Texas Government Code:

Section 551.072. DELIBERATION REGARDING REAL PROPERTY

For deliberations regarding the purchase, exchange, lease, or value of real property if deliberation in an open meeting would have a detrimental effect on the position of the governmental body in negotiations with a third person - Riley Ranch

## **RECONVENE INTO WORK SESSION**

Council reconvened into the work session at 7:09 p.m.

**DISCUSSION ITEMS**

1. Annual presentation and overview of the Development Services Department, including Building, Planning & Zoning, Code Enforcement, and Health.

No Discussion

**OVERVIEW OF ITEMS ON THE REGULAR AGENDA**

No Discussion

**ADJOURN THE WORK SESSION**

There being no further business, Mayor Pro Tem Bilyeu adjourned the work session at 7:09 p.m.

**The Regular Meeting will begin following the Work Session  
but not earlier than 7:00 p.m.**

**CALL THE REGULAR MEETING TO ORDER AND ESTABLISH A QUORUM**

Mayor Muir called the regular meeting to order at 7:13 p.m.

**COUNCILMEMBERS PRESENT**

Mayor Pro Tem, Place 2	Gary Bilyeu
Councilmember, Place 1	Marissa Barrett
Councilmember, Place 3	Josh Burrus
Councilmember, Place 4	Allen Chick
Councilmember, Place 5	Victor Gann

**COUNCILMEMBERS ABSENT**

Mayor Thomas Muir

**STAFF MEMBERS PRESENT:**

City Manager John Noblitt, Director of Development Services Ramie Hammonds, Assistant Fire Chief Casey Welborn, Police Chief Tyson Cheek, Lt. Justin Lewis, and Executive Administrative Assistant Christy Dyer.

**INVOCATION AND PLEDGE**

Councilmember Gann gave the Invocation. The Pledge of Allegiance was led by Councilmember Burrus.

**CITIZENS COMMENTS**

No one addressed the Council.

**REPORTS**

2. Annual presentation and overview of the Development Services Department, including Building, Planning & Zoning, Code Enforcement, and Health.

Director Hammonds provided a presentation and annual department overview.

**CONSENT AGENDA**

3. Consideration and possible action on the minutes from the March 2, 2026, meeting.
4. Consideration and possible action on the minutes from the March 6, 2026, meeting.
5. Consideration and possible action on authorizing the purchase of a new brush truck in an amount not to exceed \$350,000.00 and further authorizing staff to reflect a new funding amount in the capital budget.

Motion to approve the consent agenda as presented.

Motion: Chick

Second: Gann

Ayes: Barrett, Bilyeu, Burrus, Chick, and Gann.

Nays: None  
 Motion passed unanimously.

### **PUBLIC HEARING ITEMS**

6. Conduct the second public hearing regarding the annexation of 434.26 acres of land described as A0562A Hudson, TR 3, A1281A S. WILLIAMS, TR 1, A1281A S. WILLIAMS, TR 1A, A0280A CRAWFORD, TR 1, and A0280A CRAWFORD, TR 1A, 1B generally located on the east side of Rector Road approximately 4458 feet south of the intersection of E Willow Street and Railroad Ave.

Mayor Pro Tem Bilyeu opened the public hearing at 7:39 p.m.

Director Hammonds provided an overview of the item.

No one else requested to speak.

Mayor Pro Tem Bilyeu closed the public hearing at 7:40 p.m.

### **ACTION ITEMS**

7. Consideration and possible action on Ordinance No. 03-13-26 the annexation of 434.26 acres of land described as A0562A Hudson, TR 3, A1281A S. WILLIAMS, TR 1, A1281A S. WILLIAMS, TR 1A, A0280A CRAWFORD, TR 1, and A0280A CRAWFORD, TR 1A, 1B generally located on the east side of Rector Road approximately 4458 feet south of the intersection of E Willow Street and Railroad Ave.

Motion to approve.

Motion: Burrus  
 Second: Barrett  
 Ayes: Barrett, Bilyeu, Burrus, Chick, and Gann.  
 Nays: None  
 Motion passed unanimously.

### **FUTURE AGENDA ITEMS**

Councilmember Chick asked for an update on Megatel. City Manager Noblitt stated there is no new update, still protesting, including the CCN portion. No special meeting on March 18, 2026; that item has been moved to April 6, 2026. City Manager Noblitt stated that a quorum is imperative for the April 6<sup>th</sup> meeting.

## INFORMATIONAL ITEMS

*Information Items are for informational purposes only. No action may be taken on items listed under this portion of the agenda.*

8. Atmos - Rider GCR - Rate Filing under Docket No. OS-24-00019196 - February 26, 2026
9. Disbursements Report February 2026
10. Financial Report January 2026

## EXECUTIVE SESSION

Pursuant to the Open Meetings Act, Chapter 551, the City Council Will Meet in a Closed Executive Session in Accordance with the Texas Government Code:

### Section 551.072. DELIBERATION REGARDING REAL PROPERTY

For deliberations regarding the purchase, exchange, lease, or value of real property if deliberation in an open meeting would have a detrimental effect on the position of the governmental body in negotiations with a third person - Riley Ranch

Council convened into executive session at 7:46 p.m.

## RECONVENE INTO REGULAR SESSION

Council reconvened into open session at 8:37 p.m.

Action taken.

Motion to reject all offers presented.

Motion: Burrus

Second: Barrett

Ayes: Barrett, Burrus, Chick, and Gann.

Nays: Bilyeu

Motion passed 4-0-1.

Motion passed unanimously.

Motion to authorize City Manager to relist property.

Motion: Burrus

Second: Gann

Ayes: Barrett, Bilyeu, Burrus, Chick, and Gann.

Nays: None

Motion passed unanimously.

**ADJOURN**

There being no further business, Mayor Muir adjourned the meeting at 8:38 p.m.

\_\_\_\_\_  
Thomas E. Muir, Mayor

\_\_\_\_\_  
Christy Dyer, Executive Administrative Assistant



# CITY COUNCIL COMMUNICATION

**DATE:** April 13, 2026

**FROM:** Ryan Nolting, Director of Parks & Recreation

**AGENDA ITEM:** Consideration and possible action on surplus items as listed in Exhibit A, and authorize disposal through auction.

**SUMMARY:**

- City staff routinely recommends disposing of surplus vehicles and equipment. The attached surplus auction list outlines items identified as surplus by various departments.

**FISCAL INFORMATION:**

- Auction proceeds will be recorded as Sale of Assets revenue in the fund from which the items originated.

**RECOMMENDED MOTION OR ACTION:**

- Staff recommends approval as presented.

**ATTACHMENTS:**

- City Council Communication
- Exhibit A - Surplus Auction Item List

**Exhibit A - Surplus Auction Item List**

<b>Department</b>	<b>Quantity</b>	<b>Description</b>
PD	4	Havis laptop mounts for patrol vehicles
PD	2	Support stand for laptop mounts
PD	2	Long gun weapons securing systems
PD	1	Motorola speaker for vehicle radio
Library	19	Chair
Finance	1	Lateral file cabinet, still in the box
Finance	1	Rolling cart,
Finance	7	Desk organizers
Finance	2	FC300 and cables (not working)
Finance	3	Staplers
Finance	1	Tape dispensers
Finance	14	14 packages of unused dividers
PD	5	Lind model: PA1580-2961 FA automobile adapter
PD	1	Maxbase collinear antenna
PD	1	Pyramid regulated power supply model PS7KX
PD	1	Microtik groove antenna
PD	1	Applied Concepts (Stalker) unknown component
PD	3	Whelen Lighting control unit
PD	2	Whelen handheld microphone
PD	1	Chevy Tahoe Dashboard mounting plate
PD	4	Brother printers (not working)
PD	4	Motorola MCS-2000 vehicle radios
PD	1	Motorola MO1HX vehicle radio
PD	1	EF Johnson vehicle radio
PD	9	Vehicle radio hand microphones
PD	1	Vehicle radio lighting control head (EF Johnson)
PD	17	Motorola MTS2000 handheld radios
PD	13	Watchguard rear facing cameras with mount brackets
PD	2	Whelen model: CSP8180-vehicle lighting power supply
PD	14	WatchGuard camera mounting brackets
PD	3	WatchGuard smart switches for camera systems

PD	16	WatchGuard Camera system monitors
PD	18	Watchguard body camera charging station
PD	32	Watchguard body cameras
PD	16	Watchguard in-car video microphones
PD	16	Watchguard in-car video microphone charging station
PD	8	Watchguard in-car microphone charging station power cables
PD	16	Watchguard in-car video cameras
PD	10	Watchguard body camera holders for MOLLE adaption
PD	8	Watchguard in-car microphone holders for MOLLE adaptor
PD	9	WATCHGUARD body magnetic body camera holders
PD	1	Rico-model GPS15D
PD	2	Helen, Sapphire lighting control module
PD	1	Vehicle Long gun mount system for patrol
PD	6	MUIR body cameras remotes
PD	2	Cell Phones
PD	7	Streamlight flashlights switch replacements
PD	6	Streamlight flashlights incandescent bolb housing
PD	2	Large streamlight flashlights with charging base
PD	1	Microtik Groove antenna
PD	5	Digital cameras
PD	14	AT&T USB modem, SKU: 6021C, with packaging
PD	13	AT&T USB modem with packaging
PD	2	AT&T USB modem, SKU: 65397
PD	3	WatchGuard 4RE camera system hard drives



## CITY COUNCIL COMMUNICATION

**DATE:** April 13, 2026

**FROM:** Kelly Edwards, City Secretary

**AGENDA ITEM:** Consideration and possible action on Resolution 2026-01, Responding to the Application of Atmos Energy Corporation – Midtex Division, to increase rates under the Gas Reliability Infrastructure Program; Suspending the Effective Date of this Rate Application for Forty-Five Days; authorizing the City to continue to participate in a coalition of cities known as the “Atmos Texas Municipalities;” determining that the meeting at which the Resolution was adopted complied with The Texas Open Meetings Act; making such other findings and provisions related to the subject; and declaring an effective date.

**SUMMARY:**

- Sanger is a member of the Atmos Texas Municipalities (“ATM”). The ATM group was organized by a number of municipalities served by Atmos Energy Corporation – MidTex Division (“Atmos Energy”) and has been represented by the law firm of Herrera Law & Associates, PLLC to assist in reviewing applications to change rates submitted by Atmos Energy.
- ATM’s Special Counsel, the law firm of Herrera Law & Associates, PLLC recommends that the City adopt a resolution suspending Atmos Energy’s proposed effective date for 45 days.

**FISCAL INFORMATION:**

N/A

**RECOMMENDED MOTION OR ACTION:**

Approve Resolution to suspend for 45 days the effective date proposed by Atmos Energy Corporation – MidTex Division, to increase rates under the gas reliability infrastructure program, and authorize the city’s continued participation in a coalition of cities known as the “Atmos Texas Municipalities”.

**ATTACHMENTS:**

Memo from the ATM’s Special Counsel  
Resolution

## AGENDA INFORMATION SHEET

**ACTION TO SUSPEND FOR 45 DAYS THE EFFECTIVE DATE PROPOSED BY ATMOS ENERGY CORPORATION – MIDTEX DIVISION, TO INCREASE RATES UNDER THE GAS RELIABILITY INFRASTRUCTURE PROGRAM, AND AUTHORIZE THE CITY’S CONTINUED PARTICIPATION IN A COALITION OF CITIES KNOWN AS THE “ATMOS TEXAS MUNICIPALITIES”**

### ATMOS TEXAS MUNICIPALITIES

The City is a member of the Atmos Texas Municipalities (“ATM”). The ATM group was organized by a number of municipalities served by Atmos Energy Corporation – MidTex Division (“Atmos Energy”) and has been represented by the law firm of Herrera Law & Associates, PLLC to assist in reviewing applications to change rates submitted by Atmos Energy.

### “GRIP” RATE APPLICATION

Under section 104.301 of the Gas Utility Regulatory Act (“GURA”), a gas utility is allowed to request increases in its rates to recover a return on investments it makes between general rate cases. This section of GURA is commonly referred to as the “GRIP” statute, that is, the “Gas Reliability Infrastructure Program.”

Under a decision by the Supreme Court of Texas, the Court concluded that a filing made under the GRIP statute permitted gas utilities the opportunity to recover return on capital expenditures made during the interim period between general rate cases by applying for an interim rate adjustment and that proceedings under the GRIP statute did not contemplate either adjudicative hearings or substantive review of utilities’ filings for interim rate adjustments. Instead, the Court concluded, the GRIP statute provides for a *ministerial* review of the utility’s filings to ensure compliance with the GRIP statute and the Railroad Commission’s rules, and that it is within the Railroad Commission’s authority to preclude cities from intervening and obtaining a hearing before the Railroad Commission.

### ATMOS ENERGY’S “GRIP” APPLICATION

On or about February 20, 2026, Atmos Energy filed for an increase in gas utility rates under the Gas Reliability Infrastructure Program (“GRIP”). Atmos Energy’s application if approved by the Commission will result in an increase in the monthly customer charges as shown below:

<b>Rate Schedule</b>	<b>Current Customer Charge</b>	<b>Proposed 2026 Interim Rate Adjustment</b>	<b>Adjusted Charge</b>	<b>Increase Per Bill</b>
<b>Rate R – Residential Sales</b>	\$25.03 per customer per month	\$10.59 per customer per month	\$35.62 per customer per month	\$10.59
<b>Rate C – Commercial Sales</b>	\$140.01 per customer per month	\$38.65 per customer per month	\$178.66 per customer per month	\$38.65
<b>Rate I (Industrial) &amp; Rate T (Transportation)</b>	\$2,100.00 per meter per month	\$658.18 per meter per month	\$2,758.18 per meter per month	\$658.18

Also, Atmos Energy’s proposed increase in revenue results in the following approximate percentage increases in a customer’s base-rate bills. Base rates recover Atmos Energy’s costs excluding the cost of gas and are the costs that are directly within Atmos Energy’s control:

- Residential Gas Service: 42.31% increase in customer charge per bill
- Commercial Gas Service: 27.61% increase in customer charge per bill
- Industrial & Transportation Gas Service: 31.34% increase in customer charge per meter

The increase in an average customer’s bill is shown below:

- Residential Gas Service: 20.86% increase in customer bill
- Commercial Gas Service: 17.28% increase in customer bill
- Industrial: 21.05% increase in customer bill
- Transportation: 10.58% increase in customer bill

Atmos Energy’s application, if approved by the Railroad Commission, will result in a systemwide increase in Atmos Energy’s revenue of about \$286.9 million, of which ATM’s portion is about \$28.2 million. Atmos Energy proposed an effective date of April 21, 2026.

**REVIEW AND ACTION RECOMMENDED**

In light of the Texas Supreme Court’s opinion, the City’s ability to review and effectuate a change in Atmos Energy’s requested increase is limited. Nonetheless, to allow for a limited review of Atmos Energy’s GRIP application, and given the limited authority cities have in GRIP cases, it is recommended that the City suspend Atmos Energy’s proposed effective date of April 21, 2026 for forty-five days as allowed by state law, so that the City may evaluate whether the data and calculations in Atmos Energy’s rate application are correctly done.

Therefore, ATM’s Special Counsel, the law firm of Herrera Law & Associates, PLLC recommends that the City adopt a resolution suspending Atmos Energy’s proposed effective date for 45 days. Assuming a proposed effective date of April 21, 2026, Atmos Energy’s proposed effective date is suspended until June 5, 2026.

**RESOLUTION NO. 2026-01**

**A RESOLUTION BY THE CITY OF SANGER TEXAS, ("CITY") RESPONDING TO THE APPLICATION OF ATMOS ENERGY CORPORATION – MIDTEX DIVISION, TO INCREASE RATES UNDER THE GAS RELIABILITY INFRASTRUCTURE PROGRAM; SUSPENDING THE EFFECTIVE DATE OF THIS RATE APPLICATION FOR FORTY-FIVE DAYS; AUTHORIZING THE CITY TO CONTINUE TO PARTICIPATE IN A COALITION OF CITIES KNOWN AS THE “ATMOS TEXAS MUNICIPALITIES;” DETERMINING THAT THE MEETING AT WHICH THE RESOLUTION WAS ADOPTED COMPLIED WITH THE TEXAS OPEN MEETINGS ACT; MAKING SUCH OTHER FINDINGS AND PROVISIONS RELATED TO THE SUBJECT; AND DECLARING AN EFFECTIVE DATE.**

**WHEREAS**, on or about February 20, 2026, Atmos Energy Corporation – MidTex Division (“Atmos Energy”) filed for an increase in gas utility rates under the Gas Reliability Infrastructure Program (“GRIP”), which if approved, results in an increase in the monthly customer charges as follows:

<b>Rate Schedule</b>	<b>Current Customer Charge</b>	<b>Proposed 2026 Interim Rate Adjustment</b>	<b>Adjusted Charge</b>	<b>Increase Per Bill</b>
<b>Rate R – Residential Sales</b>	\$25.03 per customer per month	\$10.59 per customer per month	\$35.62 per customer per month	\$10.59
<b>Rate C – Commercial Sales</b>	\$140.01 per customer per month	\$38.65 per customer per month	\$178.66 per customer per month	\$38.65
<b>Rate I (Industrial) &amp; Rate T (Transportation)</b>	\$2,100.00 per meter per month	\$658.18 per meter per month	\$2,758.18 per meter per month	\$658.18

**WHEREAS**, Atmos Energy’s application, if approved by the Railroad Commission, will result in a systemwide increase in Atmos Energy’s revenue of about \$286.9 million, of which ATM’s portion is about \$28.2 million; and

**WHEREAS**, the City has a special responsibility to exercise due diligence with regard to rate increases of monopoly utilities who operate within its boundaries; and

**WHEREAS**, the application to increase rates by Atmos Energy is complex; and

**WHEREAS**, the effective date proposed by Atmos Energy is April 21, 2026 but a suspension by the City will mean that the rate increase cannot go into effect prior to June 5, 2026; and

**WHEREAS**, it is necessary to suspend the effective date for the increase in rates for forty-five days, so that the City can assure itself that the data and calculations in Atmos Energy's rate application are correctly done and are in conformity with section 104.301 of the Gas Utility Regulatory Act.

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

**Section 1.** That the statements and findings set out in the preamble to this resolution are hereby in all things approved and adopted.

**Section 2.** The City suspends the requested effective date by Atmos Energy for forty-five days pursuant to the authority granted the City under Section 104.301 of the Texas Utilities Code. The City finds that additional time is needed in order to review the data and calculations that provide the basis for the rate increase application.

**Section 3.** The City shall continue to act jointly with other cities that are part of a coalition of cities known as the Atmos Texas Municipalities ("ATM").

**Section 4.** The City authorizes the law firm of Herrera Law & Associates, PLLC, to act on its behalf in connection with Atmos Energy's application to increase rates.

**Section 5.** To the extent Atmos Energy's application to increase rates under section 104.301 of the Gas Utility Regulatory Act ("GURA") is considered a ratemaking proceeding Atmos Energy is ordered to reimburse the City's reasonable rate case expenses incurred in response to Atmos Energy's rate increase application within 30 days of receipt of invoices for such expenses to the extent allowed by law, or pursuant to agreement between Atmos and ATM.

**Section 6.** A copy of this resolution shall be sent to Mr. Christopher A. Felan, Vice President, Rates & Regulatory Affairs, Atmos Energy Corporation, 5420 LBJ Freeway, Suite

1800, Dallas, Texas 75240; and to Mr. Alfred R. Herrera, Herrera Law & Associates, PLLC, P.O. Box 302799, Austin, Texas 78703, or via email to AHerrera@HerreraLawPLLC.com.

**Section 7.** The meeting at which this resolution was approved was in all things conducted in compliance with the Texas Open Meetings Act, Texas Government Code, Chapter 551.

**Section 8.** This resolution shall be effective immediately upon passage.

**PASSED AND APPROVED** this 13th day of April 2026.

\_\_\_\_\_  
Thomas E. Muir, Mayor

ATTEST:

\_\_\_\_\_  
Kelly Edwards, City Secretary



# CITY COUNCIL COMMUNICATION

**DATE:** April 13, 2026

**FROM:** John Noblitt, City Manager

**AGENDA ITEM:** Consideration and possible action on the purchase of real property, of five (5) lots in OT Sanger, Block 6 from Hollingsworth Revocable Living Trust.

**SUMMARY:**  
Purchase of five (5) lots from Hollingsworth Revocable Living Trust

**FISCAL INFORMATION:**  
N/A

**RECOMMENDED MOTION OR ACTION:**  
Approve the purchase of real property.

**ATTACHMENTS:**  
Purchase Agreement.

**REAL ESTATE PURCHASE AND SALE AGREEMENT BETWEEN THE CITY OF SANGER, TEXAS, AND HOLLINGSWORTH REVOCABLE LIVING TRUST**

**THIS REAL ESTATE PURCHASE AND SALE AGREEMENT BETWEEN THE CITY OF SANGER, TEXAS, AND HOLLINGSWORTH REVOCABLE LIVING TRUST** (this “Agreement”) is executed as of the \_\_\_\_ day of \_\_\_\_\_, 2026, by and between the City of Sanger, Texas (“City”), a Texas municipal corporation, and Hollingsworth Revocable Living Trust (referred to as “Seller”).

**WITNESSETH:**

1. Purchase and Sale. Pursuant to the terms and provisions contained herein, Seller hereby agrees to sell and convey to the City, and the City hereby agrees to purchase from Seller five (5) lots situated in Denton County, Texas. The lots are known as (1) East Bolivar Street - OT Sanger Blk 6 Lot 9 (Denton Central Appraisal District Property Identification Number 58647); (2) East Bolivar Street – OT Sanger Blk 6, Lot 10 (Denton Central Appraisal District Property Identification Number 158997); (3) East Bolivar Street - OT Sanger Blk 6 Lot 11 (Denton Central Appraisal District Property Identification Number 58651); (4) 102 East Bolivar Street – OT Sanger Blk 6, Lot 12 (Denton Central Appraisal District Property Identification Number 58644); and (5) 102 East Bolivar Street – OT Sanger Blk 6, Lot 13 (Denton Central Appraisal District Property Identification Number 58644) (collectively, “the Lots”). The Lots are described in Exhibit A, attached hereto and made a part hereof for all purposes, together with all improvements situated thereon, all fixtures and other property affixed thereto and all and singular the rights and appurtenances pertaining to the property, including any right, title and interest of Seller in and to adjacent streets, alleys or rights-of-way (all of such real property, rights and appurtenances on the Lots being hereinafter called the “Property”), for the Purchase Price hereinafter provided.

2. Purchase Price. The City hereby agrees to pay to Seller a purchase price for the Property of **Three Hundred Fifty-Seven Thousand and One Hundred Forty-Two Dollars and 86/100 (\$357,142.86)** (the “Purchase Price”), payable in cash at the Closing in accordance with this Agreement.

3. Title to Property. Seller represents and warrants to the City that on the Closing Date Seller will own good and indefeasible title to the Property, subject only to (i) general real estate taxes on the Property for the current year, (ii) zoning laws, regulations and ordinances of the City and other governmental authorities, if any, affecting the Property, and (iii) the encumbrances disclosed by the Survey, if required, and Title Binder described below (all of the foregoing are herein called the “Permitted Encumbrances”).

4. Survey. Seller acknowledges that the City will provide to it a survey (the “Survey”) of the Property, if required or requested by Seller, prepared by a duly registered surveyor or engineer acceptable to the Seller, and said Survey shall show any and all easements, rights-of-way, encroachments, conflicts, protrusions or other encumbrances, if any, affecting the Property.

5. Owner’s Title Policy Binder. Seller agrees to provide to the City, within thirty (30) days after the Execution Date referenced above, at the City’s expense, a Commitment for Title

Insurance (the “Title Binder”) issued by a mutually acceptable Title Company (the “Title Company”), showing title to the Property in Seller and committing to issue the owner’s title policy to the City required under this Agreement. The Title Binder shall specify all easements, liens, encumbrances, restrictions, conditions and covenants with respect to the Property and shall be delivered to the City with copies of all documents referred to as exceptions in the Title Binder. If any exceptions appear in the Title Binder which are objectionable to the City, the City shall have until the tenth (10th) business day after the date of delivery of the Survey, if required or requested, and the Title Binder and title exceptions to notify Seller in writing of any objections the City may have to such exceptions; any exceptions to which the City shall not object during such ten (10) business day period shall be deemed waived by the City and shall be included as “Permitted Encumbrances” hereunder. Seller shall have no obligation to bring any action or proceeding or otherwise to incur any expense to eliminate or modify such unacceptable exceptions. If Seller is unable to so eliminate or cure the unacceptable exceptions prior to the Closing Date, the City may (as its sole and exclusive remedy) irrevocably revoke its election to purchase the Property by notice in writing to Seller, or may accept such title to the Property as Seller can deliver without any reduction in the Purchase Price.

6. Seller’s Representations and Warranties. Seller further represents and warrants to the City as follows:

A. Seller will convey to the City good and indefeasible title to the Property free and clear of any and all liens, encumbrances, covenants, conditions, restrictions, easements and any and all other matters affecting title thereto, except those items expressly waived or permitted by the City pursuant to the terms of this Agreement.

B. There are no written or oral leases on or affecting the Property and there are no parties in possession of any portion of the Property as lessees, tenants at sufferance, trespassers or otherwise.

C. There are, and as of the Closing, there will be no actions, suits or proceedings pending or, to the knowledge of Seller, threatened against Seller or the Property or arising out of the ownership of the Property, or affecting or relating to any portion of the Property.

D. Seller has complied with all applicable laws, ordinances, regulations, statutes, codes, rules, orders, decrees, determinations, covenants and restrictions relating to the Property and every part thereof (hereinafter collectively referred to as the “Applicable Laws”) including those promulgated or imposed by any agency, department, commission, board, bureau or instrumentality of any governmental authority of the United States, the State of Texas, the County of Denton, the City of Sanger or any other local authority (hereinafter collectively referred to as the “Governmental Authority”).

E. Seller has full power to enter into this Agreement and to consummate the transactions provided for herein. Neither entering into this Agreement, nor consummating any of the transactions provided for herein, will result in the imposition of any lien on the Property or constitute a violation or breach by Seller of any lien, deed of trust, trust agreement, agreement or other instrument affecting the Property or to which Seller is a party or by which Seller is bound.

F. Seller is not a foreign person as such term is defined in Section 1445 of the Internal Revenue Code of 1986, as amended, and the regulations promulgated thereunder.

G. To the best of Seller's knowledge, the environmental and ecological conditions of the Property are not in violation of any applicable law, and the soil, surface water and ground water of or on the Property are free from any Hazardous Materials (as hereinafter defined). Neither Seller nor, to the best knowledge of Seller, any other person has ever caused or permitted any Hazardous Materials to be treated, placed, held, located or disposed of on, under or at the Property, or any part thereof, and the Property has never been used (whether by Seller or, to the best knowledge of Seller, by any other person) as a treatment, dump, disposal or storage (whether permanent or temporary) site for any Hazardous Materials, including batteries used in motorized vehicles or golf carts. For the purposes of this Agreement, "Hazardous Material" means and includes any hazardous, toxic or dangerous waste, substance, contaminant or material defined as such in (or for purposes of) the Comprehensive Environmental Response, Compensation, and Liability Act, any so-called "Superfund" or "Superlien" law, or any other Applicable Law or other requirement of any Governmental Authority regulating, relating to, or imposing liability or standards of or for conduct concerning, any hazardous, toxic or dangerous waste, substance, contaminant or material, as now or at any time hereafter in effect.

H. Seller is not aware that there are any unpaid charges, debts, liabilities, claims or obligations arising from or in connection with the construction, development, occupancy, ownership, use or operation of the Property, or the business operated thereon or in connection therewith, which could give rise to a Mechanic's or Materialman's or other statutory liens against the Property or any part thereof, or for which the City could or will be responsible.

7. Condemnation. Immediately upon obtaining knowledge of the institution of any proceedings for the condemnation of the Property or any portion thereof, Seller will notify the City of the pendency of such proceedings. In the event of the institution of proceedings for condemnation of all or any portion of the Property or the sale of all or any portion of the Property in lieu of condemnation, the City shall have the option to terminate this Agreement by notice in writing to Seller, in the event of which termination the parties shall have no further right or obligation to one another under this Agreement except for any breach of this Agreement during the term hereof. If the City does not elect to so terminate, this Agreement shall remain in full force and effect and in such event, Seller shall assign to the City at the Closing any and all rights and claims Seller may have to the proceeds of any such condemnation or sale in lieu of condemnation and the City shall take title to the Property with the assignment of such claim and interest and subject to such condemnation.

8. The Closing. The Closing (the "Closing") of the sale and purchase of the Property shall take place at the offices of the Title Company (i) on or after \_\_\_\_\_, 2026, or (ii) on such other date as Seller and the City mutually may agree (the date of Closing is herein called the "Closing Date"). At the Closing:

A. Seller shall deliver to the City a duly executed and acknowledged special warranty deed in a form sufficient to convey good and indefeasible title to the Property to the City free of all liens and encumbrances except for the Permitted Encumbrances.

B. The City shall pay the Purchase Price to Seller in cash, by certified check payable to Seller or by wire transfer in immediately available funds to a bank account of Seller's choice.

C. Seller shall deliver to the City, at the City's expense, an owner's title policy issued by the Title Company in the amount of the Purchase Price insuring that the City owns fee simple title to the Property, subject to no exceptions other than (i) the Permitted Encumbrances; (ii) the exception as to standby fees and taxes which shall have inserted the year of Closing and be followed by the words "Not yet due and payable"; and (iii) other exceptions to which the City approves in writing. The exception for "any discrepancies, conflicts, or shortages in area or boundary lines, or any encroachments or protrusions, or any overlapping of improvements" may be deleted (except for shortages in area) at the City's expense.

D. Any general real estate taxes for the then current year relating to the Property shall be prorated between Seller and the City as of the Closing Date. If the Closing shall occur before the tax rate is fixed for the then current year, the apportionment of such taxes shall be upon the basis of the tax rate for the immediately preceding year applied to the latest assessed valuation of the Property, and when the actual taxes for the year of Closing become known, Seller and the City shall make appropriate adjustments between them. This provision shall survive the Closing.

E. The escrow fee charged by the Title Company shall be paid by the City. Each party shall be responsible for the payment of its own attorney's fees incurred in connection with this Agreement. Other reasonable closing costs will be paid by the City.

F. Possession of the Property shall be given to the City, subject to the Permitted Encumbrances.

9. Maintenance of Property. Seller covenants and agrees with the City that, between the Execution Date referenced above and the date of Closing, (i) Seller shall keep the Property reasonably clean and maintain the Property in reasonably good condition and repair, including the removal of trash and mowing of grass, and (ii) Seller shall not permit the construction of any buildings or other structures on the Property or attach or permit the attachment of any encumbrance to title to the Property other than encumbrances existing on the date hereof.

10. Remedies. If either party shall breach this Agreement, the other party may exercise any and all rights and remedies available to it at law or in equity.

11. Further Agreements by Seller and the City. In addition to the obligations required to be performed hereunder by Seller and the City, each party agrees to perform such other acts, and to execute, acknowledge and/or deliver such other instruments, documents and materials as the other party may reasonably request in order to effectuate the consummation of the transactions contemplated herein.

12. Real Estate Commission. Seller and the City each represents to the other that it has not authorized any broker or finder to act on its behalf in connection with this Agreement and that it has not dealt with any broker or finder purporting to act on behalf of any other party.

13. Notice. Any notice or document required or permitted to be delivered hereunder shall be given in writing, sent by (i) personal delivery, or (ii) expedited delivery service with proof of delivery, or (iii) United States mail, postage prepaid, registered or certified mail, or (iv) prepaid telegram, telex or telecopy, addressed as follows:

Seller: Hollingsworth Revocable Living Trust  
6033 Rector Road  
Sanger, Texas 76266-7354  
Att'n: Steve and Barbara H. Hollingsworth, Trustees

The City: John C. Noblitt, City Manager  
502 Elm Street  
Sanger, Texas 76266

or to such other address or to the attention of such other person(s) as hereafter shall be designated in writing by the applicable party sent in accordance herewith. Any such notice or communication shall be deemed to have been given either at the time of personal delivery or, in the case of delivery service or mail, as of the date of first attempted delivery at the address and in the manner provided herein, or in the case of telegram, telex or telecopy, upon receipt.

14. Assignment. Seller and the City mutually agree not to assign any of Seller's or the City's respective rights or interest under this Agreement to any other party without the prior, written consent of the other. Any such assignment attempted without such prior, written consent shall be null and void.

15. Time. Time is of the essence of this Agreement.

16. Counterparts. This Agreement may be executed in any number of counterparts with the same effect as if all parties hereto had signed the same document. All such counterparts shall be construed together and shall constitute one instrument, but in making proof hereof it shall only be necessary to produce one such counterpart.

17. Severance. If any covenant, condition, or provision herein contained is held to be invalid by final judgment of any court of competent jurisdiction, the invalidity of such covenant, condition, or provision shall not in any way affect any other covenant, condition or provision herein contained.

18. Governing Law. This Agreement and the rights and duties of the parties hereunder shall be governed for all purposes by the law of the State of Texas and the law of the United States applicable to transactions within said State.

19. Successors and Assigns. The terms and provisions of this Agreement shall, throughout the term hereof, be binding upon and inure to the benefit of the parties hereto and their respective successors and permitted assigns.

20. Legal Expenses. Should either party to this Agreement institute any action or proceeding in court to enforce any provision hereof or for damages by reason of any alleged breach of any provision of this Agreement or for any other judicial remedy, the losing party shall pay the prevailing party all reasonable attorney's fees and all court costs incurred by the prevailing party in connection with such proceeding.

21. Complete Agreement. This Agreement embodies the complete agreement between Seller and the City regarding the subject matter hereof and cannot be varied or terminated except by the written agreement of the parties.

**IN WITNESS WHEREOF**, Seller and the City have executed and delivered this Agreement as of the date first above written.

**CITY OF SANGER, TEXAS**

By: \_\_\_\_\_  
Thomas Muir, Mayor

**ATTEST:**

\_\_\_\_\_  
Kelly Edwards, City Secretary

**SELLER:**

\_\_\_\_\_  
By: Steve Hollingsworth, Trustee

\_\_\_\_\_  
By: Barbara H. Hollingsworth, Trustee

**EXHIBIT A**  
**(Property Description)**



# CITY COUNCIL COMMUNICATION

**DATE:** April 13, 2026

**FROM:** John Noblitt, City Manager

**AGENDA ITEM:** Consideration and possible action on the purchase of real property, of two (2) lots in OT Sanger, Block 6 from Sr Bolivar Holdings LLC.

**SUMMARY:**  
Purchase of two (2) lots from Sr Bolivar Holdings LLC

**FISCAL INFORMATION:**  
N/A

**RECOMMENDED MOTION OR ACTION:**  
Approve the purchase of real property.

**ATTACHMENTS:**  
Purchase Agreement

**REAL ESTATE PURCHASE AND SALE AGREEMENT BETWEEN THE CITY OF SANGER, TEXAS, AND SR BOLIVAR HOLDINGS LLC**

**THIS REAL ESTATE PURCHASE AND SALE AGREEMENT BETWEEN THE CITY OF SANGER, TEXAS, AND SR BOLIVAR HOLDINGS LLC** (this “Agreement”) is executed as of the \_\_\_\_ day of \_\_\_\_\_, 2026, by and between the City of Sanger, Texas (“City”), a Texas municipal corporation, and SR Bolivar Holdings, LLC, a Texas limited liability company (referred to as “Seller”).

**WITNESSETH:**

1. **Purchase and Sale.** Pursuant to the terms and provisions contained herein, Seller hereby agrees to sell and convey to the City, and the City hereby agrees to purchase from Seller two (2) lots situated in Denton County, Texas. The lots are known as (1) East Bolivar Street - OT Sanger Blk 6 Lot 14 (Denton Central Appraisal District Property Identification Number 58642) and (2) Bolivar Street - OT Sanger Blk 6 Lot 15 (Denton Central Appraisal District Property Identification Number 158998) (collectively, “the Lots”). The Lots are described in Exhibit A, attached hereto and made a part hereof for all purposes, together with all improvements situated thereon, all fixtures and other property affixed thereto and all and singular the rights and appurtenances pertaining to the property, including any right, title and interest of Seller in and to adjacent streets, alleys or rights-of-way (all of such real property, rights and appurtenances on the Lots being hereinafter called the “Property”), for the Purchase Price hereinafter provided.

2. **Purchase Price.** The City hereby agrees to pay to Seller a purchase price for the Property of **One Hundred Forty-Two Thousand and Eight Hundred Fifty-Seven Dollars and 14/100 (\$142,857.14)** (the “Purchase Price”), payable in cash at the Closing in accordance with this Agreement.

3. **Title to Property.** Seller represents and warrants to the City that on the Closing Date Seller will own good and indefeasible title to the Property, subject only to (i) general real estate taxes on the Property for the current year, (ii) zoning laws, regulations and ordinances of the City and other governmental authorities, if any, affecting the Property, and (iii) the encumbrances disclosed by the Survey, if required, and Title Binder described below (all of the foregoing are herein called the “Permitted Encumbrances”).

4. **Survey.** Seller acknowledges that the City will provide to it a survey (the “Survey”) of the Property, if required or requested by Seller, prepared by a duly registered surveyor or engineer acceptable to the Seller, and said Survey shall show any and all easements, rights-of-way, encroachments, conflicts, protrusions or other encumbrances, if any, affecting the Property.

5. **Owner’s Title Policy Binder.** Seller agrees to provide to the City, within thirty (30) days after the Execution Date referenced above, at the City’s expense, a Commitment for Title Insurance (the “Title Binder”) issued by a mutually acceptable Title Company (the “Title Company”), showing title to the Property in Seller and committing to issue the owner’s title policy to the City required under this Agreement. The Title Binder shall specify all easements, liens, encumbrances, restrictions, conditions and covenants with respect to the Property and shall be delivered to the City

with copies of all documents referred to as exceptions in the Title Binder. If any exceptions appear in the Title Binder which are objectionable to the City, the City shall have until the tenth (10th) business day after the date of delivery of the Survey, if required or requested, and the Title Binder and title exceptions to notify Seller in writing of any objections the City may have to such exceptions; any exceptions to which the City shall not object during such ten (10) business day period shall be deemed waived by the City and shall be included as “Permitted Encumbrances” hereunder. Seller shall have no obligation to bring any action or proceeding or otherwise to incur any expense to eliminate or modify such unacceptable exceptions. If Seller is unable to so eliminate or cure the unacceptable exceptions prior to the Closing Date, the City may (as its sole and exclusive remedy) irrevocably revoke its election to purchase the Property by notice in writing to Seller, or may accept such title to the Property as Seller can deliver without any reduction in the Purchase Price.

6. Seller’s Representations and Warranties. Seller further represents and warrants to the City as follows:

A. Seller will convey to the City good and indefeasible title to the Property free and clear of any and all liens, encumbrances, covenants, conditions, restrictions, easements and any and all other matters affecting title thereto, except those items expressly waived or permitted by the City pursuant to the terms of this Agreement.

B. There are no written or oral leases on or affecting the Property and there are no parties in possession of any portion of the Property as lessees, tenants at sufferance, trespassers or otherwise.

C. There are, and as of the Closing, there will be no actions, suits or proceedings pending or, to the knowledge of Seller, threatened against Seller or the Property or arising out of the ownership of the Property, or affecting or relating to any portion of the Property.

D. Seller has complied with all applicable laws, ordinances, regulations, statutes, codes, rules, orders, decrees, determinations, covenants and restrictions relating to the Property and every part thereof (hereinafter collectively referred to as the “Applicable Laws”) including those promulgated or imposed by any agency, department, commission, board, bureau or instrumentality of any governmental authority of the United States, the State of Texas, the County of Denton, the City of Sanger or any other local authority (hereinafter collectively referred to as the “Governmental Authority”).

E. Seller has full power to enter into this Agreement and to consummate the transactions provided for herein. Neither entering into this Agreement, nor consummating any of the transactions provided for herein, will result in the imposition of any lien on the Property or constitute a violation or breach by Seller of any lien, deed of trust, trust agreement, agreement or other instrument affecting the Property or to which Seller is a party or by which Seller is bound.

F. Seller is not a foreign person as such term is defined in Section 1445 of the Internal Revenue Code of 1986, as amended, and the regulations promulgated thereunder.

G. To the best of Seller's knowledge, the environmental and ecological conditions of the Property are not in violation of any applicable law, and the soil, surface water and ground water of or on the Property are free from any Hazardous Materials (as hereinafter defined). Neither Seller nor, to the best knowledge of Seller, any other person has ever caused or permitted any Hazardous Materials to be treated, placed, held, located or disposed of on, under or at the Property, or any part thereof, and the Property has never been used (whether by Seller or, to the best knowledge of Seller, by any other person) as a treatment, dump, disposal or storage (whether permanent or temporary) site for any Hazardous Materials, including batteries used in motorized vehicles or golf carts. For the purposes of this Agreement, "Hazardous Material" means and includes any hazardous, toxic or dangerous waste, substance, contaminant or material defined as such in (or for purposes of) the Comprehensive Environmental Response, Compensation, and Liability Act, any so-called "Superfund" or "Superlien" law, or any other Applicable Law or other requirement of any Governmental Authority regulating, relating to, or imposing liability or standards of or for conduct concerning, any hazardous, toxic or dangerous waste, substance, contaminant or material, as now or at any time hereafter in effect.

H. Seller is not aware that there are any unpaid charges, debts, liabilities, claims or obligations arising from or in connection with the construction, development, occupancy, ownership, use or operation of the Property, or the business operated thereon or in connection therewith, which could give rise to a Mechanic's or Materialman's or other statutory liens against the Property or any part thereof, or for which the City could or will be responsible.

7. Condemnation. Immediately upon obtaining knowledge of the institution of any proceedings for the condemnation of the Property or any portion thereof, Seller will notify the City of the pendency of such proceedings. In the event of the institution of proceedings for condemnation of all or any portion of the Property or the sale of all or any portion of the Property in lieu of condemnation, the City shall have the option to terminate this Agreement by notice in writing to Seller, in the event of which termination the parties shall have no further right or obligation to one another under this Agreement except for any breach of this Agreement during the term hereof. If the City does not elect to so terminate, this Agreement shall remain in full force and effect and in such event, Seller shall assign to the City at the Closing any and all rights and claims Seller may have to the proceeds of any such condemnation or sale in lieu of condemnation and the City shall take title to the Property with the assignment of such claim and interest and subject to such condemnation.

8. The Closing. The Closing (the "Closing") of the sale and purchase of the Property shall take place at the offices of the Title Company (i) on or after \_\_\_\_\_, 2026, or (ii) on such other date as Seller and the City mutually may agree (the date of Closing is herein called the "Closing Date"). At the Closing:

A. Seller shall deliver to the City a duly executed and acknowledged special warranty deed in a form sufficient to convey good and indefeasible title to the Property to the City free of all liens and encumbrances except for the Permitted Encumbrances.

B. The City shall pay the Purchase Price to Seller in cash, by certified check payable to Seller or by wire transfer in immediately available funds to a bank account of Seller's choice.

C. Seller shall deliver to the City, at the City's expense, an owner's title policy issued by the Title Company in the amount of the Purchase Price insuring that the City owns fee simple title to the Property, subject to no exceptions other than (i) the Permitted Encumbrances; (ii) the exception as to standby fees and taxes which shall have inserted the year of Closing and be followed by the words "Not yet due and payable"; and (iii) other exceptions to which the City approves in writing. The exception for "any discrepancies, conflicts, or shortages in area or boundary lines, or any encroachments or protrusions, or any overlapping of improvements" may be deleted (except for shortages in area) at the City's expense.

D. Any general real estate taxes for the then current year relating to the Property shall be prorated between Seller and the City as of the Closing Date. If the Closing shall occur before the tax rate is fixed for the then current year, the apportionment of such taxes shall be upon the basis of the tax rate for the immediately preceding year applied to the latest assessed valuation of the Property, and when the actual taxes for the year of Closing become known, Seller and the City shall make appropriate adjustments between them. This provision shall survive the Closing.

E. The escrow fee charged by the Title Company shall be paid by the City. Each party shall be responsible for the payment of its own attorney's fees incurred in connection with this Agreement. Other reasonable closing costs will be paid by the City.

F. Possession of the Property shall be given to the City, subject to the Permitted Encumbrances.

9. Maintenance of Property. Seller covenants and agrees with the City that, between the Execution Date referenced above and the date of Closing, (i) Seller shall keep the Property reasonably clean and maintain the Property in reasonably good condition and repair, including the removal of trash and mowing of grass, and (ii) Seller shall not permit the construction of any buildings or other structures on the Property or attach or permit the attachment of any encumbrance to title to the Property other than encumbrances existing on the date hereof.

10. Remedies. If either party shall breach this Agreement, the other party may exercise any and all rights and remedies available to it at law or in equity.

11. Further Agreements by Seller and the City. In addition to the obligations required to be performed hereunder by Seller and the City, each party agrees to perform such other acts, and to execute, acknowledge and/or deliver such other instruments, documents and materials as the other party may reasonably request in order to effectuate the consummation of the transactions contemplated herein.

12. Real Estate Commission. Seller and the City each represents to the other that it has not authorized any broker or finder to act on its behalf in connection with this Agreement and that it has not dealt with any broker or finder purporting to act on behalf of any other party.

13. Notice. Any notice or document required or permitted to be delivered hereunder shall be given in writing, sent by (i) personal delivery, or (ii) expedited delivery service with proof of

delivery, or (iii) United States mail, postage prepaid, registered or certified mail, or (iv) prepaid telegram, telex or telecopy, addressed as follows:

Seller: SR Bolivar Holdings LLC  
6033 Rector Road  
Sanger, Texas 76266-7352

The City: John C. Noblitt, City Manager  
502 Elm Street  
Sanger, Texas 76266

or to such other address or to the attention of such other person as hereafter shall be designated in writing by the applicable party sent in accordance herewith. Any such notice or communication shall be deemed to have been given either at the time of personal delivery or, in the case of delivery service or mail, as of the date of first attempted delivery at the address and in the manner provided herein, or in the case of telegram, telex or telecopy, upon receipt.

14. Assignment. Seller and the City mutually agree not to assign any of Seller's or the City's respective rights or interest under this Agreement to any other party without the prior, written consent of the other. Any such assignment attempted without such prior, written consent shall be null and void.

15. Time. Time is of the essence of this Agreement.

16. Counterparts. This Agreement may be executed in any number of counterparts with the same effect as if all parties hereto had signed the same document. All such counterparts shall be construed together and shall constitute one instrument, but in making proof hereof it shall only be necessary to produce one such counterpart.

17. Severance. If any covenant, condition, or provision herein contained is held to be invalid by final judgment of any court of competent jurisdiction, the invalidity of such covenant, condition, or provision shall not in any way affect any other covenant, condition or provision herein contained.

18. Governing Law. This Agreement and the rights and duties of the parties hereunder shall be governed for all purposes by the law of the State of Texas and the law of the United States applicable to transactions within said State.

19. Successors and Assigns. The terms and provisions of this Agreement shall, throughout the term hereof, be binding upon and inure to the benefit of the parties hereto and their respective successors and permitted assigns.

20. Legal Expenses. Should either party to this Agreement institute any action or proceeding in court to enforce any provision hereof or for damages by reason of any alleged breach of any provision of this Agreement or for any other judicial remedy, the losing party shall pay the

prevailing party all reasonable attorney’s fees and all court costs incurred by the prevailing party in connection with such proceeding.

21. Complete Agreement. This Agreement embodies the complete agreement between Seller and the City regarding the subject matter hereof and cannot be varied or terminated except by the written agreement of the parties.

**IN WITNESS WHEREOF**, Seller and the City have executed and delivered this Agreement as of the date first above written.

**CITY OF SANGER, TEXAS**

By: \_\_\_\_\_  
Thomas Muir, Mayor

**ATTEST:**

\_\_\_\_\_  
Kelly Edwards, City Secretary

**SELLER:**

\_\_\_\_\_  
By: SR Bolivar Holdings LLC  
Representative: Steve Hollingsworth

**EXHIBIT A**  
**(Property Description)**



Chris Felan  
Vice President  
Rates & Regulatory Affairs

March 26, 2026

City Official

Re: Rider GCR - Rate Filing under Docket No. OS-24-00019196

Enclosed is Atmos Energy Corp., Mid-Tex Division's Statement of Rider GCR applicable for the April 2026 billing periods. This Statement details the gas cost component of the residential, commercial, and industrial sales rates for customers within your city. This filing is for informative purposes only and no action is required on your city's part.

Should you have any questions, please let me know.

Sincerely,

A handwritten signature in black ink that reads "Chris Felan". The signature is written in a cursive, flowing style.

Chris Felan  
Vice President, Rates and Regulatory Affairs  
Atmos Energy, Mid-Tex Division

Attachment

ATMOS ENERGY CORPORATION  
MID-TEX DIVISION  
STATEMENT OF RIDER GCR  
**April, 2026**  
PREPARED IN ACCORDANCE WITH  
GAS UTILITIES DOCKET NO. OS-24-00019196

Item 7.

**Part (a) - Mid-Tex Commodity Costs**

Line	(a)	(b)		
1	Estimated Gas Cost per Unit:	\$0.25374		
2	Estimated City Gate Deliveries:	91,964,490		
3	Estimated Gas Cost:	\$23,335,070		
4	Lost and Unaccounted For Gas %	1.6100%		
5	Estimated Lost and Unaccounted for Gas	\$375,695		
6	Total Estimated City Gate Gas Cost:	\$23,710,765		
7	Estimated Sales Volume:	110,280,840		
8	Estimated Gas Cost Factor - (EGCF)	0.21500		
9	Reconciliation Factor - (RF):	0.00739		
10	Taxes (TXS):	0.00000		
11	Adjustment - (ADJ):	0.00000		
12	Gas Cost Recovery Factor - (GCRF) (Taxable)	0.22239	per Ccf	Btu Factor 0.1000
				Per MMBtu \$2.2239
13	Customer Rate Relief - (CRR) (Non-Taxable)	0.12000	per Ccf	0.1000
				\$1.2000

**Part (b) - Pipeline Services Costs**

Line	(a)	(b)	(c)	(d)	(e)
			Rate R - Residential	Rate C - Commercial	Rate I - Industrial Service Rate T - Transportation <sup>1</sup>
	<u>Fixed Costs</u>				
14	Fixed Costs Allocation Factors [Set by GUD OS-24-00019196]	100.0000%	62.9568%	31.7550%	5.2881%
15	a. Current Month Fixed Costs of Pipeline Services	\$70,616,203	44,457,730	22,424,196	3,734,277
16	b. Plus: Second Prior Month Recovery Adjustment	\$0	\$0	\$0	\$0
17	Net Fixed Costs	\$70,616,203	\$44,457,730	\$22,424,196	\$3,734,277
	<u>Commodity Costs</u>				
18	a. Estimated Commodity Cost of Pipeline Services	\$3,193,778	1,910,659	1,005,154	277,965
19	b. Plus: Second Prior Month Recovery Adjustment	\$0	\$0	\$0	\$0
20	Net Commodity Cost of Pipeline Services	\$3,193,778	\$1,910,659	\$1,005,154	\$277,965
21	<b>Total Estimated Pipeline Costs (Line 17 + Line 20)</b>	\$73,809,981	\$46,368,389	\$23,429,350	\$4,012,242
22	Estimated Billed Volumes		58,364,420 Ccf	44,046,340 Ccf	4,748,338 MMBtu
23	Pipeline Cost Factor (PCF) [Line 21 / Line 22] (Taxable)		0.79450 Ccf	0.53190 Ccf	\$0.8450 MMBtu
24	Gas Cost Recovery Factor - (GCRF) [Line 12] (Taxable)		0.22239 Ccf	0.22239 Ccf	\$2.2239 MMBtu
25	Customer Rate Relief - (CRR) (Non-Taxable)		0.12000 Ccf	0.12000 Ccf	\$1.2000 MMBtu
26	<b>Rider GCR</b>		1.13689 Ccf	0.87429 Ccf	Rate I - \$4.2689 MMBtu
27					Rate T - \$0.8450 MMBtu

<sup>1</sup> Industrial Service and Transportation are reported in MMBtu. An MMBtu conversion factor of 0.1000 is used to convert from Ccf.

# CITY OF SANGER FEBRUARY 2026 REPORT

JERI HARWELL – MUNICIPAL SERVICES MANAGER  
DAVID BAKER – GENERAL MANAGER



# RESIDENTIAL COLLECTION TONNAGE

## SANGER - RESI TRASH COLLECTED 2026 (TONS)

	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	TOTAL	AVG
Residential Trash	291.10	248.03											539.13	269.57
Brush/Bulk	91.45	63.20											154.65	77.33
Total	382.55	311.23											693.78	346.89

## SANGER - RESI RECYCLE COLLECTED 2026 (TONS)

	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	TOTAL	AVG
Residential SSR	52.37	51.75											104.12	52.06

## SANGER - TOTAL MATERIAL COLLECTED 2026 (TONS)

	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	TOTAL	AVG
Total All Services	434.92	362.98											797.90	398.95

## SANGER - DIVERSION RATE 2026

	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	TOTAL	AVG
Residential SSR	15.25%	17.26%											16.19%	16.25%



# INDUSTRIAL AND COMMERCIAL COLLECTION TONNAGE

## SANGER - INDUSTRIAL & COMMERCIAL TRASH COLLECTED 2026 (TONS)

	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	TOTAL	AVG
Industrial Trash	183.6	243.34											426.94	213.47
Commercial Trash	248.18	212.02											460.20	230.10
Total	431.78	455.36											887.14	443.57

## SANGER - INDUSTRIAL RECYCLING COLLECTED 2026 (TONS)

	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	TOTAL	AVG
Comm & Industrial Recycle	0	0											0.00	0.00

## SANGER - TOTAL MATERIAL COLLECTED 2026 (TONS)

	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	TOTAL	AVG
Total All Services	431.78	455.36											887.14	443.57

## SANGER - INDUSTRIAL DIVERSION RATE 2026

	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	TOTAL	AVG
Comm & Industrial	0.00%	0.00%											0.00%	0.00%



# PARTICIPATION SERVICES

Item 8.

## SANGER - RESIDENTIAL RECYCLE PARTICIPATION RATES 2026

Participation	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	AVG
# Households	3,368	3,353											3,361
Serviceable Households	16,840	16,765											3,361
SSR Participation	31.10%	30.87%											30.98%
SSR Set Outs	5,237	5,175											5,206

## SANGER - OTHER INFORMATION 2026

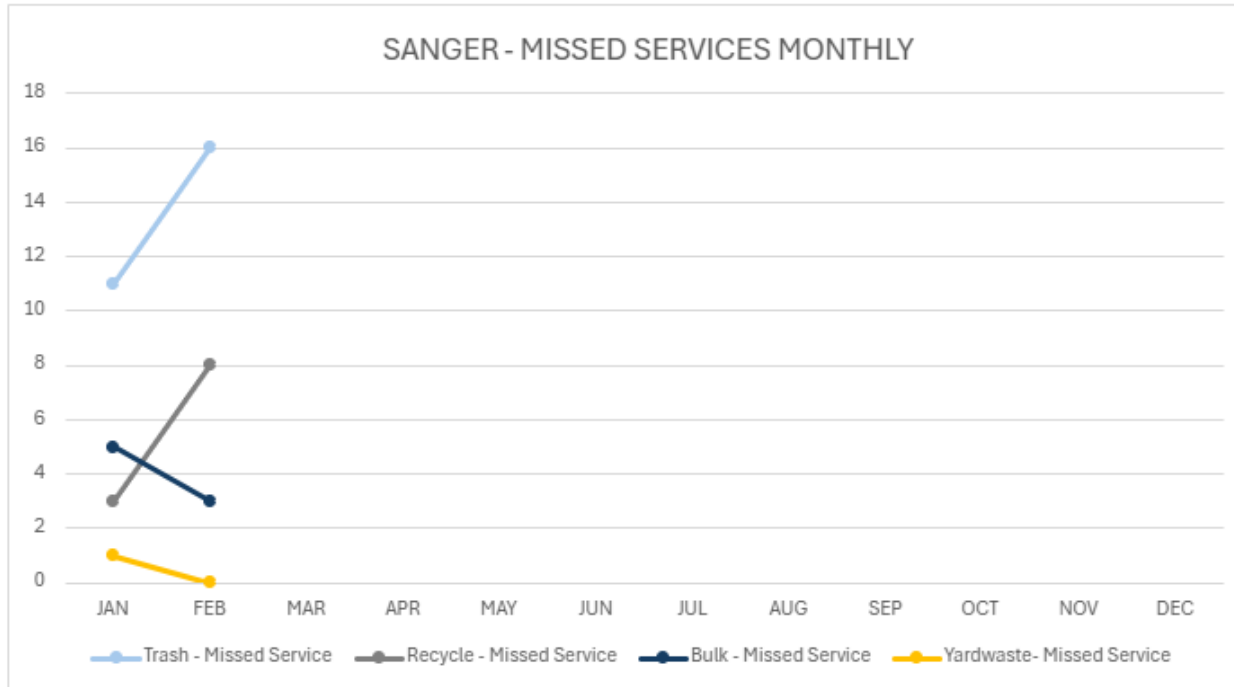
CONTAINERS	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	TOTAL
Container Deliveries	8	23											31
Repair	0	0											0
Remove Container	2	11											13
Exchange Container	0	0											0
SERVICES	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	TOTAL
Code Red	0	0											0
Routes Incomplete	0	0											0
Special Bulk Pickup	0	0											0
Illegal Dumps	0	0											0
TOTAL	0	0											0



# RELIABLE SERVICES

SANGER - MISSED SERVICES 2026

Service Activity	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	TOTAL	AVG
Trash - Missed Service	11	16											27	13.50
Recycle - Missed Service	3	8											11	5.50
Bulk - Missed Service	5	3											8	4.00
Yardwaste- Missed Service	1	0											1	0.50
Service Activity Total	20	27											47	23.50



It is the policy of Republic Services that if a customer perceives that we missed a collection component, we return for collection and do not question the missed service.

# SAFETY - OUR # 1 GOAL

Item 8.

## SANGER - SAFETY RECORD 2026

Service Activity	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	TOTAL
Property Damage	0	0											0
Motor Vehicle Accidents	0	0											0
Moving Violations	0	0											0
Personal Injury Claims	0	0											0
<b>TOTAL</b>	<b>0</b>	<b>0</b>											<b>0</b>

Nothing is more important than safety, and no job is so urgent that we cannot take the time to do it safely. The very nature of what we do requires us to be uncompromising on safety, beginning with our employees and extending to our customers and into the communities we serve. Simply, a sustainable planet is only possible if everyone works and lives together... safely.

# MATERIALS DIVERTED

Item 8.

## SANGER - RESOURCES DIVERTED FROM LANDFILL 2026 (TONS)

MATERIAL	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	TOTAL	AVG
OCC	30	30											60	30
MIXED PAPER	13	12											25	12
PLASTIC	5	5											10	5
METAL	3	3											6	3
OTHER	1	1											2	1
TOTAL	52	51											104	52