



**INTERLOCAL COOPERATION CONTRACT  
GLO CONTRACT NO. 14-281-000-8451**

This Interlocal Cooperation Contract (Contract) is entered into by and between the Texas General Land Office (GLO) and Collin County, Vendor ID # 75-60008736 (Receiving Agency), pursuant to the authority granted by and in compliance with the provisions of "The Interlocal Cooperation Act", Sec. 791.001, *et seq.*, Tex. Gov't Code Ann. (Vernon 2004 & Supp. 2006).

**I. TERM AND AMOUNT OF CONTRACT**

1.01 **Term:** This Contract shall be effective for a Primary Term of June 1, 2014 through May 31, 2017.

**HOWEVER**, the Contract shall be extended for each subsequent biennium if the requisite funding is appropriated by the Texas Legislature for the GLO and Receiving Agency for such biennium

1.02 For and in consideration of the GLO's satisfactory performance under this Contract, which requires the delivery of an undeterminable quantity of natural gas, the Receiving Agency shall pay to the GLO, on a unit basis, the amount specified by the terms of this contract.

**II. DEFINITIONS**

**Certain Defined Terms:** Unless the context clearly requires otherwise, the capitalized terms defined below shall have the following meanings:

"**Btu**" shall mean one (1) British thermal unit.

"**Contract Maintenance Fee**" shall mean the fee the GLO charges per MMBtu delivered in accordance with 31 Texas Administrative Code §3.31(b)(19)(A) and which is recorded on Exhibit A.

"**Early Termination Damages**" shall mean the difference between (a) the Fixed Gas Price times the Fixed Gas Volume(s) remaining to be supplied or purchased under this Contract, plus the

Index Gas Price times the Index Gas Volume(s) remaining to be supplied or purchased under this Contract and (b) the Market Value of the Fixed Gas Volume(s) and Index Gas Volume(s) remaining to be supplied or purchased under similar circumstances under this Contract.

**“Early Termination Date”** shall mean the date the Party authorized to do so establishes as the date the Contract terminates upon an Event of Default or the date of written termination notification by either Party that occurs prior to the termination date contemplated under Section 1.01. An Early Termination Date established under Sections 6.02 and 6.03 must be on the first day of a month.

**“Event of Default”** shall mean that a Party fails to perform any material term or condition of the Contract, provided that such failure is not caused by Force Majeure.

**“Fixed Gas Price”** shall mean the predetermined price of natural gas per MMBtu recorded on Exhibit A.

**“Fixed Gas Volume(s)”** shall mean the volume(s) of natural gas designated by Receiving Agency on Exhibit B to be priced at the Fixed Gas Price.

**“Force Majeure”** shall mean the occurrence of any of the following for the period of time, if any, that the performance by either or both Party’s material obligations under this Contract are actually, materially, or reasonably delayed or prevented thereby: the enactment, imposition, or modification of any applicable law which occurs after the effective date of this Contract; governmental actions, whether federal, state, military or local, or any application of governmental conservation or curtailment rules or regulations; transportation or natural gas supplier strikes, lockouts, or other industrial disturbances; acts of God, terrorism, wars, blockades, insurrections, riots, civil disturbances, epidemics, landslides, lightning, earthquakes, fire, hurricanes, storms, floods, wash-outs, explosions, nuclear reaction, radiation, or radioactive contamination; accidents to machinery or lines of pipe; production of lines of pipe; imposed, scheduled or unscheduled shutdowns or curtailments of lines of pipe for inspection, testing, maintenance, or repair; or any other occurrence, whether of the kind herein enumerated or otherwise, which is not reasonably within the control of the Party claiming the right to delay performance on account of such occurrence and which is not a result of the negligence, willful misconduct, or actions under the control of, the Party claiming the right to delay performance on account of such occurrence. Force Majeure shall not include fluctuations in the market price for natural gas or System Operating Expenses.

**“Full Requirements”** shall mean the Receiving Agency’s total natural gas requirements to be used only for operations, which includes providing gas to Receiving Agency’s tenants, if any, at the facilities identified in Exhibit A.

**“Gas Daily Price”** shall mean the midpoint price stated in the *Platts Daily Price Guide* or successor publication for the applicable Index Gas Price as referenced in Exhibit A.

**“Imbalance Costs”** shall mean all costs, including mitigation costs, incurred by the GLO for Imbalance Gas, resulting from the GLO’s use of information in Exhibit B or any subsequent amendment(s) thereto.

**“Imbalance Gas”** shall mean the difference between a Transporter’s receipts and deliveries of natural gas for the complete transportation path of the gas to the Points of Delivery.

**“Index Price”** shall mean the price posting as first published each month in *Platts Gas Daily* price guide in the section titled “Market Centers,” under the heading and subheading specified in Exhibit A, or in the event such publication is unavailable, a price agreed to by the GLO and Receiving Agency.

**“Index Gas Price”** shall mean Index Price plus Market Demand Factor.

**“Index Gas Volume(s)”** shall mean the volume(s) of natural gas designated by Receiving Agency in Exhibit B to be priced at the Index Gas Price, including any amount of natural gas supplied pursuant to Section 4.04.

**“LDC”** shall mean a local distribution company.

**“Market Demand Factor”** shall mean an adjustment to the Index Price, as determined by the GLO, to account for market factors, including but not limited to, supply, transportation and imbalance management and aggregation services performed by the GLO.

**“Market Value”** shall mean any or all of the settlement prices of NYMEX natural gas futures contracts, quotations from leading dealers in energy swap contracts or physical gas trading markets, similar sales or purchase and any other bona fide third-Party offers, all adjusted for the length of term and transportation costs to the Points of Delivery recorded in Exhibit A.

**“MMBtu”** shall mean one million (1,000,000) Btu’s.

**“Monthly Gas Consumption Form”** shall mean the form attached hereto as Exhibit B that the Receiving Agency shall submit to the GLO wherein Receiving Agency designates its Monthly Scheduled Quantity.

**“Monthly Invoices”** shall mean invoice(s) generated by the GLO for the delivery of natural gas, the balance forward from the preceding billing month and payments received during the current billing month setting out the total amount due by Receiving Agency for the time periods specified therein.

**“Monthly Scheduled Quantity”** shall mean the total volume(s) of natural gas consumption per month in MMBtu the Receiving Agency reported on the most recent Exhibit B, filed in accordance with Section 3.03, and which is the amount of natural gas GLO will schedule for delivery to the Receiving Agency for the designated period(s). If no current Exhibit B from the Receiving Agency is on file at the GLO or, if one is filed, does not contain schedules volume(s)

of natural gas consumption for a specific time period, the GLO will, in its sole discretion, schedule the volume(s) of natural gas to supply to the Receiving Agency for that period.

“**NYMEX**” shall mean the New York Mercantile Exchange.

“**Party**” or “**Parties**” shall mean the GLO or Receiving Agency individually or collectively as use of the term implies.

“**Points of Delivery**” shall mean the delivery interconnects more specifically identified in Exhibit A.

“**Prior Period Adjustment**” shall mean any adjustments, including but not limited to, actual delivered natural gas volumes, meter reading errors, or any other factor(s) which may affect the resulting actual cost of delivered natural gas supplies and other services made to any previous monthly invoice resulting in the actual cost to the Receiving Agency.

“**Service Meter**” shall mean the instrument for measuring and indicating or recording the volume of natural gas consumed by Receiving Agency.

“**Swing Gas Price**” shall mean the price posting as published each day in *Platts Gas Daily* price guide in the section titled “Daily Price Survey”, under the heading and subheading specified in Exhibit A, or in the event such publication is unavailable, a price agreed to by the GLO and Receiving Agency.

“**Swing Gas Volume(s)**” shall mean the volume(s) of natural gas both purchased and sold during the month, to be priced at the appropriate Swing Price.

“**System Operating Expense(s)**” shall mean the cost incurred by the GLO to supply volume(s) of natural gas to the Points of Delivery identified in Exhibit A, and includes but is not limited to, transportation charges, park-and-loan charges, cash outs, fuel charges, meter or metering charges, fees and taxes, including all Imbalance Costs actually incurred or reasonably allocated by the GLO before or after the Points of Delivery. The System Operating Expense(s) may be modified by the GLO to reflect any actual cost increases or decreases to the various cost components comprising the System Operating Expense(s).

“**Telemetry Recovery Charges**” shall mean actual telemetry costs, if any, incurred by the GLO. Receiving Agency has the option prior to the initial month of flow to notify the GLO in writing that it desires to prorate the actual telemetry costs plus 4% annual interest over a term not to exceed the last month noted on Exhibit B. These charges will be calculated as follows: (actual telemetry costs plus (actual telemetry costs multiplied by (4% multiplied by the desired months of proration divided by 12))) divided by the desired months of proration to determine the monthly recovery charge billed.

“**Transporter**” shall mean the pipeline company(s) that transports natural gas for the GLO.

### III. STATEMENT OF SERVICES TO BE PERFORMED

3.01 **Provision of Natural Gas:** The GLO agrees to sell and the Receiving Agency agrees to buy the Receiving Agency's Full Requirements of natural gas on the terms and conditions set forth herein. If this contract is extended into a new biennium pursuant to Section 1.01, the GLO and the Receiving Agency shall, by written agreement, amend Exhibit A and Exhibit B, otherwise the GLO will, in its sole discretion, schedule the volume(s) of natural gas to supply to the Receiving Agency for that period.

3.02 **Use of Natural Gas:** The Receiving Agency agrees that the natural gas purchased under the terms and conditions of this Contract shall be used only for the operational needs of the facilities, which includes providing gas to Receiving Agency's tenants, if any, identified in Exhibit A and may not be resold for any purpose or use whatsoever.

3.03 **Monthly Gas Consumption Form:** Upon execution of the Contract and annually thereafter, or from time to time as changed conditions require, the Receiving Agency shall complete and submit to the GLO a Monthly Gas Consumption Form in accordance with 31 Tex. Admin. Code §8.8.

3.04 **Fixed Gas Volume(s):** The Parties will execute an Exhibit A for purposes of locking in a Fixed Gas Price for the duration of time designated in Exhibit A and will execute an Exhibit B to designate the monthly volume of natural gas to be purchased at the Fixed Gas Price. Exhibit A and Exhibit B shall be amended in accordance with section 3.10.

3.05 **Future Month Quantity Amendments:** In accordance with Section 3.10, volume(s) of natural gas designated to be purchased at the Index Gas Price on the most recent Exhibit B may be amended by execution of Exhibit C (Confirmation Of Amendments to Scheduled Gas Volumes) and attaching a revised Exhibit B at any time no less than two (2) weeks prior to the month for which the change is to be effective. The amended Exhibit B volume(s) shall not be effective until the GLO acknowledges its approval in writing.

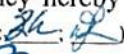
3.06 **Intra-Month Quantity Amendments:** In order to mitigate the inevitable discrepancies between scheduled volume(s) and actual consumption of natural gas designated as Index Gas Price the Parties agree that the Receiving Agency may amend its scheduled volume(s) at any mutually agreeable time by execution of Exhibit C. The execution of Exhibit C will have the effect of amending Exhibit B; **however, intra-month amended Exhibit B volume(s) are not binding on the GLO.** The GLO will make commercially reasonable attempts to effectuate intra-month scheduled amendments, but makes no guarantee that they can be implemented or that avoidance of Imbalance Costs can be achieved.

3.07 **Imbalance Costs:** The Receiving Agency shall bear all Imbalance Costs.

3.08 **Transportation Agreements:** The Receiving Agency, if necessary, shall enter into separate agreements to transport the volume(s) of natural gas received under this Contract. The

Receiving Agency is directly and independently responsible to such Transporter or LDC for all transportation costs from the Points of Delivery to the Service Meter(s) at Receiving Agency's facilities identified in Exhibit A.

3.09 **Title to Gas:** Title to the natural gas, its control and possession, risk of loss, and liability for damages and injuries, shall pass to the Receiving Agency upon delivery of the natural gas to the Service Meter(s) at Receiving Agency's facilities identified in Exhibit A.

3.10 **Exhibit Amendments:** Exhibit A, Exhibit B, and Exhibit C of this Contract may be amended through the mutual agreement of the Parties by the execution of new exhibits signed and dated by both Parties. Receiving Agency hereby expressly grants authority to Michalyn Rains, George King or Dan James (INITIALED BY: ) to execute amendments to Exhibit A, Exhibit B, and Exhibit C.



#### IV. BILLING AND STATEMENT OF CHARGES

4.01 **Billing:** The GLO shall bill the Receiving Agency via Monthly Invoices that shall be delivered via the United States Postal Service, electronic mail, or facsimile at the GLO's option to the Receiving Agency on or before the last working day of the month following the month of delivery.

4.02 **Invoicing:** The Monthly Invoices indicate the total sum of:

- (i) Fixed Gas Volume(s) times the Fixed Gas Price, **WHETHER OR NOT SUCH QUANTITY IS ACTUALLY TAKEN BY THE RECEIVING AGENCY DURING THE MONTH**, plus
- (ii) the product of the month's designated or scheduled Index Gas Volume(s) times the Index Gas Price, plus
- (iii) a positive or negative Prior Period Adjustment reflecting the difference, if any, between the previous month's designated or scheduled Index Gas Volume(s) and the actual Index Gas Volume(s) supplied, plus
- (iv) the Contract Maintenance Fee, plus
- (v) System Operating Expenses, plus
- (vi) Telemetry Recovery Charges, plus
- (vii) any charges incurred under Sections 4.04, 4.05 or 4.06.

4.03 **Default Gas Pricing:** For any month during the term of this Contract for which Exhibit A pricing is not in effect, all natural gas supplied to Receiving Agency will be sold per MMBtu at a price equal to the total sum of: the greater of (i) the first of the month Index Price for the month of flow times 120% or (ii) the average of the Gas Daily Price relative to the referenced Index Price for the month of flow times 120%, plus (a) the Contract Maintenance Fee, and (b) the System Operating Expenses.

**4.04 Excess Usage Pricing:** If the Index Gas Volume(s) of natural gas received by the Receiving Agency exceeds the Monthly Scheduled Quantity of Index Gas Price gas, such excess will be priced as follows:

- (i) if the Transporter utilizes a cash out provision, the actual excess quantity used times the Transporter's cash out contract price plus the associated transportation charges; or
- (ii) if the Transporter does not utilize a cash out provision and the natural gas received by the Receiving Agency exceeds 105% of the Monthly Scheduled Quantity of Index Gas Volume(s), all volume of natural gas exceeding 100% of the Monthly Scheduled Quantity will be priced at the greater of (a) the first of the month Index Price for the month of flow times 120% or (b) the average of the Gas Daily Price relative to the referenced Index Price for the month of flow times 120%.

**4.05 Shortfall Usage Pricing:** If the Receiving Agency does not accept delivery of the Monthly Scheduled Quantity of Index Gas Volume(s), the Receiving Agency shall pay the GLO as follows:

- (i) if the Transporter utilizes a cash out provision, the quantity of natural gas not accepted times the positive difference between the Index Gas Price for that particular quantity of natural gas minus the cash out price the Transporter paid the GLO for the Monthly Scheduled Quantity not accepted plus associated transportation charges; or
- (ii) if the Transporter does not utilize a cash out provision and the Receiving Agency does not accept delivery of at least 95% of the Monthly Scheduled Quantity of Index Gas Volume(s), the positive difference between the Index Gas Price for that quantity of natural gas not accepted less the lesser of (a) 80% of the first of month Index Price for the month of flow times the quantity of natural gas not accepted or (b) 80% of the average of the Gas Daily Price for the referenced index for the month of flow times the quantity of natural gas not accepted, plus (c) the actual transportation cost for all scheduled volume(s). For the purposes of subsection (i) and (ii), the phrase "quantity of natural gas not accepted" shall mean the difference in the volume(s) of gas listed on the most recently filed or amended Exhibit B or Exhibit C and the gas actually accepted for the applicable time periods.

**4.06 Special Aggregation Provision:** For the calculations contemplated by subsections (ii) of sections 4.04 and 4.05, the GLO will, aggregate the Monthly Scheduled Quantity of Index Gas Volume(s) for Receiving Agency's and locations, where the LDC creates or allows a pool, and aggregate the natural gas index volumes actually accepted by the pooled Receiving Agency's at the locations provided for in their respective contracts. Any imbalance fee imposed by the GLO will be apportioned among those Receiving Agencies based upon their pro rata contribution to any resulting imbalance. However, in no event will the imbalance fee under this section exceed the imbalance fee for the Receiving Agency on a stand alone basis. The aggregation provided for in this special provision shall apply to each LDC, provided that the LDC provides an aggregation benefit for public retail customers.

## V. PAYMENT FOR SERVICES

**Payment Methods and Due Date:** Payments by check, electronic fund transfer or interagency transaction voucher (ITV), unless otherwise agreed, are the only acceptable methods of Payment. Payment is due no later than thirty (30) calendar days from date of receipt of the Statement of Charges for all undisputed charges. If the invoiced party disputes the amount of any such Statement of Charges, such invoiced party shall, within five (5) days of the payment due date, provide supporting documentation to support the amount disputed. In the event the parties are unable to resolve such dispute, either party may pursue any remedy available to enforce its rights pursuant to this contract. Payment upon receipt of the Statement of Charges after a reasonable process period is encouraged, as the GLO must pay for purchased natural gas by the 25<sup>th</sup> of the month following the month of delivery. Payments involving ITVs shall be executed according to the guidelines established by Accounting Policy Statement Number 14 (entitled "Interagency Payments and Receipts" in Publication APS-14), or successor guidelines, under the Uniform Statewide Accounting System (Comptroller of Public Accounts, Accounting Policy Statements). ITV payments are to be made to the Texas General Land Office, **VENDOR NUMBER 33053053055000**, using **RTI NUMBER 305002**.

## VI. DEFAULT AND TERMINATION

**6.01 Early Termination:** Subject to payment of Early Termination Damages, either Party may terminate this Contract early by giving at least thirty (30) days written notice to the other Party.

**6.02 Early Termination Date:** The terminating Party may establish the Early Termination Date. The non-terminating Party shall thereafter determine any Early Termination Damages in a commercially reasonable manner.

**6.03 Event of Default Early Termination Date:** The non-defaulting Party may establish the Early Termination Date. The non-defaulting Party shall thereafter determine any Early Termination Damages in a commercially reasonable manner.

**6.04 Non-Performance due to Force Majeure:** Any delays in or failure of performance by either Party, except in respect of the obligation of payments under this Contract, due to Force Majeure shall not constitute an Event of Default. In any such event, the Party claiming Force Majeure shall promptly notify the other Party of the Force Majeure event in writing and, if possible, such notice shall set forth the extent and duration thereof. The Party claiming Force Majeure shall, to the extent practical, exercise due diligence to prevent, eliminate, or overcome such Force Majeure event and resume performance at the earliest possible date. However, if non-performance continues for more than thirty (30) days, either Party may terminate this Contract immediately upon written notification to the other Party. Upon such termination, the terminating Party shall be responsible for Early Termination Damages, which shall be due and payable in accordance with Section 6.05 below.



**6.05 Early Termination Damages Payment Obligation and Due Date:** Early Termination Damages and all previously incurred charges pursuant to this Contract, are due and payable to the non-defaulting or non-terminating Party upon early termination or default. Early Termination Damages are due and payable thirty (30) days after the non-terminating or non-defaulting Party invoices the other Party.

## VII. MISCELLANEOUS PROVISIONS

**7.01 Assignment:** Either Party may assign this Contract upon written notice and prior approval of the other Party. Such approval shall not be unreasonably refused.

**7.02 Entire Agreement:** This Contract constitutes the entire agreement of the Parties. No other agreement, statement, or promise that is not contained in this Contract shall be binding except by a subsequent written modification signed by both Parties. The foregoing notwithstanding, the Parties may change non-substantive terms, including but not limited to names, addresses and account numbers, without the approval of the other Party. The Party making the non-substantive change shall provide the other Party written notice of the change within five (5) days of the change.

**7.03 Compliance with Other Laws:** Incorporated by reference, the same as if specifically written herein, are the rules, regulations, and all other requirements imposed by law, including but not limited to compliance with those pertinent rules and regulations of the State of Texas and those of federal agencies providing funds to the State of Texas, all of which shall apply to the performance of the Parties hereunder.

**7.04 Dispute Resolution:** The Parties agree to use good-faith efforts to decide all questions, difficulties, or disputes of any nature that may arise under or by this Contract. The dispute resolution process in Chapter 2009 and Chapter 2260, Government Code, must, to the extent applicable to this Contract, be used to resolve any dispute, other than a dispute regarding an invoiced amount, arising under this Contract; provided however, that nothing in this paragraph shall preclude either Party from pursuing any remedies as may be available under Texas state law. All disputes arising out of alleged errors in the monthly invoice shall be conducted in accordance with §771.008, Government Code "The Interagency Cooperation Act". This provision shall not apply to any matter with respect to which the GLO or Receiving Agency may make a decision within its sole and complete discretion.

**7.05 Venue:** Venue of any suit brought for breach of this Contract is fixed in any court of competent jurisdiction in Travis County, Texas; provided, however, the foregoing shall not be construed as a waiver of sovereign immunity by the GLO or Receiving Agency.

**7.06 Termination for Non-Appropriation:** This Contract shall not be construed as creating any debt on behalf of the State of Texas and/or the GLO or Receiving Agency in violation of Tex. Const. art. III §49. In compliance with Tex. Const. art. VIII §6, it is understood that all obligations of the GLO and Receiving Agency are subject to the availability of funds. If such funds are not appropriated or become unavailable, this Contract may be terminated. In that

event, the Parties shall be discharged from further obligations, subject to the equitable settlement of their respective interests accrued up to the date of termination.

**7.07 Severability:** Should any one or more provisions of this Contract be held to be void, voidable, or for any reason whatsoever of no force and effect, such provision(s) shall be construed as severable from the remainder of this Contract and shall not affect the validity of all other provisions of this Contract, which shall remain of full force and effect; so long as such severance does not deprive either Party of the benefit of the bargain.

**7.08 Execution:** This Contract shall be executed in multiple originals and/or several counterparts, each of which shall constitute an original. A complete set of said counterparts, when taken together, shall constitute a single instrument.

**7.09 Pipeline Integrity Testing:** During the term of this Contract, if any pipe line used to transport natural gas to the Receiving Agency ceases or interrupts regular operation, to include, but not limited to, inspection, maintenance, testing or repair, as a result of governmental action, order, rule or regulation, any resulting additional costs involved in delivering or providing natural gas under this Contract shall be borne entirely by the Receiving Agency. In such instance the GLO will assist the Receiving Agency in mitigating such additional costs by any operational means reasonably available to the GLO.

**7.10 Exhibits:** Exhibit A, Exhibit B, Exhibit C, and the Limited Agency Authorization attached hereto, and any subsequent amendments thereto, are incorporated by reference into this Contract.

**7.11 Continued Obligations:** Notwithstanding any other provision herein to the contrary, the Receiving Agency shall not be relieved of its obligation to make payments due to the GLO for natural gas actually supplied or tendered for delivery to the Points of Delivery set out in Exhibit A and any related expenses or liabilities incurred by the GLO in the performance of this Contract.

## **VIII. CONTACT INFORMATION**

Texas General Land Office  
Texas General Land Office  
1700 North Congress, Room 840  
Austin, TX 78701  
512/463-5042 Energy Resources  
512/475-1404 Fax

For Notices  
Attn: Brenda Rivera  
512/463-5327  
[brenda.rivera@glo.texas.gov](mailto:brenda.rivera@glo.texas.gov)

Collin County  
Collin County  
2300 Bloomdale, Ste 3160  
McKinney, TX 75071  
972/548-4165 Office  
972/548-4694 Fax

For Notices  
Attn: Michalyn Rains  
972/548-4165  
[mrains@co.collin.tx.us](mailto:mrains@co.collin.tx.us)

For Scheduling

Attn: Jennie Weidler  
512/475-1462  
[jennie.weidler@glo.texas.gov](mailto:jennie.weidler@glo.texas.gov)

For Scheduling

Attn: George King  
972/547-5363, 469/215-6413  
[gking@co.collin.tx.us](mailto:gking@co.collin.tx.us)  
Attn: Dan James  
972/547-5331  
[djames@co.collin.tx.us](mailto:djames@co.collin.tx.us)

For Payment by ACH with Addenda

Bank of America  
Austin, TX  
ABA #111000025 – Acct #6040070607  
Details: GLO/Energy Gas

For Invoices

Collin County Auditor  
972/548-4696 Fax  
[accountspayable@collincountytx.gov](mailto:accountspayable@collincountytx.gov)  
George King  
972/547-5498 Fax  
[gking@co.collin.tx.us](mailto:gking@co.collin.tx.us)

For Payment By Wire

ABA # 114900164  
Acct # 463600305

For Payment By Check

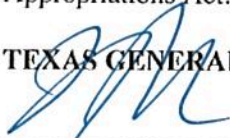
Texas General Land Office  
Attn: SEMP  
P.O. Box 12873  
Austin, TX 78711-2873

**THE UNDERSIGNED** do hereby certify that: (1) the services specified above are necessary and essential and are properly within the statutory functions and programs of the affected agencies of state government; (2) the proposed arrangements serve the interest of efficient and economical administration of those agencies; and (3) the services, supplies or materials contracted for are not required by §21 of Article 16 of the Constitution of Texas to be supplied under contract to the lowest responsible bidder.

**THE RECEIVING AGENCY** further certifies that it has the authority to enter into this Contract by virtue of the Texas Appropriations Act.

THE GLO further certifies that it has the authority to enter into this Contract by virtue of the authority granted in §52.133, Tex. Nat. Res. Code (Vernon 2001) and in the applicable Texas Appropriations Act.

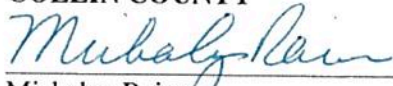
TEXAS GENERAL LAND OFFICE

  
Larry L. Laine, Chief Clerk/  
Deputy Land Commissioner

Date of execution: 5/1/14

S.A. ML  
Div. 1  
A.G.C. 1  
G.C. 1

COLLIN COUNTY

  
Michalyn Rains  
Purchasing Agent

Date of execution: 5/1/14

per Court Order No  
2014-197-04-14

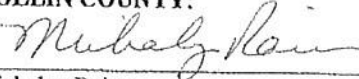
5-1-14  
JK

**Exhibit A**

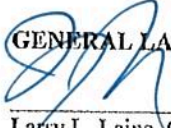
GLO CONTRACT NUMBER: 14-281-000-8451  
EFFECTIVE DATE OF CONTRACT: June 1, 2014  
EFFECTIVE DATE OF EXHIBIT A: June 1, 2014  
AGENCY NAME: Collin County  
AGENCY LOCATION: 2300 Bloomdale Ste 3160, McKinney TX  
75071  
POINT OF DELIVERY: Justice Center, Atmos Meter #000006023  
FIXED GAS PRICE: Price of \$ N/A per MMBtu effective  
beginning \_\_\_\_\_ through \_\_\_\_\_  
(INITIALED BY: \_\_\_\_\_ (RECEIVING AGENCY);  
\_\_\_\_\_(GLO).  
INDEX GAS PRICE: Effective June 1, 2014, an Index Gas Price  
equal to the Index Price posting as first  
published each month in Platts Gas Daily  
price guide report in section titled "Market  
Centers" under the heading "West Texas" and  
under the subheading "Waha" plus a Market  
Demand Factor of \$.40 per MMBtu.  
SYSTEM OPERATING EXPENSES: Atmos transmission and local distribution  
charges, including fuel.

AUTHORIZED BY:

**COLLIN COUNTY:**

  
\_\_\_\_\_  
Michalyn Rains  
Purchasing Agent  
DATE: 5/6/14

**GENERAL LAND OFFICE**

  
\_\_\_\_\_  
Larry L. Laine, Chief Clerk,  
Deputy Land Commissioner  
DATE: 5/15/14

**EXHIBIT B  
MONTHLY GAS CONSUMPTION ELECTION (MGCE)  
CONTRACT # 14-281-000-8451**

**AGENCY:** Collin County  
**FACILITY NAME:** Justice Center  
**ADDRESS:** 4300 Community Blvd, McKinney TX 75071  
**CONTACT NAME:** Michalyn Rains  
**CONTACT PHONE NUMBER:** 972-548-4165  
**EMAIL ADDRESS:** mrains@co.collin.tx.us

Gas Consumption Per Month in MMBtu

	Fixed	Index	Total
Jun-14	0	1,566	1,566
Jul-14	0	1,076	1,076
Aug-14	0	1,045	1,045
Sep-14	0	1,038	1,038
Oct-14	0	1,023	1,023
Nov-14	0	2,158	2,158
Dec-14	0	3,770	3,770
Jan-15	0	5,226	5,226
Feb-15	0	3,309	3,309
Mar-15	0	3,837	3,837
Apr-15	0	2,402	2,402
May-15	0	2,114	2,114
TOTAL	0	28,564	28,564

	Fixed	Index	Total
Jun-15	0	1,566	1,566
Jul-15	0	1,076	1,076
Aug-15	0	1,045	1,045
Sep-15	0	1,038	1,038
Oct-15	0	1,023	1,023
Nov-15	0	2,158	2,158
Dec-15	0	3,770	3,770
Jan-16	0	5,226	5,226
Feb-16	0	3,427	3,427
Mar-16	0	3,837	3,837
Apr-16	0	2,402	2,402
May-16	0	2,114	2,114
TOTAL	0	28,682	28,682

Collin County: Michalyn Rains  
Purchasing Agent

Effective Date: 06/01/2014

GLO Initials: [Signature]

Form: Monthly Gas Consumption  
Approved by Legal SEMP  
October 14, 2008

Rec'd by Semp Initial/Date \_\_\_\_\_  
Updated GMS Initial Date \_\_\_\_\_  
Routed to Legal Initial/Date \_\_\_\_\_  
Posted into Docushare Initial/Date \_\_\_\_\_

**EXHIBIT B**  
**MONTHLY GAS CONSUMPTION ELECTION (MGCE)**  
**CONTRACT # 14-281-000-8451**

**AGENCY:** Collin County  
**FACILITY NAME:** Justice Center  
**ADDRESS:** 4300 Community Blvd, McKinney TX 75071  
**CONTACT NAME:** Michalyn Rains  
**CONTACT PHONE NUMBER:** 972-548-4165  
**EMAIL ADDRESS:** mrains@co.collin.tx.us

Gas Consumption Per Month in MMBtu

	<u>Fixed</u>	<u>Index</u>	<u>Total</u>
Jun-16	0	1,566	1,566
Jul-16	0	1,076	1,076
Aug-16	0	1,045	1,045
Sep-16	0	1,038	1,038
Oct-16	0	1,023	1,023
Nov-16	0	2,158	2,158
Dec-16	0	3,770	3,770
Jan-17	0	5,226	5,226
Feb-17	0	3,309	3,309
Mar-17	0	3,837	3,837
Apr-17	0	2,402	2,402
May-17	0	2,114	2,114
TOTAL	0	28,564	28,564

Collin County: Michalyn Rains  
Purchasing Agent

Effective Date: 06/01/2014

GLO Initials: MR

**EXHIBIT C**

**CONFIRMATION OF AMENDMENTS TO SCHEDULED GAS VOLUMES FOR  
EXHIBIT B GLO CONTRACT NO. 14-281-000-8451 ("Contract") \_\_\_\_\_ (Facility)**

**Date:** \_\_\_\_\_

- 1). In an effort to reduce Receiving Agency's Pipeline Imbalance caused by discrepancies between Receiving Agency's actual gas consumption and its estimated consumption scheduled for delivery pursuant to Exhibit B of the Contract, the Texas General Land Office (GLO) and Receiving Agency hereby agree to amend the scheduled volume for the time period indicated below. Provided however the GLO can only accept nomination changes when applicable upstream pipeline carriers accept nomination changes. Nomination changes are typically not accepted on holidays, Sundays, and Mondays, therefore the GLO cannot accept Receiving Agency's changes relative to these days. Nomination changes for Saturday are applicable without change for the following Sunday and Monday, and thereafter until changed.
- 2). Receiving Agency hereby amends its scheduled volume by checking the appropriate box below:
- a) In accordance with the GLO's suggested volume of \_\_\_\_\_/day. Resulting in total nominated volumes \_\_\_\_\_ for the month.
  - b) to \_\_\_\_\_/day.
  - or,
  - c) The volumes will remain \_\_\_\_\_ as established in Exhibit B.
- 3). The Receiving Agency amends its scheduled volumes for gas for the following time period(s) \_\_\_\_\_.
- 4). Receiving Agency's selection in Section 2 and 3 of this Confirmation Form and return of via email to the GLO constitutes Receiving Agency's agreement to the change in the scheduled volumes and to execution of this Confirmation Form.
- 5). In order for the Receiving Agency's selection to be immediately effective, the Receiving Agency must remit by FAX (512-475-1404) the Confirmation Form before 8:00 AM Central time the day before the effective day of flow. Failure to remit the Confirmation Form by 8:00 AM Central time will void the submitted selection. The Receiving Agency will contact the GLO the next business day to re-amend the scheduled volumes.
- 6). This Confirmation Form dated \_\_\_\_\_ supercedes all other such Confirmation Forms and the current Exhibit B for the time period indicated in Section 3 of this form.
- 7). Receiving Party acknowledges and agrees that this amendment to its scheduled volumes for gas does not guarantee elimination of imbalance charges nor does it relieve Receiving Agency's obligation to pay any imbalance charges pursuant to the Contract.
- 8). Receiving Agency acknowledges and agrees that the person signing below is authorized to amend Receiving Agency's scheduled volumes.

**BY:** \_\_\_\_\_

Form: CAN1  
Approved by Legal & SEMP  
September 9, 2009

- |  |       |
|--|-------|
| <input type="checkbox"/> Received by SEMP Initials/Date      | _____ |
| <input type="checkbox"/> Updated GMS Initials/Date           | _____ |
| <input type="checkbox"/> Routed to Legal Initials/Date       | _____ |
| <input type="checkbox"/> Posted into DocuShare Initials/Date | _____ |



ATTACHMENT 1

Limited Agency Authorization  
GLO Contract No. 14-281-000-8451


In an effort to reduce Pipeline Imbalances caused by discrepancies between Receiving Agency's actual gas consumption and its estimated consumption scheduled for delivery pursuant to Exhibit B of the Contract, be able to make more timely mid-month corrections, and reduce excessive paperwork, Receiving Agency hereby appoints the GLO (Agent) as its limited agent with authority to act on its behalf in regards to the following:

Agent is authorized to make nominations of natural gas volumes on Receiving Agency's behalf in accordance with the GLO Contract No. noted above. Such nominations will be based upon Receiving Agency's historical usage or written instructions received from Receiving Agency, and shall be binding upon Receiving Agency without recourse.

This limited agency authorization shall be effective June 1, 2014 and shall remain in full force and effect until terminated by either party upon ten (10) days' prior written notice.

TEXAS GENERAL LAND OFFICE

COLLIN COUNTY

  
\_\_\_\_\_  
Larry L. Laine  
Chief Clerk/Deputy Land Commissioner

  
\_\_\_\_\_  
Michalyn Rains  
Purchasing Agent

Date of execution: 5/15/14

Date of execution: 5/11/14

Atmos Energy Corp.,  
Mid-Tex Division  
Attn: Transportation Contract Administration  
P. O. Box 223705  
Dallas, Texas 75222-3705

Re: Limited Agency Authorization

Ladies and Gentlemen:

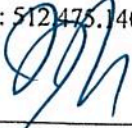
Please be advised that (Customer) hereby appoints  
The Texas General Land Office (Agent) as its limited agent with authority to act on its behalf in  
regards to the following functions effective (Date) :

1. Agent is hereby authorized to obtain any information which Atmos Energy Corporation (Atmos Energy) would otherwise release to Customer, which includes, but is not necessarily limited to, all transportation rates to Customer, all information concerning historic transportation gas to Customer, all available tax rate information with respect to the transportation of natural gas to or for Customer, and any other information or document copies in the possession of Atmos Energy which pertain to Customer's transportation of natural gas via Atmos Energy. Said authorization expressly excludes pricing-related information of any other third party supplier of Customer.
2. Agent is authorized to make nominations of natural gas volumes on Customer's behalf in accordance with Customer's transportation agreement(s) with Atmos Energy. Such nominations will be based upon Customer's historical usage and/or written or verbal instructions received by Agent directly from Customer.
3. Agent may have access to the most timely information possible with respect to Customer's daily and monthly usage and/or transportation volumes, provided, however, Customer and Agent recognize that it is Customer's responsibility to maintain a balance between receipts and deliveries, which includes the responsibility to know the amount of gas that is consumed at Customer's facility and the amount of gas that is delivered to Atmos Energy's system on Customer's behalf. Atmos Energy provides certain volume information as a customer service, however, unavailability or changes to such information will not constitute a waiver of imbalance penalties or fees.
4. Customer and Agent recognize that this agency agreement does not relieve Customer of Customer's responsibilities pursuant to Customer's transportation agreement(s). Any imbalances created by Agent on Customer's transportation agreement(s) shall be Customer's responsibility to correct. Moreover, if any transportation imbalances are resolved through Agent's pooling agreement with Atmos Energy and Agent fails or refuses to satisfy its imbalance obligations under such pooling agreement, then Customer will be responsible for its pro rata share of the quantity of Agent's imbalance, based on the quantity of gas transported to Customer during the applicable period in which the imbalance was incurred and the total quantity of gas transported under Agent's pooling agreement with Atmos Energy during such period. In such event, it will be deemed that Customer has incurred an imbalance equivalent to such pro rata quantity, and Customer will be responsible to resolve such imbalance in accordance with Customer's transportation agreement(s).

This Limited Agency Authorization shall become effective from the date written above and shall remain in full force and effect until terminated by Customer or Agent upon ten (10) days' prior written notice; provided that Atmos Energy will have the right to reject this Limited Agency Authorization at any time in the event that Atmos Energy, in its reasonable discretion, determine that Agent will not be capable of fulfilling all of its agency obligations hereunder. Notice information for said parties is set forth below:

**Agent**  
Texas General Land Office  
1700 North Congress  
Austin, TX 78701

Attn: Jennie Weidler  
Phone: 512.475.1462  
Fax: 512.475.1404

By:   
Larry L. Laine  
Chief Clerk/Deputy Land Commissioner

Date 5/15/14

**Customer**  
Collin County  
2300 Bloomdale, Ste 3160  
McKinney, TX 75071

Attn: George King  
Phone: 972.547.5363  
Fax: 972.547.5498

  
Michalyn Rains  
Purchasing Agent

Date 5/11/14

SA MD  
DIV CEU  
AGC P  
GC WFA

<b>Request Type:</b>	
<input type="checkbox"/>	Add
<input type="checkbox"/>	Delete
<input type="checkbox"/>	Modify

**Atmos Energy Corporation  
Customer Website  
Industrial Account Request Form**

Customer (Company Name) <i>Collin County</i>	
DUNS Number _____	
Representative <i>George King</i>	
Email Address <i><del>gee</del> gking@co.collin.tx.us</i>	Phone Number <i>972-547-5363</i>
Mailing Address <i>4600 Community Blvd</i>	Fax Number
City <i>McKinney</i>	State <i>TX</i> Zip <i>75071</i>

*Please note all fields in the section above are required to setup an account*

Atmos Energy Use Only	
ATMOS ENERGY-OUA #	
Received Date:	Contract Admin Approved:
Group:	System Admin Approved:
User ID:	Account Setup:
Initial PW:	Account Info Sent