

**MINUTES
PUBLIC UTILITIES BOARD**

Monday, May 22, 2017

9:00a.m.

City Council Work Session Room

After determining that a quorum of the Public Utilities Board of the City of Denton, Texas is present, the Chair of the Public Utilities Board will thereafter convene into an open meeting on Monday, May 22, 2017 at 9:00a.m. in the Council Work Session Room at City Hall, 215 E. McKinney Street, Denton, Texas.

Present: Chair Randy Robinson, Vice Chair Susan Parker, Barbara Russell, Charles Jackson, Brendan Carroll, Allen Bishop and Lilia Bynum

Ex Officio

Members: Todd Hileman, CM and Jon Fortune, ACM

OPEN MEETING

CONSENT AGENDA

- A. PUB17-113** - Consider recommending adoption of an ordinance awarding a contract under the Buy Board program for the purchase of Liquid Caustic Soda for the Water Production Plants, City of Denton as awarded by the Texas Association of School Boards (TASB) Purchasing Cooperative Buy Board Contract # 526-17; providing for the expenditure of funds therefor; and providing an effective date (File 6458- awarded to Petra Chemical, LLC, in the annual not to exceed amount of \$260,000 for a one year not-to-exceed amount of \$260,000).
- B. PUB17-114** - Consider recommending adoption of an ordinance authorizing the abandonment and release of certain blanket electric utility easements owned by the City, to the extent that they encumber certain real property owned by Micah Deweerd Holdings, LLC, a Texas limited liability company, containing approximately 1.61 acres, as described in that Deed recorded as Instrument Number 2016-140641, Real Property Records, Denton County, Texas; being located in the W. Garrison Survey, Abstract No. 1545, City of Corinth, Texas, and providing an effective date. [Partial abandonment of blanket electric utility easements as they encumber Micah Deweerd Holdings property aka Pecan Creek Addition Lot 2 located within the City of Corinth]
- C. PUB17-115** – Consider recommending adoption of an ordinance releasing, abandoning and vacating a 0.1195 acre portion of a 0.232 acre sanitary sewer easement recorded in Volume 1729, Page 177, Real Property Records, Denton County, Texas, and located in the B.B.B. & C.R.R. Survey, Abstract No. 192; and declaring an effective date. [Abandonment of a portion of a sanitary sewer easement to remove the encumbrance from the property and update the City real estate records]

Board Member Bynum motioned to approve items (A-C). There was a second by Board Member Jackson. Vote 7-0 approved.

ITEMS FOR INDIVIDUAL CONSIDERATION

- A. PUB17-117-** Consider recommending approval of the Public Utilities Board Meeting minutes of May 8, 2017.

Approved as circulated

- B. PUB17-116** - Consider recommending approval of amendments to Chapter 26, Section 26-126.1 of the Denton Code of Ordinances and Ordinance 2016-274 Water Rate Schedule “Water Tap and Meter Fees” to remove language regarding waiving fire sprinkler tap fees and to clarify water tap and meter fee charges.

Kenneth Banks gave the presentation on this agenda item beginning with fire sprinkler taps.

- Fire sprinkler taps (FSTs) are a type of water line tap fee
- Fee amounts depend on tap size and installation - unpaved or paved
- Fees based on average installation costs (cost of service approach)
- Included in Utility Fee Schedule each year, adopted by ordinance
- If site conditions differ substantially from average conditions, or specific requirements are requested by Fire, charges are based on actual costs of installation.

Fees were charged for Fire sprinkler taps prior to 1991. New Fire Sprinkler System Ordinance adopted in 1991. Fire Sprinkler Tap fees waived because new ordinance requirements were more stringent than other metroplex cities (exceeded Uniform Building Code and Uniform Fire Code when adopted).

Language was added to the Utility Code of Ordinances stating “Upon written request to the Superintendent, the Utility Department shall waive installation charges for water taps exclusively dedicated to fire sprinkler taps. The Superintendent shall have sole discretion in the application of this subsection”.

Similar language included in the Water Rate schedules since 1992. In 2000, conversations between Fire and Water Department staff indicated the Denton Fire Sprinkler ordinance was consistent with other metroplex cities.

In 2001, the Water Department surveyed 41 cities (21 from Texas, 9 in the metroplex, 20 from around the U.S.). All required the developer / building owner to pay fire tap and connection fees.

An item was brought to the Public Utility Board (PUB) in March 2001 recommending charging for fire sprinkler taps. Based on PUB direction, staff began assessing fire tap fees in 2001. However, Ordinance language was not changed.

A recent Fire Sprinkler Tap Survey was conducted by staff from 19 area cities in March 2017. Eighteen of these charge fire tap fees as part of the regular tap fees. One charges separate fees for the water line tap plus a one-time demand charge based on the tap size.

The Mayor requested a work session item to discuss fire sprinkler taps during the February 14, 2017 Council. This work session was provided on April 18, 2017.

Council Direction included:

- Remove references to waiving fees for fire sprinkler taps from Section 26-126.1 of the Code of Ordinances and the Water Rate Schedule.
- Continue to collect fire sprinkler tap fees.
- Clarify what is included in the standard Water tap and meter fees.
- Clarify when a special price quote to perform nonstandard work (fees for installations not listed) applies.

Staff Responses included removing the 1991 language about waiving fire tap fees from Section 26-126.1 of the Code of Ordinances and from the current and future Water Rate Schedule. Also

added language to clarify what is included in the standard fees and when a special price quote for nonstandard work applies (fees for installations not listed).

Water taps with meters:

All taps and meters listed in this section include the installation of a water main tap, a service line from the main to the water meter, the meter box, and water meter. Water impact fees are not included. For situations where portions of this installation requires a pavement cut and repair or the water service line must be bored under the street, the Paved Street fee shall apply. For installations that require a full concrete panel section of pavement to be removed and replaced, or that require a meter larger than 2 inches, the Water Utility Department will provide a special price quotation (see “fees for installations not listed” section).

Water Meter Fees:

This section applies where there is an existing water tap and service line of sufficient size to install a water meter. Situations include water meter installations for new developments and existing properties requesting a larger water meter with an existing adequately sized water tap and service line. Fees include installation and setup of a new water meter and a new water meter box (if required). Water impact fees are not included. For a meter larger than 2 inches, the Water Utility Department will provide a special price quotation (see “fees for installations not listed” section).

Water Meter Relocations:

This section applies for relocations for existing water meters to remove them from conflicts with driveways, sidewalks and other surface obstructions. This standard fee covers relocation of the meter box and water meter and water service line up to 10 feet and does not include pavement removal or replacement. For distances longer than 10 feet, the Water Utility Department will provide a special price quotation in increments of 10 feet (see “fees for installations not listed” section).

Water Line Taps

This section applies to the installation of all water main taps for extension of water mains, larger than 2 inch diameter service lines, and fire lines installed by a private contractor. The fees include the tapping sleeve and isolation gate valve, the installation of the tap, and the removal and restoration of the pavement for the water tap installation only. The contractor is responsible for installing the mainline extensions, service lines, and fire lines from the tapping sleeve isolation valve. Removed 1” and 2” taps. For tap installations impacting concrete pavement that require a full concrete panel section to be removed and replaced, the Water Utility Department will provide a special price quotation. If requested, the Water Utility Department can offer to make a short extension of the main or service line to the back side of a street curb line or street right of way line based upon a special price quotation (see “fees for installations not listed” section).

Fees for Installations not listed:

For the installation of a tap, loop or meter for which a fee is not specified, the requestor shall pay in advance based upon the estimated cost of such installation, or similar work, plus an administrative charge of 20%.

Board Member Bishop clarified the 20% admin charge. Banks answered it is up front and is required in the code of ordinances.

Board Member Russell asked about the terms average conditions and non-standard are there definitions? Banks answered the average is the cost of labor and materials and staff comes up with a standard fee that goes into the rate schedule. This is looked at every year and base the fees on the actual costs. Staff makes sure this is in the range of the costs to only deviate 10 percent. If the costs is much different than the ‘normal’ then the special price fee would be used. **Russell then followed up with another question, would the fee be known before the project is started.** Banks answered that would be a part of the DRC process which is before the project is started.

Board Member Bishop motioned to approve item (B). There was a second by Board Member Parker. Vote 7-0 approved.

C. **PUB17-118** - ACM Update

1. Matrix

Matrix no changes

CONCLUDING ITEMS

Under Section 551.042 of the Texas Open Meetings Act, respond to inquiries from the Public Utilities Board or the public with specific factual information or recitation of policy, or accept a proposal to place the matter on the agenda for an upcoming meeting AND Under Section 551.0415 of the Texas Open Meetings Act, provide reports about items of community interest regarding which no action will be taken, to include: expressions of thanks, congratulations, or condolence; information regarding holiday schedules; an honorary or salutary recognition of a public official, public employee, or other citizen; a reminder about an upcoming event organized or sponsored by the governing body; information regarding a social, ceremonial, or community event organized or sponsored by an entity other than the governing body that was attended or is scheduled to be attended by a member of the governing body or an official or employee of the municipality; or an announcement involving an imminent threat to the public health and safety of people in the municipality that has arisen after the posting of the agenda.

New Business – Russell - Update sale of coal plant

Russell - Update Transmission Line Installation off of Loop 288

Adjournment 9:18 a.m.

Approved 6/12/17