



**City of Denton**  
**MINUTES**  
**PUBLIC UTILITIES BOARD**

City Hall  
215 E. McKinney Street  
Denton, Texas  
www.cityofdenton.com

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**Monday, August 27, 2018**

**6:00 pm**

**Work Session Room**

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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, August 27, 2018 at 6:00 p.m. in the Work Session Room at City Hall, 215 E. McKinney Street, Denton, Texas

**Board Members: Chair Randy Robinson, Vice Chair Susan Parker, Lilia Bynum, Charles Jackson, Allen Bishop, Brendan Carroll and Karen DeVinney**

**Ex Officio Members: Todd Hileman, City Manager and Mario Canizares, Assistant City Manager**

**CLOSED MEETING**

- A. PUB18-170 - Deliberations Regarding Certain Public Power Utilities: Competitive Matters – Under Texas Government Code Section 551.086; Consultation with Attorneys - Under Texas Government Code, Section 551.071.**

Receive competitive and financial public power information from staff related to the Power Purchase Agreement between the City of Denton, as the seller of power and electric energy services, and Texas Woman’s University, as the buyer of power and electric energy services; discuss, deliberate, and make recommendations to City Council regarding the same. Consultation with the City’s attorneys regarding legal issues associated with the above matters where a public discussion of these legal matters would conflict with the duty of the City’s attorneys to the City of Denton and the Denton City Council under the Texas Disciplinary Rules of Professional Conduct of the State Bar of Texas, or would jeopardize the City’s legal position in any administrative proceeding or potential litigation.

- B. PUB18-173 - Deliberations regarding Real Property - Texas Government Code Section 551.072; Consultation with Attorneys - Texas Government Code Section 551.071; Consultation with Attorneys - Under Texas Government Code Section 551.07.**

Discuss, deliberate, and receive information from staff and provide staff with recommended direction for the City Council pertaining to the Lease Agreement between the City and American Biosource, LLC, dated January 7, 2014 and approved and authorized by Ordinance No. 2014-020 (“Lease Agreement”). Discuss, deliberate, and receive information from the City’s attorneys and provide the City’s attorneys with recommended direction for the City Council regarding legal issues associated with the Lease Agreement where a public discussion of these legal matters would conflict with the duty of the City’s attorneys to the City of Denton and the Denton City Council under the Texas Disciplinary Rules of Professional Conduct of the State Bar of Texas, or would jeopardize the City’s legal position in any administrative proceeding or potential litigation.

**REGULAR MEETING**

**1. CONSENT AGENDA**

- A. **PUB18-084** - Consider recommending adoption of an ordinance of the City of Denton, Texas, a Texas home-rule municipal corporation, accepting competitive proposals and awarding a public works contract for the Supply of Overhead Electric Distribution Services for the City of Denton; providing for the expenditure of funds therefor; and providing an effective date (RFP 6582- awarded to Primoris T&D Services, LLC, for one (1) year, with the option for two (2) additional one (1) year extensions, in a total not-to-exceed amount of \$900,000 for all years).
- B. **PUB18-162** - Consider recommending approval of an ordinance of the City Council of the City of Denton, Texas providing for, authorizing, and approving the execution by the City Manager of an Amendment to Extend the Power Purchase Agreement between the City of Denton, Texas and the Texas Woman's University; providing for an effective date.
- C. **PUB18-163** - Consider recommending adoption of a resolution approving the City of Denton's GreenSense Incentive Program, GreenSense Incentive Manual, and Distributed Generation Manual for FY 2018-19; and providing for an effective date.
- D. **PUB18-169** - Consider recommending adoption of an ordinance of the City of Denton, Texas, a Texas home-rule municipal corporation, authorizing the City Manager to execute a contract for Budgeting Software with Questica, Inc., for the City of Denton; providing for the expenditure of funds therefor; and providing an effective date (RFP 6570- awarded to Questica, Inc., for one (1) year, with the option for two (2) additional one (1) year extensions, in a total not-to-exceed amount of \$351,918 for all years).

**Item B was pulled so that Board Member Bynum could abstain.**

**Board Member Parker motioned to approved item B, second by Board Member DeVinney.**

**Vote 6-0 approved.**

**Board Member Parker motioned to approved items A, C, D, second by Board Member DeVinney. Vote 7-0 approved.**

## **2. ITEMS FOR INDIVIDUAL CONSIDERATION**

- A. **PUB18-161** - Consider approval of the Public Utilities Board Meeting minutes of August 13, 2018.

**Board Member Jackson motioned to approved item A, second by Board Member Bynum.**

**Vote 7-0 approved.**

- B. **PUB18-164** - Consider recommending an ordinance establishing the Schedule of Rates for Solid Waste service; providing for a repealer; providing for a Severability Clause; and providing for an Effective Date.

Nicholas Vincent gave the presentation starting with the history. On July 23 this Board recommended approval the 2018-2019 operating budget for the Solid Waste Department, it was also reviewed by Council on August 2. This is scheduled to be adopted on September 18 with the other budgets.

The FY18-19 Solid Waste Rate Overview will include a mid-year rate decrease of 12 percent for residential customers. There will be improved transparency of rates for commercial without a rate increase or decrease. For the landfill staff will address subsidization and align rates with the market.

The residential rates were shown on a chart with the standard and large carts as well as an additional large cart.

Commercial refuse and recycling rates were also shown on a chart to include side load and front load containers. Future adjustments will be brought back to this Board.

Landfill rates will increase based on a cost of service study. Those rates were listed as well.

There were some landfill rates that are proposed to be eliminated;

- commercial disposal rate
- clean lumber disposal rate
- contaminated yard waste
- pull off fee
- Sand, select fill, select fill CL grade, and Rock Sales
- Material Delivery Fee
- Community Garden Plots

Next steps include for budget and rates, staff recommends approval of the proposed FY 2018-2019 Solid Waste Rates. The FY 2018-2019 Solid Waste rates will be presented to Council on August 28. Council is scheduled to adopt the budget rate ordinance on September 18.

Staff will seek PUB/Council direction on rate setting and policy strategies.  
Staff will utilize PUB/Council direction to form a rate correction strategy.  
Staff will return to the PUB and Council with a mid-year budget and rate adjustment based on the operational review and rate correction strategy.

There was some discussion.

**Board Member Parker motioned to approved item B, second by Board Member Jackson.  
Vote 7-0 approved.**

- C. PUB18-167** - Consider recommending adoption of an ordinance of the City of Denton, Texas authorizing the City Manager or his designee, to execute a decommissioning escrow agreement among and between the Texas Municipal Power Agency, the City of Bryan, Texas, the City of Denton, Texas, the City of Garland, Texas and the City of Greenville, Texas (“Cities”) regarding the establishment of escrow for decommissioning pursuant to the existing joint operating agreement between the cities and TMPA; and providing an effective date.

George Morrow gave the presentation starting with the background.

Denton is one of four members of Texas Municipal Power Agency.

The TMPA Joint Operating Agreement provides for establishment of a “Decommissioning Escrow Agreement”.

The agreement facilitates payment of Gibbons Creek decommissioning costs, if needed.

A ‘high level’ Decommissioning Plan/Study has been completed.

Staff is recommending adoption of the proposed Ordinance to authorize executing of the Decommissioning Escrow Agreement with TMPA.

Chair Robinson stated this is a requirement of the operating agreement, Morrow agreed. Parker stated this is normal when decommissioning a plant, Morrow agreed.

**Board Member Parker motioned to approved item C, second by Board Member DeVinney.  
Vote 7-0 approved**

**D. PUB18-166 - ACM Update:**

1. City Sponsorship Requests
2. Future Agenda Items
3. Matrix

**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

Susan Parker – Thanked Randy Robinson for his service to the Public Utilities Board for the past 12 years and presented him with a plaque.

Mario Canizares also spoke and thanked Randy Robinson for his leadership.

**Adjournment: 7:09pm**