

MINUTES
PUBLIC UTILITIES BOARD
February 8, 2016

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, February 8, 2016 at 9:04 a.m. in the Service Center Training Room at the City of Denton Service Center, 901 A Texas Street, Denton, Texas.

Present: Chair Randy Robinson, Vice Chair Phil Gallivan, Charles Jackson, Brendan Carroll and Susan Parker

Absent: Barbara Russell, Lilia Bynum

Ex Officio Members: George Campbell, City Manager, Howard Martin, ACM Utilities

OPEN MEETING

ITEMS FOR INDIVIDUAL CONSIDERATION

A. PUB16-024 Elect Secretary for Public Utilities Board.
Barbara Russell was nominated by Susan Parker. Vote 5-0 approved.

B. PUB16-021 Consider recommending approval of the Public Utilities Board Meeting minutes of January 25, 2016
Approved as corrected.

C. PUB16-023 Receive a report and hold a discussion regarding the Water and Wastewater Forecasts for FY2016-17 Annual Program of Services and the FY2017-21 Capital Improvement Plans.

The Water Forecast was introduced by Tim Fisher, Assistant Director Water Utilities. Tyler Dawson talked about the GPCD and explained the graphs associated.

Fisher then talked about the historical and projected peak days for Water Production that includes both Lake Ray Roberts and Lewisville Water Plants. Lastly Fisher talked about the raw water rights and requirements with indirect reuse.

Parker asked if staff has considered forecasting a normal, and then best case and worst case scenario, and planning around that. Fisher answered his experience has been a \$4 million plus or minus swing are the extremes that have been dealt with. Martin added one of the things that staff can look at is project what kind of loss it would be for a wet year, and what the risk is. Fisher added there has been much discussion regarding the topic of reserves. Best case scenario is a couple dry years and build the reserves. It is important for this Board to know going into budget that the reserves have been depleted the last two years. There was some further discussion.

Robinson stated he know that staff has been trying to drive the percentage of capital expenditures out of revenue as opposed to debt. Is this still increasing. Fisher answered progress has been made. As time moves forward and the aging infrastructure catches up some of the bigger transmission assets have not been funded out of revenue. Staff can look back at those percentages historically and provide them.

Martin added that still will bring forth the financial document that the Board has reviewed over the last few years to outline the financial objectives.

Chair Robinson asked if we have or publish all of our testing processes for water. This will be added to the matrix.

PS Arora, Assistant Director Wastewater Utilities, talked about the Wastewater forecast starting with customers by class. Arora also explained Inflow and Infiltration of wastewater.

The historical and projected flows versus treatment capacity was then presented as well as the peak flows versus peak treatment capacity.

Arora talked about the seven million gallon storage that will be in the Hickory Creek Basin that will help with major flows during rain events. This is very important to keep from expanding the wastewater treatment facility. ***Robinson asked how far will the storage tanks push out the plant expansion date.*** Arora answered the land has been purchased and the tanks are in design. It should push out the expansion date about ten years.

D. PUB16-022 ACM Update

1. Matrix

Attachments: Exhibit 1 New Business Matrix

Matrix no change.

Add lead copper testing

Jackson asked about #4 in house inspection – staff will bring back information on this item.

CLOSED MEETING

A. **PUB16-019** Certain Public Power Utilities Competitive Matters – Under Texas Government Code, Sec. 551.086. Consultant with Attorneys – Under Texas Government Code, Sec. 551.071.

Receive a report and a presentation from Denton Municipal Electric staff regarding certain public power competitive and financial matters pertaining to the electric customer and megawatt-hour forecasts of Denton Municipal Electric; discuss, deliberate and provide staff with director regarding such matters.

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.

There was a discussion regarding the Gas Plants and the proposals.
Adjournment 10:12 a.m.