



# City of Denton

City Hall  
215 E. McKinney St.  
Denton, Texas 76201  
[www.cityofdenton.com](http://www.cityofdenton.com)

## Meeting Agenda Public Utilities Board

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Monday, June 13, 2016

9:00 AM

Service Center Training Room

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After determining that a quorum is present, the Public Utilities Board of the City of Denton, Texas will convene in a meeting on Monday, June 13, 2016 at 9:00 a.m. in the Service Center Training Room at the City of Denton Service Center, 901-A Texas Street, Denton, Texas at which the following items will be considered:

The Public Utilities Board (PUB) will convene in a Closed Meeting to consider specific items when these items are listed below under the Closed Meeting section of this agenda. When items for consideration are not listed under the Closed Meeting section of the agenda, the PUB will not conduct a Closed Meeting and will immediately convene its open meeting. The PUB reserves the right to adjourn into a Closed Meeting on any item on its open meeting agenda consistent with Chapter 551 of the Texas Government Code, as amended, or as otherwise allowed by law.

### CLOSED MEETING

- A. [PUB16-99](#) DELIBERATIONS REGARDING CERTAIN PUBLIC POWER UTILITIES: COMPETITIVE MATTERS --- Under Texas Government Code §551.086.

Receive competitive public power information and financial information from staff in the form of the updated draft operating budget for Denton Municipal Electric ("DME") for FY 2016-2017, including without limitation, revenues, expenses, and commodity volumes; discuss, deliberate, and provide staff with direction regarding such matters.

- B. [PUB16-100](#) DELIBERATIONS REGARDING REAL PROPERTY - UNDER TEXAS GOVERNMENT CODE SECTION 551.072; CONSULTATION WITH ATTORNEYS - UNDER TEXAS GOVERNMENT CODE SECTION 551.071

Receive information from staff and discuss, deliberate, and provide staff with direction regarding the potential acquisition of real property interests located in the southwest area of the City of Denton, north of Farmer to Market Road 2449, east of John Paine Road, south of Springdale Drive (or Hickory Creek), west of Interstate 35W; discussions had, deliberation, and direction given, by the Denton Public Utility Board in an open meeting would have a detrimental effect on the position of the governmental body in negotiations with a third party. Consultation with the City's attorneys regarding legal issues associated with the acquisition of the real property interests described above; discussion of these legal matters in an open meeting would conflict with the duty of the City's attorneys to the City of Denton and the Denton Public Utility Board 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. [Underwood Substation]

**C. [PUB16-118](#) CONSULTATION WITH ATTORNEYS - Under Texas Government Code, Sec. 551.071.**

Consult with the City's attorneys regarding the present status of pending litigation entitled: The City of Denton, Texas v. NRG Power Marketing, LLC, et al, Cause No. 15-01404-16, now pending before the 16th Judicial District Court in and for Denton County, Texas; discuss, deliberate and provide the City's attorneys with direction and any recommendations regarding such legal matter. A public discussion of this legal matter would conflict with the duty of the City's Attorneys to the City of Denton, Texas under the Texas Disciplinary Rules of Professional Conduct of the State Bar of Texas.

**D. [PUB16-119](#) DELIBERATIONS REGARDING CERTAIN PUBLIC POWER UTILITIES: COMPETITIVE MATTERS - UNDER TEXAS GOVERNMENT CODE SECTION 551.086.**

Receive a presentation from staff regarding public power competitive and financial matters related to the City's participation in, and the overall operational and financial aspects of, the Texas Municipal Power Agency; discuss and deliberate strategies regarding same; discuss, deliberate and provide staff with direction which may include the possible approval of a joint operating agreement with TMPA.

ANY FINAL ACTION, DECISION, OR VOTE ON A MATTER DELIBERATED IN A CLOSED MEETING WILL ONLY BE TAKEN IN AN OPEN MEETING THAT IS HELD IN COMPLIANCE WITH TEXAS GOVERNMENT CODE, CHAPTER 551, EXCEPT TO THE EXTENT SUCH FINAL ACTION, DECISION, OR VOTE IS TAKEN IN THE CLOSED MEETING IN ACCORDANCE WITH THE PROVISIONS OF §551.086 OF THE TEXAS GOVERNMENT CODE (THE 'PUBLIC POWER EXCEPTION'). THE PUBLIC UTILITIES BOARD RESERVES THE RIGHT TO ADJOURN INTO A CLOSED MEETING OR EXECUTIVE SESSION AS AUTHORIZED BY TEX. GOV'T. CODE, §551.001, ET SEQ. (THE TEXAS OPEN MEETINGS ACT) ON ANY ITEM ON ITS OPEN MEETING AGENDA OR TO RECONVENE IN A CONTINUATION OF THE CLOSED MEETING ON THE CLOSED MEETING ITEMS NOTED ABOVE, IN ACCORDANCE WITH THE TEXAS OPEN MEETINGS ACT, INCLUDING, WITHOUT LIMITATION §551.071-551.086 OF THE TEXAS OPEN MEETINGS ACT.

## **REGULAR MEETING**

Following the completion of the Closed Meeting, the Public Utilities Board will convene in a Regular Meeting at which the following items will be considered:

## **CONSENT AGENDA**

Each of these items is recommended by the Staff and approval thereof will be strictly on the basis of the Staff recommendations. Approval of the Consent Agenda authorizes the Assistant City Manager of Utilities or his designee to implement each item in accordance with the Staff recommendations. The Public Utilities Board has received background information and has had an opportunity to raise questions regarding these items prior to consideration.

Listed below are bids, purchase orders, contracts, and other items to be approved for payment of other action under the Consent Agenda (Agenda Items A – I). This listing is provided on the Consent Agenda to allow Public Utilities Board Members to discuss or withdraw an item prior to approval of the Consent Agenda. If no items are pulled, Consent Agenda Items A – I below will be approved

with one motion. If items are pulled for separate discussion, they may be considered as the first items following approval of the Consent Agenda.

- A. [PUB16-74](#) Consider recommending approval of an annually renewable, unit price purchase agreement with R&C Welding, for purchase of substation structures fabricated from standard shaped steel products in an amount not to exceed \$1,500,000. (RFP #6026)
- Attachments: [Exhibit 1 - 6026](#)  
[Exhibit 2 - 6026](#)
- B. [PUB16-95](#) Consider recommending approval of the New Cingular Wireless PCS, LLC (Cingular Wireless) third lease amendment for property that is located at the McKenna Park Tower in the City of Denton, Denton County, Texas for an additional thirty (30) years term.
- Attachments: [Exhibit 1 - Third Amendment to Tower Ground Lease Agreement](#)  
[Exhibit 2 - AT&T Original Agreement and Ammendment 1 and 2](#)
- C. [PUB16-96](#) Consider recommending approval of the Professional Services Agreement for Consulting Engineering Services between the City of Denton and Freese and Nichols, Inc., in the amount of \$654,135.00, for engineering services associated with the Hickory Creek Interceptor Phases I and II project.
- Attachments: [Exhibit 1 - Hickory Creek Interceptor Phases I and II - Contract Proposal REV 5.](#)
- D. [PUB16-98](#) Consider recommending approval of Change Order #6 between the City of Denton and Circle C Construction Company, in the amount of \$68,070.00, for additional water main construction associated with the Pecan Creek Interceptor III project.
- Attachments: [Exhibit 1 Change Order 6](#)
- E. [PUB16-102](#) Consider recommending approval of change order one with Chapman Construction Co., L.P., for Denton Municipal Electric 69kV electrical transmission line removal. The original contract was awarded in the amount of \$52,700,000. This change order is for a reduction of \$1,362,108.93. (RFP No. 5578).
- Attachments: [Exhibit 1 - Quote.pdf](#)  
[Exhibit 2 - Chapman Critical Need.pdf](#)  
[Exhibit 3 - RFP 5578 pricing exhibit.pdf](#)
- F. [PUB16-105](#) Consider recommending approval of a contract with DDM Construction Corporation, Valley View Texas, for installation of box culverts and concrete drainage channel adjacent to RD Wells Substation in the not to exceed amount of \$547,221.17. (RFP #6104)
- Attachments: [Exhibit 1 - Site Map 6104](#)  
[Exhibit 2 - Proposal Tabulation Sheet 6104](#)
- G. [PUB16-107](#) Consider recommending adoption of an ordinance accepting competitive proposals and awarding a contract for a refuse compactor for the City of Denton Solid Waste Department; providing for the expenditure of funds therefore; and providing an effective date (RFP5825-awarded to the vendor that would be the best value to the

City, Holt Cat in the amount of \$1,017,197.92)

**Attachments:**      [Exhibit 1 - Bid Tabulation 5825](#)  
                                 [Exhibit 2 - Justification Letter 5825](#)

- H. [PUB16-108](#) Consider recommending adoption of an ordinance accepting competitive proposals and awarding a contract for articulated trucks for the City of Denton Solid Waste Department; providing for the expenditure of funds therefore; and providing an effective date (RFP6102-awarded to the vendor that would be the best value to the City, Kirby-Smith Machinery, Inc. in the amount of \$1,100,966)

**Attachments:**      [Exhibit 1 - Bid Tabulation 6102](#)

- I. [PUB16-113](#) Consider recommending approval authorizing the City Manager to execute an agreement among and between the City of Bryan, Texas, the City of Denton, Texas, the City of Garland, Texas and the City of Greenville, Texas regarding prepayment of fixed cost purchase power payments to be paid to the Texas Municipal Power agency; and providing an effective date.

**Attachments:**      [Exhibit 1 - TMPA Escrow Agreement Payment Ordinance](#)  
                                 [Exhibit 2 - City Prepayment Agreement](#)  
                                 [Exhibit 3 - 2016 TMPA Resolution 2016-5-10 Escrow Procedures](#)  
                                 [Exhibit 4 - 2012-171 Ordinance & City Prepayment Agreement](#)  
                                 [Exhibit 5 - 2012 TMPA Resolution 2012 7 8 Escrow Procedures](#)

#### ITEMS FOR INDIVIDUAL CONSIDERATION

- A. [PUB16-111](#) Consider approval of the Public Utilities Board Meeting minutes of May 23, 2016.

**Attachments:**      [Exhibit 1 - PUB 5-23-16 Draft Minutes](#)

- B. [PUB16-86](#) Receive a report, hold a discussion, and provide staff direction on the Fiscal Year 2016 - 2017 Solid Waste & Recycling Services Operating Budget and the Fiscal Years 2017 - 2021 Capital Improvement Program (CIP) Budget.

**Attachments:**      [Exhibit 1 - Solid Waste Budget and CIP Presentation](#)  
                                 [Exhibit 2- Proposed Budget Summary](#)

- C. [PUB16-101](#) Discuss and consider any additional questions regarding the Denton Municipal Electric (DME) FY 2017-2021 Capital Improvement Program (CIP).

**Attachments:**      [Exhibit 1 - DME FY 2017-2021 CIP](#)

- D. [PUB16-97](#) Discuss and consider any additional questions regarding the draft Water and Wastewater Fiscal Year 2016-2017 Operating Budgets and the Fiscal Year 2017-2021 Capital Improvement Programs (CIP).

**Attachments:**      [Exhibit 1 Water FY 2017 Proposed Budget & CIP](#)  
                                 [Exhibit 2 Wastewater FY 2017 Proposed Budget & CIP](#)

- E. [PUB16-106](#) Receive a report, hold a discussion and provide staff direction regarding the DME Hickory Substation site, located at the intersection of West Hickory and South Bonnie Brae, City of Denton, Denton, Texas, and concerning the options related to

the station's configuration and aesthetic treatment. [Hickory Substation]

Attachments:      [Exhibit 1 - Hickory Substation options](#)

- F. [PUB16-104](#)      ACM Update:
1.    TPPA Distinguished Service Award Memo
  2.    PUC Bar Graph Comparison
  3.    Matrix

Attachments:      [Exhibit 1 - Distinguished Service Award 2016 Williams](#)  
                              [Exhibit 2 - PUC Bar Graph Comparison](#)  
                              [Exhibit 3- New Business Matrix](#)

## CONCLUDING ITEMS

A.    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.

B.    Possible Continuation of Closed Meeting topics, above posted.

## CERTIFICATE

I certify that the above notice of meeting was posted on the bulletin board at the City Hall of the City of Denton, Texas, on the \_\_\_\_\_ day of \_\_\_\_\_, 2016 at \_\_\_\_\_ o'clock (a.m.) (p.m.)

\_\_\_\_\_  
CITY SECRETARY

NOTE:      THE CITY OF DENTON SERVICE CENTER TRAINING ROOM IS HANDICAP-ACCESSIBLE IN ACCORDANCE WITH THE AMERICANS WITH DISABILITIES ACT. THE CITY WILL PROVIDE SIGN LANGUAGE INTERPRETERS FOR THE HEARING IMPAIRED IF REQUESTED AT LEAST 48 HOURS IN ADVANCE OF THE SCHEDULED MEETING. PLEASE CALL THE CITY SECRETARY'S OFFICE AT 349-8309 OR USE TELECOMMUNICATIONS DEVICES FOR THE DEAF (TDD) BY CALLING 1-800-RELAY-TX SO THAT A SIGN LANGUAGE INTERPRETER CAN BE SCHEDULED THROUGH THE CITY SECRETARY'S OFFICE.