



City of Denton

City Hall
215 E. McKinney St.
Denton, Texas 76201
www.cityofdenton.com

Meeting Agenda Public Utilities Board

Monday, June 27, 2016

9:00 AM

Service Center Training Room

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 27, 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. [PUB16-120](#)** Deliberations regarding Real Property - Under Texas Government Code, Section 551.072; Consultation with Attorneys - Under Texas Government Code, Section 551.071.

Discuss, deliberate, and receive information from staff and provide staff with direction pertaining to certain real property interests located in the R. Longbottom Survey, Abstract Number 775, City of Denton, Denton County, Texas, and generally located on the east line of Virginia Street, north of U.S. Highway 380 (University Drive). Consultation with the City's attorneys regarding legal issues associated with the real property described above 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 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. (Prescott Property)

- B. [PUB16-127](#)** 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, discuss, deliberate, and provide staff with direction regarding the potential acquisition of real property interests generally located in the Gibson Myers Survey, Abstract No. 843, The Johnson, Green, Myers, and Brummell Survey, Abstract No. 1699, the Moses H. Davis Survey, Abstract No. 377, and the William Wilburn Survey, Abstract No. 1419, located in the City of Denton, Denton County, Texas, for the possible construction of an electric generation facility where deliberation in an open meeting would have a detrimental effect on the position of a governmental body in negotiations with a third party. Consultation with the City's attorney's regarding legal issues associated with the

acquisition of the real property interests described above 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.

C. [PUB16-132](#) DELIBERATIONS REGARDING CERTAIN PUBLIC POWER UTILITIES: COMPETITIVE MATTERS --- Under Texas Government Code §551.086.

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

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 – F). 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 – F 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. [PUB16-114](#) Consider recommending approval of the FY 2016-2017 Utilities Financial Strategies document.

Attachments: [Exhibit 1 - FY2016-17 UTILITIES FINANCIAL STRATEGIES, FINAL, 060316](#)

- B. [PUB16-122](#) Consider recommending approval of Contract Amendment #2 to the Professional Services Agreement for Architect or Engineer by and between Teague Nall and Perkins, Inc. and the City of Denton for engineering and surveying services associated with the FY 2015-2016 Wastewater Collection System Improvements Project, in a not-to-exceed amount of \$93,600.00.

Attachments: [Exhibit 1 - Contract Amendment #2](#)

- C. [PUB16-124](#) Consider adoption of an ordinance authorizing the City Manager, or his authorized designee to execute an agreement or agreements by and between the City of Denton, Texas and the Texas Municipal Power Agency (TMPA), that provides for terms and conditions under which the parties will be jointly manage the responsibility of the operations of TMPA, in substantial conformity with the attached exhibits; authorizing the expenditure of funds therefor; and providing an effective date.

Attachments: [TMPA - Joint Operating Agreement - Signed by Legal.pdf](#)

- D. [PUB16-128](#) Consider a recommendation that the City Council adopt an ordinance finding that a public use and necessity exists to acquire fee simple title to a 117.145 acres comprised of a 113.417 acre tract of land situated in the Gibson Myers Survey, Abstract No. 843 and the Moses H. Davis Survey, Abstract No. 377, City of Denton, Denton County, Texas, and being a part of a called 691.64 acre tract of land described in a Deed to Eagle Farms, Inc. and John Porter Auto Sales, Inc., as recorded in Document No. 93-077959 of the Real Property Records of Denton County, Texas and a 3.728 acre tract of land situated in the Johnson, Green, Myers and Brummett Survey, Abstract No. 1699 and the Moses H. Davis Survey, Abstract No. 377, City of Denton, Denton County, Texas, and being a part of a called 691.64 acre tract of land described in a Deed to Eagle Farms, Inc. and John Porter Auto Sales, Inc., as recorded in Document No. 93-077959 of the Real Property Records of Denton County, Texas ("Property Interests"), for the public use of, expansion, construction, maintenance, operation, and improvement of an electric power generation facility, transmission and distribution lines, ancillary facilities and structures, including substations and switch stations; authorizing the City Manager, acting City Manager, or his designee, to make initial and final offers to execute a contract of sale, between the City of Denton, Texas ("City"), as buyer, and Eagle Farms, Inc., a Texas Corporation, and John Porter Auto Sales, Inc., a Texas Corporation, ("Owner"), as seller, to acquire fee title to the Property Interests for the purchase price of \$2,928,625.00, and other consideration; authorizing the filing of eminent domain proceedings to acquire the Property Interests if the final offer is not accepted; authorizing the expenditure of funds; and providing an effective date.

Attachments: [Exhibit 1 - Legal - Property Description](#)

[Exhibit 2 - DEC Property Map](#)

- E. [PUB16-134](#) Consider a recommendation for the approval of RFP #6094 for Fisher-Poirer Construction to enter into a contract with the City of Denton for the amount of \$127,750 to provide construction and renovation services for the Industrial Pretreatment building at the Pecan Creek Water Reclamation Plant, 1100 S. Mayhill Road, Denton, Texas.

Attachments: [Exhibit 1 - Renovation of the Pecan Creek Reclamation Maintenance Building -](#)

- F. [PUB16-138](#) Consider recommendation of an ordinance regarding settlement of the pending litigation entitled: The City of Denton, Texas v NRG Power Marketing, LLC, et al., Cause No. 15-01404-16 in the 16th Judicial District Court in and for Denton County, Texas; discuss, deliberate and provide staff with direction.

Attachments: [Proposed Ordinance.pdf](#)

ITEMS FOR INDIVIDUAL CONSIDERATION

- A. [PUB16-135](#) Consider approval of the Public Utilities Board Meeting minutes of June 13, 2016.

Attachments: [Exhibit 1 - PUB 6-13-16 Draft Minutes](#)

- B. [PUB16-123](#) Consider recommending approval of the FY 2016-2017 Water operating budget and the FY 2017-2021 Water Capital Improvements Plans (CIP).

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

- C. [PUB16-125](#) Consider recommending approval of the FY 2016-2017 Wastewater operating budget and the FY 2017-2021 Wastewater Capital Improvements Plans (CIP).

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

- D. [PUB16-131](#) Consider a recommendation of approval of the FY 2017-2021 Electric Capital Improvement Program (CIP).

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

- E. [PUB16-133](#) Consider recommending approval of the proposed 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- Proposed 2016-17 SW&R Budget & CIP Presentation to PUB](#)
 [Exhibit 2- SW Summary Budget Information](#)

- F. [PUB16-136](#) ACM Update:
 1. Matrix

Attachments: [Exhibit 1 - 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.