

MINUTES
PUBLIC UTILITIES BOARD

Monday, January 9, 2017

9:00a.m.

Service Center Training 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, January 9, 2017 at 9:00a.m. in the Service Center Training Room at the City of Service Center, 901 A Texas Street, Denton, Texas.

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

Ex Officio Members: Howard Martin, ACM Utilities

CLOSED MEETING

- A. PUB16-245-** Deliberations Regarding Certain Public Power Utilities: Competitive Matters --
- Under Texas Government Code §551.086. Consultation with Attorneys - Under Texas Government Code Section 551.071.

Receive a presentation from staff regarding public power competitive and financial matters pertaining to plans, strategies, opportunities, and developments for generation improvements to the City's electric system; discuss and deliberate strategies regarding same; discuss ancillary operational matters related to the Denton Energy Center including, but not limited to Information Technology, fiber optic network, water service loop, and wastewater line. Discuss, deliberate and provide staff with direction. 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. PUB16-257-** Deliberations Regarding Certain Public Power Utilities: Competitive Matters --
- Under Texas Government Code §551.086. Consultation with Attorneys - Under Texas Government Code Section 551.071.

Receive a presentation from staff regarding public power competitive and financial matters pertaining to plans, strategies, opportunities, and developments for generation improvements to the City's electric system; discuss and deliberate strategies regarding same; discuss and deliberate opportunities and strategies for the City to amend the scope of work component in an existing contract that provides engineering, procurement, and construction ("EPC") services for the Denton Energy Center. Take final action on a modification of the scope of work portion of the EPC. agreement with Burns and McDonnell Engineering Company, Inc. 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.

- C. PUB16-262-** Deliberations Regarding Certain Public Power Utilities: Competitive Matters --
- Under Texas Government Code §551.086. Consultation with Attorneys - Under Texas Government Code Section 551.071.

Receive a presentation from staff regarding public power competitive and financial matters pertaining to purchased power pricing and other public power information that is contained in the proposed amendment to the Power Purchase Agreement by and between the City of Denton, Texas, who is selling power and electric energy services to the Texas Woman's University, Denton, Texas; discuss and deliberate strategies regarding same; take final action on a proposed amendment to the Power Purchase Agreement with Texas Woman's University. 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.

D. PUB17-007- 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 R. Beaumont Survey, Abstract No. 31, in the City of Denton, Denton County, Texas; where discussion 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. [Hickory to Bonnie Brae Transmission Line].

E. PUB17-010- 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 the potential purchase of certain real property interests out of the Gideon Walker Survey, Abstract 1330, the Morreau Forrest Survey, Abstract 417, the David Hough Survey, Abstract 646, and Lot 1, Block 1, Tower Addition, an addition to the City of Denton, all in Denton County, Texas, and located generally in the 600, 900, 1900 and 2100 blocks of South Mayhill Road, Denton, Texas. Consultation with the City's attorneys regarding legal issues associated with the potential acquisition or condemnation 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 Public Utilities 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. (Solid Waste Department - Mayhill Road)

F. PUB17-011- 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 the potential purchase of certain real property interests out of the Alexander Hill Survey, Abstract No. 623, in Denton County, Texas, and generally located in the 1000 block of Fort Worth Drive, Denton, Texas. Consultation with the City's attorneys regarding legal

issues associated with the potential acquisition or condemnation 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 Public Utilities 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. (Fort Worth Drive Utility Relocations Project - PKR Properties, LP - Parcel 3E)

- G. PUB17-013-** Deliberations Regarding Certain Public Power Utilities: Competitive Matters --
- Under Texas Government Code §551.086. Consultation with Attorneys - Under Texas Government Code Section 551.071

Receive a briefing and information pertaining to certain competitive public power and financial issues regarding Texas Municipal Power Agency ("TMPA") on matters including, without limitation: present and future plant operations issues, plant and system expenses, maintenance issues, performance issues, financial issues, reliability issues, planning issues, and any related issues concerning the City's interest in, and its business relationship with the Texas Municipal Power Agency; and discuss, deliberate, and provide Staff with direction regarding such matters. 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 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.

- H. PUB17-015-** Deliberations Regarding Certain Public Power Utilities: Competitive Matters --
- Under Texas Government Code §551.086. Consultation with Attorneys - Under Texas Government Code Section 551.071

Receive a briefing and information from Denton Municipal Electric ("DME") staff regarding certain public power competitive, financial and commercial information relating to transmission cost of service rate setting. Consultation with the City's attorneys regarding legal issues where 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 potential litigation. Discuss, deliberate, and provide staff with direction.

OPEN MEETING

CONSENT AGENDA

- A. PUB16-266** Consider recommending approval of a development agreement between the City of Denton and Crawford Hospital Partners, LLC, for the provision of water and sanitary sewer service to Lots 1-8 of Ranch View Surgical Hospital.

Board Member Carroll asked what we are doing. Tim Fisher answered as we now have a presence in the southern portion of Denton close to the Robson Ranch area that did not have a great system and was very prohibitive financially. This area had been looked at with modeling of water and wastewater. Since this area is not very developed currently we are requiring up front impact fees. This is the option that staff recommends for this tract of land.

Robinson does this bring service along the way, with a pro-rata agreement. Fisher answered they are looping through an undevelopable area. There are no pro-rata agreements.

Board Member Carroll motioned to approve item A. There was a second by Board Member Bishop. Vote 7-0 approved.

- B. PUB17-001** Consider recommending adoption of an ordinance of the City of Denton authorizing the City Manager or his designee to execute a contract through the Buy Board Cooperative Purchasing Network for the acquisition of two (2) excavators, one (1) dozer and one (1) track loader for the City of Denton Solid Waste Department; and providing an effective date (File 6336-awarded to Kirby Smith Machinery, Inc. in the amount of \$1,342,955 and Holt Caterpillar in the amount of \$547,757.98).
- C. PUB17-002** Consider the recommendation of an ordinance of the City of Denton authorizing the City Manager or his designee to execute a contract through the Houston-Galveston Area Council of Governments (H-GAC) Cooperative Purchasing Program for the acquisition one (1) rear loader refuse body for Solid Waste Department; and providing an effective date (File 6335- Purchase of one (1) refuse body from McNeilus Manufacturing for \$77,935).
- D. PUB17-003** Consider the recommendation of an ordinance of the City of Denton authorizing the City Manager or his designee to execute a contract through the Houston-Galveston Area Council of Governments (H-GAC) Cooperative Purchasing Program for the acquisition six (6) refuse bodies for Solid Waste Department; and providing an effective date (File 6334- Purchase of six (6) refuse bodies from BTE Body Company, Inc. for \$851,692.55).
- E. PUB17-005** Recommend approval to award a three year contract in an amount not to exceed \$900,000 for the purchase of structural mega-block wall systems, to Stone Strong of Texas, Decatur, Texas. (File 6331)
- F. PUB17-006** Recommend approval to award a three year contract in an amount not-to-exceed \$300,000 for the purchase of precast Alfabloc concrete and associated materials, to Tricon Precast Limited, Houston, Texas. (File 6106)

Board Member Russell asked if this is this similar to what has been done before.

Kemler answered yes, staff looked for who has provided this type of precast before. **Chair Robinson asked if we have equipment to move the concrete pieces if necessary.** Kemler answered that we do.

Board Member Russell motioned to approve item F. There was a second by Board Member Jackson. Vote 7-0 approved.

Board Member Bynum motioned to approve items B - E. There was a second by Board Member Parker. Vote 7-0 approved.

ITEMS FOR INDIVIDUAL CONSIDERATION

- A. PUB16-246** Consider recommending approval of the Public Utilities Board Meeting minutes of December 12, 2016.

Approved as circulated

- B. PUB17-008- 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.

Adjournment 11:18 a.m.

Approved 1/23/17